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1. Purpose

This policy outlines the duties, roles and responsibilities of the Board of Meli Kindergarten Services.

2. Values

Meli Kindergarten Services (MKS) is committed to delivering high quality outcomes by ensuring:

- appropriate systems and processes are in place to enable good governance and management
- robust and effective governance and management policies and procedures
- accountability to its stakeholders
- effective systems of risk management, financial and internal control, and performance reporting
- compliance with regulatory and legislative requirements, including those that govern our physical spaces, equipment and facilities, confidentiality of records, notifications, and reporting
- remaining solvent and complying with its financial obligations
- embedding a culture of quality improvement through routine self-assessment, planning and review,

3. Scope

This policy applies to MKS as the Approved Provider, the MKS Board (the Board), and all sub-committees of the Board.

4. Background

The governance of an organisation is concerned with the systems and processes that ensure the overall direction, effectiveness, supervision, and accountability of a service. As an approved provider, MKS must ensure that there are effective systems, procedures, and processes in place to support the service to operate effectively and ethically, and all legal and regulatory requirements governing the operation of the business are met.

The Board Directors are responsible for the stewardship and future well-being of the organisation. The Board should exercise leadership, enterprise, integrity, and judgement in directing the organisation as to provide assurance of its continuing and lasting prosperity. The Board is responsible for setting the direction of the service and ensuring that its goals and objectives are met in line with its constitution, and that its legal and regulatory requirements governing the operation of the business are met.

Under the *Education and Care Services National Law Act 2010 and Education and Care Services National Regulations 2011*, early childhood services are required to have policies and procedures in place relating to the governance and management of the service, including confidentiality of records (refer to *Privacy and Confidentiality Policy*).

5. Definitions

The terms defined in this section relate specifically to this policy.

Actual conflict of interest: One where there is a real conflict between a Board member's responsibilities and their private interests.

Conflict of interest: An interest that may affect, or may appear likely to affect, the judgement or conduct of a member(s) of the Board or subcommittee or may impair their independence or loyalty to the service. A conflict of interest can arise from avoiding personal losses as well as gaining personal advantage, whether financial or otherwise, and may also involve the also relatives, friends, or business associates of the Board or subcommittee.

Continuous improvement: Ongoing improvement in the provision of quality education and care services. The National Quality Framework (NQF) aims to raise quality and drive continuous improvement through the National Quality Standard (NQS) and quality rating processes. Quality rating encourages continuous improvement and engages the approved provider in self-assessment and performance against the NQS. Providers of high-quality services regularly monitor and review their performance to guide planning and make improvements.

Development of professionals: A system of regular performance review, individual learning and development plans for educators, staff, and co-ordinators. Performance planning and review ensures that the knowledge, skills and practices of educators and other staff members are current, and that areas requiring further development are addressed.

Ethical practice: A standard of behaviour that the service deems acceptable in providing their services.

Fit and proper person: The regulatory authority assesses whether an approved provider or a person with management or control of a service is a fit and proper person to be involved in the provision of an education and care service.

In determining whether they are a fit and proper person, the regulatory authority will consider:

- the person's history of compliance with any education and care services, children's services or education law, and any decision under one of those laws to refuse, refuse to renew, suspend, or cancel a licence, approval, registration, or certification issued to the person under that law
- criminal history, to the extent that it may affect suitability for the role of provider (including working with children clearance, such as a WWCC, or teacher registration details, jurisdiction dependant)
- whether they are bankrupt or insolvent
- whether they have financial circumstances that can sustain the ongoing operation of a service
- if they have a medical condition that makes them incapable of being responsible for the service
- whether they have the management capability to operate a service
- actions taken under Commonwealth Family Assistance Law, including sanctions and suspensions.

Governance: The process by which organisations are directed, controlled, and held to account. It encompasses authority, accountability, stewardship, leadership, directions, and control exercised in the organisation (Australian National Audit Office, 1999).

Interest: Anything that can have an impact on an individual or a group.

Management system: A system to manage organisational risks and enable the effective management and operation of a quality service

Perceived conflict of interest: Arises where a third party could form the view that a Board member's private interests could improperly influence the performance of their duties on the Committee of Management/Board, now or in the future.

Potential conflict of interest: Arises where a Board member has private interests that could conflict with their responsibilities.

Private interests: Includes not only a Board member's own personal, professional, or business interests, but also those of their relatives, friends, or business associates

Quality Improvement Plan (QIP): A document created by an approved provider to help self-assess service performance in delivering quality education and care and to plan future improvements. Regulatory authorities consider the service's QIP as part of the quality assessment and rating process.

The QIP does not have to be provided in any specific format, but must include:

- an assessment of the quality of service practices against the National Quality Standard and the National Regulations
- identified areas for improvement
- a statement of the service's philosophy

Service philosophy: A statement included in the service QIP that outlines the purpose and principles under which the service operates, that:

- underpins the decisions, policies, and daily practices of the service
- reflects a shared understanding of the service among staff, children, families, and the community
- guides educators' pedagogy, planning and practice when delivering the educational program

6. Core Elements of the Governance Model

The following are the core elements of the governance systems at MKS for which the Board is responsible:

- Stewardship/Custodianship
 - ensure the service pursues its stated purpose and remains viable
 - budget and financial accountability enables viability and effective use of service resources
 - risk is managed appropriately
- Leadership
 - provide leadership, forward planning, and guidance to the service, particularly in relation to developing a strategic culture and directions.
- Authority, Accountability, and Control
 - monitor to ensure good management practices and appropriate checks are in place
 - be accountable to members of the service
 - maintain focus, integrity, and quality of service
 - oversee legal functions and responsibilities
 - declare all actual, potential, or perceived conflicts of interest

6.1. Legal Liabilities of Members of the Committee of the Board

Under its constitution, the Board is responsible for taking all reasonable steps to ensure that:

- the laws and regulations relating to the operation of the service are observed
- policies and procedures are in place to support compliance with the legislative and regulatory requirements of the service
- appropriate systems are in place to monitor compliance
- members exercise reasonable care and skill in fulfilling their roles
- members act honestly, with due care and diligence
- members do not use information they have access to improperly
- Members do not use their position for personal gain or put individual interests ahead of responsibilities

6.2. Responsibilities of the Board

The Board of MKS is responsible for:

- governing the service with an emphasis on a future focus and strategic issues, making decisions that reflect the interests, values and beliefs of members and staff, the purpose of the service, and the service philosophy which guides decisions and the work of the Board and staff
- ensuring there is a sound framework of effective governance policies under which the Board operates, and operational policies that comply with legislative and regulatory requirements, and enables the operation of the service and the achievement of the service's vision and mission
- establishing defined roles and responsibilities for the members of the Board, individually and as a collective, management and staff, and clearly articulate the relationship between the Board and staff
- developing ethical standards and a code of conduct to guide actions and decisions in a way that is transparent and consistent with the goals, values, and beliefs of the service

- Setting the risk culture for the service, monitoring and managing strategic risks, reviewing, and approving the operational risks management framework and monitoring the effectiveness of the agency's risk management performance.
- ensuring that actions and decisions made by the Board are transparent and will help build confidence among members and stakeholders
- reviewing the service's budget and monitoring financial performance to ensure the service is always solvent, and has good financial strength
- approving annual financial statements and providing required reports to government
- setting and maintaining appropriate delegations and internal controls
- appointing the Chief Executive Officer and monitoring their performance, ensuring management is continually striving to exceed performance expectations.
- evaluating and improving the performance of the Board
- focusing on the strategic directions of the organisation and avoiding involvement in day-to-day operational decisions

6.3. Confidentiality

All members of the Board and its subcommittees who gain access to confidential, commercially sensitive, and other information of a similar nature shall not disclose that information to anyone unless the disclosure of such information is required by law (*refer to Privacy and Confidentiality Policy*).

Members of the Board and its subcommittees shall respect the confidentiality of those documents and deliberations at Board or subcommittee meetings, and shall not:

- disclose confidential information acquired by virtue of their position on the Board or subcommittee
- use information for personal or financial benefit, or for the benefit of any other person
- permit any unauthorised person to access or inspect any confidential documents or information

This obligation, placed on a member of the Board or subcommittee, shall continue even after the individual has completed their term and is no longer on the Board or subcommittee.

The obligation to maintain confidentiality also applies to any person who is invited to any meetings of the Board or subcommittee as an observer or in any other capacity.

6.4. Ethical Practice

The following principles provide the ethical framework that guides service delivery at MKS:

- always treating colleagues, parents/guardians, children, contractors/suppliers, the community, and other stakeholders professionally, and respecting the differing opinions of others
- respecting cultural difference and diversity, and welcoming all children and families in the community
- acting in accordance with fiduciary duties, complying with the spirit as well as the letter of the law, representing the interests of stakeholders and having open and transparent relationships with government, supporters, and other funders
- always operating with honesty and integrity, and in the best interests of MKS
- being open and transparent when making decisions and undertaking activities, and if that is not possible, explaining why
- working to the standards set by the *National Quality Framework* and all applicable legislation, and striving to continually improve the quality of the services delivered to the community
- disclosing conflicts of interest as soon as they arise and effectively managing them
- recognising the support and operational contributions of others
- assessing and minimising adverse impacts of decisions and activities on the natural environment.

6.5. Managing Conflicts of Interest

Conflicts of interest, whether actual, potential, or perceived, must be declared by all members of the Board and its subcommittees, and managed effectively to ensure integrity and transparency.

Every member of the Board and its subcommittees have a continuing responsibility to scrutinise their transactions, external business interests and relationships for potential conflicts, and to make such disclosures in a timely manner as they arise.

The following process will be followed to manage any conflicts of interest:

- whenever there is a conflict of interest, as defined in this policy, the member concerned must notify the Chair of such conflict, as soon as possible after identifying the conflict
- the conflict of interest must be declared and registered in the Register of Interest.
- the member who is conflicted must not be present during the meeting of the Board or subcommittee where the matter is being discussed or participate in any decisions made on that matter.
- the member concerned must provide the Board with all relevant information in relation to the matter
- the Board shall determine if the conflict is material in nature and advise the member accordingly
- meeting minutes must reflect that the conflict of interest was disclosed, and appropriate processes followed to manage the conflict.

A Conflict of interest disclosure statement must be completed by each member of the Board and subcommittee upon their appointment, and annually thereafter. If information in this statement changes, the member shall disclose the change to the Chair, and revise the disclosure statement accordingly.

All violations of the requirement to disclose and manage conflicts shall be dealt with in accordance with the MKS constitution.

7. Responsibilities

RESPONSIBILITIES	Approved provider and persons with management control	Nominated supervisor and persons in day-to-day charge	Early childhood teacher, educators, and all other staff
R indicates legislation requirement, and should not be deleted			
Ensure the obligations of the <i>Education and Care Services National Law and National Regulations</i> , and laws relevant to governance and management of the service, are met	R	√	
Display the prescribed information in <i>National Law: Section 172 (Regulation 173)</i>	R	√	
Provide information to the regulatory authority upon request in relation to being a fit and proper person (<i>National Law: Sections 13, 14, 21</i>)	R		
Ensure the service is insured and keep evidence of this (<i>National Law: Section 51; Regulations 29, 180</i>)	R		
Ensure the number of children at the service does not exceed the maximum in the service approval (<i>National Law: Section 51</i>)	R	√	
Ensure the family of a child at the service can enter the premises (<i>Regulation 157</i>)	R	√	
Adopt quality governance and management practices, in line with the <i>National Quality Standard</i> , especially Quality Area 7 – Governance and leadership	R	√	
Establish risk management systems, performance reporting, financial and internal control	R	√	
Review service philosophy and purpose, strategic direction, and initiatives	R	√	
Take reasonable steps to ensure that nominated supervisors, educators, staff, and volunteers follow the <i>Governance and Management policy</i> and procedures	R		
Ensure policies and procedures are readily accessible to nominated supervisors, co-ordinators, educators, staff, volunteers, and families, and available for inspection	R		
Notify families at least 14 days before changing this policy if the changes will: <ul style="list-style-type: none"> • affect fees charged or the way they are collected or • significantly impact the service’s education and care of children or • significantly impact the family’s ability to use the service. 	R		
Notifications and Reporting			
Ensure reporting requirements are met regarding the <i>National Quality Framework</i> , family assistance, taxation, child protection, and other relevant laws	R	√	

Notify the regulatory authority about the approved provider and operational changes, and changes in relation to the nominated supervisor, as detailed in <i>National Law: Section 173 (Regulations 174, 174A)</i>	R	√	
Notify regulatory authority about changes to the 'fit and proper' status of the approved provider, any serious incidents, and complaints relating to a serious incident or that the Law has been contravened (<i>National Law: section 174; Regulations 175, 176, 176A</i>)	R	√	
Health, Safety and Wellbeing			
Ensure health, safety, and wellbeing of children at the service and take reasonable precaution to protect children from harm and hazard (<i>National Law: Section 51</i>)	R	√	√
Quality Improvement Plan (QIP)			
Ensure there is an effective self-assessment and quality improvement process in place, including a QIP that is kept at the premises or is made available for inspection and to families (<i>Regulations 31, 55</i>)	R	√	√
Ensure the QIP is reviewed at least annually (<i>Regulation 56</i>)	R	√	√
Space, Equipment and Facilities			
Ensure requirements relating to the physical environment, space, equipment, and facilities are met, including <i>Regulations 104, 106, 107, 108, 109, 110, 116, 117</i>	R	√	√
Educational Needs and Program			
Ensure educational and developmental needs are met (<i>National Law: Section 51</i>)	R	√	√
Early Childhood Teachers, Educators and Staff			
Ensure requirements relating to staffing are met, including implementing the <i>Staffing policy</i> and procedures (<i>Regulation 84</i>)	R	√	
Ensure roles and responsibilities are clearly defined, understood, and support effective decision making and operation of the service	R	√	
Ensure the performance of educators, staff and co-ordinators is regularly evaluated, and individual plans are in place to support learning and development	R	√	
Ensure that any person to whom a prohibition notice applies are not engaged by the service (<i>National Law: Section 188</i>)	R		
Ensure the educational leader is supported to lead the development and implementation of the educational program and assessment and planning cycle	R	√	
Nominated Supervisors and Responsible Person			
Ensure that requirements relating to the nominated supervisor and responsible person are met, including implementing the <i>Staffing policy</i> and procedures (<i>National Law: Section 162, 162A; Regulation 117B</i>)	R		
Records and Confidentiality			
Keep a record of service compliance with the information listed in <i>Regulation 167</i>	R	√	
Keep a record of enrolment and other documents listed in <i>National Law: Section 175</i> at the service and be available for inspection by an authorised officer	R	√	
Ensure records are confidential except as permitted under <i>Regulations 181 and 182</i>	R	√	
Ensure records are securely stored for the period set out in <i>Regulation 183</i>	R	√	
Keep enrolment and attendance records (<i>Regulations 158, 159, 160, 161, 162</i>) listed in <i>Regulations 160, 177 and 178</i> , and ensure they are accurate and available to families on request (<i>National Law: section 175</i>). If a service approval is transferred, documents must be transferred to the receiving approved provider (<i>Regulation 184</i>).	R	√	

8. Evaluation

To assess whether the values and purposes of the policy have been achieved, the approved provider will:

- regularly seek feedback from everyone affected by the policy regarding its effectiveness
- monitor the implementation, compliance, complaints, and incidents in relation to this policy
- keep the policy up to date with current legislation, research, policy, and best practice
- revise the policy and procedures as part of the service's policy review cycle, or as required
- notify all stakeholders affected by this policy at least 14 days before making any significant changes to this policy or its procedures unless a lesser period is necessary due to risk (*Regulation 172 (2)*).

9. Related Meli Policies

- Delegations of Authority Policy
- Board Charter

10. Related Meli Kindergarten Services Policies

- Code of Conduct
- Privacy and Confidentiality Policy
- Enrolment and Orientation Policy
- Staffing Policy

11. Relevant legislation and standards

Relevant legislation and standards include but are not limited to:

- Associations Incorporation Reform Act 2012 (Vic), as applicable to the service
- Corporations Act 2001, as applicable to the service
- Education and Care Services National Law Act 2010
- Education and Care Services National Regulations 2011
- National Quality Standard, Quality Area 7: Governance and Leadership

12. Sources

- ACECQA – Occasional Paper 5: Quality Area 7: Leadership and management in education and care services [acecqa.gov.au/media/25871](http://www.acecqa.gov.au/media/25871)
- ACECQA – Quality Area 7 resources <https://www.acecqa.gov.au/nqf/national-quality-standard/quality-area-7-governance-and-leadership>
- Australian Government – My business health [asbfeo.gov.au/my-business-health/home](http://www.asbfeo.gov.au/my-business-health/home)
- ELAA Early Childhood Management Manual: <https://elaa.org.au/resources/free-resources/eym-governance-support-manual/>
- ELAA EYM Governance Support Manual: <https://elaa.org.au/resources/free-resources/eym-governance-support-manual/>
- Justice Connect: <http://www.justiceconnect.org.au/>
- Our Community: www.ourcommunity.com.au