



25 JUN 2018



Thank you for your email of 26 April 2018 to the Ministry of Education requesting the following information:

"Documents, including, but not excluding, reports, Cabinet papers, briefing papers or reports, memos, filenotes, meeting notes developed by the Ministry of Education or any Ministry of Education contractor, such as Astute Education, relating to the home-based ECE sector that has helped inform the review of the home-based sector for the period 2016 and 2017."

Your request has been considered under the Official Information Act 1982 (the Act).

I am releasing to you three documents outlined in the table below:

#	Date	Title	Decision on release
1	9 March 2016	<i>Education Report: Home-based Early Childhood Education Update</i>	Information withheld under sections: <ul style="list-style-type: none"> 9(2)(a), to protect the privacy of natural persons; and 18(c)(i), that the making available of the information requested would be contrary to secrecy provisions in section 86 of the Tax Administration Act 1994.
2	11 August 2016	<i>Briefing Note: Home-based Early Childhood Education</i>	Information withheld under sections: <ul style="list-style-type: none"> 9(2)(a), to protect the privacy of natural persons; 9(2)(g)(i), to maintain the effective conduct of public affairs through the free and frank expression of opinions; and 6(c), the making available of that information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial.

#	Date	Title	Decision on release
3	25 October 2016	<i>Education Report: The definition change to home-based ECE and associated amendments to licensing criteria</i>	Information withheld under section: <ul style="list-style-type: none"> 9(2)(a), to protect the privacy of natural persons.

Please note that in paragraph 9 of *Briefing Note: Home-based Early Childhood Education*, it says:

Total enrolments in home-based ECE increased 114% from 2000 to 2014. This increase has been particularly significant for children aged under 2 years old –between 2000 and 2014, the increase was 205%.

The increase of 205% is incorrect and should read as 115%.

In paragraph 10 (provided below), the data provided is for the home-based ECE sector and not the entire ECE sector as a whole.

	2000	2005	2010	2015
Not-for-profit	74%	50%	25%	15%
For-profit	26%	50%	75%	85%

The *Education Report: Scope and timing of review of home-based ECE* is publicly available in the April tranche of proactive release documents on the Ministry's website at:

<https://www.education.govt.nz/ministry-of-education/information-releases/release-of-ministerial-decision-making-documents/release-of-ministerial-decision-making-documents-2018/>.

For this reason, I am refusing this document under section 18(d) of the Act as it is publicly available.

I am also withholding two documents in full under section 6(c) of the Act, as the making available of the information would be likely to prejudice the maintenance of the law, and one other document in full under section 9(2)(f)(iv) of the Act, to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

You may be interested to know that the Cabinet paper, Review of Home-based Early Childhood Education (ECE), is available on our website: www.education.govt.nz/ministry-of-education/information-releases/home-based-early-childhood-education-review/.

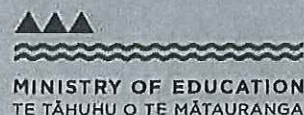
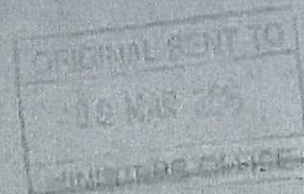
The Ministry now proactively publishes responses under the Act on our website. As such, we may publish this response on our website after five working days. Your name and contact details will be removed.

Thank you again for your email. You have the right to ask an Ombudsman to review this decision. You can do this by writing to info@ombudsman.parliament.nz or Office of the Ombudsman, PO Box 10152, Wellington 6143.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Schöllmann', with a long horizontal flourish extending to the right.

Andrea Schöllmann
Deputy Secretary
Education System Policy



Education Report: Home-based Early Childhood Education Update

Date:	9 March 2016	Priority:	Medium	09 MAR 2016
Security Level:	In Confidence	METIS No:	980691	BY: me

Action Sought

Addressee	Action Sought	Deadline
Minister of Education	<p>Note we are working with the Home-based ECE Advisory Group to progress the recommendations of the Home-based ECE Working Group</p> <p>Note that there have been a number of projects underway whose collective purpose is to increase our system capability and address issues across the ECE sector.</p>	31 March 2016
Enclosure: Yes		Round robin: No

Contact for telephone discussion (if required)

Name	Position	Telephone	1 st Contact
Anthony Newton	Manager		s 9(2)(a) OIA ✓
Anita Ciesionik-Jones	Drafter		

The following departments/agencies have seen this report:

MOE

Minister to Complete (please circle) 1 = very poor 2 = poor 3 = acceptable
4 = good 5 = very good

Minister's Office to Complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input checked="" type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by events |
| <input type="checkbox"/> See minister's notes | <input type="checkbox"/> Withdrawn |
| <input checked="" type="checkbox"/> Signed | |


Comments:

Education Report: Home-based Early Childhood Education Update

Recommendations

We recommend that you:

- a. **note** that at the end of its term the Home-based ECE Working Group developed recommendations to improve Ministry guidance and processes;
- b. **note** that the Home-based ECE Advisory Group was then convened to support us to progress the recommendations and that we are currently working with them to complete all outstanding work;
- c. **note** there have been a number of recent changes to the home-based sector that are having an impact; and
- d. **note** that we have a number of projects underway whose collective purpose is to increase our system capability and address issues, like those we have noticed in home-based ECE, across the ECE sector as a whole.


Katrina Casey
Deputy Secretary
Sector Enablement and Support


Hon Hekia Parata
Minister of Education

23/3/16

Education Report: Home-based Early Childhood Education Update

Purpose of Report

1. This is an update of progress on the recommendations of the home-based early childhood education (ECE) Working Group (the Working Group) and an outline of next steps resulting from this work.
2. It also provides you with a summary update of recent changes within the home-based sector and our responses to these changes.

Background

3. The Working Group was established in 2013 after the review of Home-based ECE was discontinued. Its purpose was to enable us to work with, and support, the home-based sector to improve quality issues and contribute to our participation goal.
4. The Working Group had membership from peak home-based ECE bodies and Ministry officials, with support from Education Review Office officials. It had oversight of seven projects, nearly all of which considered operational issues faced by the home-based sector.

Discussion

Progress update on the Working Group recommendations

5. At the end of its term, the Working Group developed recommendations to improve Ministry guidance and processes that support quality home-based ECE. These are attached as Appendix A. It also recommended the sector and Ministry continue to work together, with new terms of reference, to further increase the quality of the sector.
6. Following this, the Home-based Advisory Group (the Advisory Group) was convened. Membership of the Advisory Group extends beyond the home-based sector. For example, it also includes representatives from Playcentre, New Zealand Kindergartens Inc and Te Kōhanga Reo National Trust.
7. The role of the Advisory Group is to support the Ministry to complete the outstanding tasks from the Working Group recommendations. They have met three times since October 2015. The outstanding work focuses on accountability and assurance practices, lifting quality through the clarification of regulatory requirements, and enabling electronic verification of records.

Recent changes within the home-based sector and their impact

Very high levels of growth

8. Over the last three years the biggest growth in service type has been in Education and Care Centres – 77%, 67% and 56% in 2013/14/15 respectively. However, over the same period of time, home-based has also experienced very high levels of growth, with new home-based services accounting for 19%, 28%, and 40% of all new ECE services over 2013/14/15 respectively.
9. This growth can primarily be attributed to a small number of providers who are opening multiple licences in a very short space of time. Whilst small in numbers, these providers now represent a significant proportion of all home-based providers.

Impact

10. Although we are confident children are being well cared for, we are not as assured about the level of education that is being provided. The speed of growth has raised concerns about services' ability to maintain quality standards once licensed. We are also seeing new patterns of non-compliant behaviour that is resource intensive to detect and manage, in part due to the speed with which the services are growing.
11. The Ministry puts a lot of human resource into licensing home-based ECE and managing any quality issues that arise. The rapid growth of the sector, and the associated size and scale of some services, is increasing pressure on this resource and making it difficult to assess and address issues. We are responding to this in a variety of ways (refer paragraphs 17-23)

Changes in patterns of enrolment and care arrangements

12. There has been a significant increase in the number of enrolments for children aged under 2-years-old (in particular for children aged under 1-year-old). This growth greatly exceeded our forecast for this age group. It would appear that for most of these new care arrangements a family member, usually the grandparent, is the educator and in a lot of cases no outside (non-familial) children attend.

Impact

13. We are aware that some services are actively seeking out families that have informal family care arrangements in place and are formalising them by enrolling them in the service. As a result we are providing increasing levels of ECE subsidy funding for care that would otherwise have taken place while becoming less assured about whether the expected level of education is being delivered.

Shift towards for-profit education and care

14. Over the past 15 years, the ECE sector, including home-based ECE, has seen a shift from being primarily not-for-profit to being primarily for-profit. The table below shows the change in home-based licences by ownership type over this time period.

	2000	2005	2010	2015
Not-for-profit	74%	50%	25%	15%
For-profit	26%	50%	75%	85%

15. There are a number of reasons for this. For example, the sector has seen the emergence of a large corporate entity, Evolve Education Group, which has purchased PORSE In-Home Childcare and Au Pair Link as well as smaller home-based ECE services. There has also been significant growth in the number of home-based ECE services that cater to specific communities and populations.

Impact

16. The rapid growth of the home-based ECE sector, and increasing interest in expanding licensed (and therefore subsidised) home-based ECE networks by medium to large service providers, continues to attract corporate interest. This is leading to perceptions of profit over quality.

The Ministry's response to these changes

17. We have a number of projects underway whose collective purpose is to increase our system capability and address issues such as those identified above across the ECE sector as a whole. In particular they will enable us to
- develop a systems response to identify and address non-compliant behaviour across a range of indicators within our current system and tools;
 - increase our evidence base; and
 - develop a system to monitor and respond, and then resource our response.
18. These projects will be applied to home-based ECE in the first instance.

Risk Assurance Mapping

19. We will be undertaking an evaluation of funding-related risks presented by the ECE sector and will ascertain the extent to which there is relevant information, effective monitoring and appropriate response capability by the Ministry. This will result in the development of an assurance map and the identification of gaps (or duplication) where risks are not adequately managed (or over-managed). We will start this process with home-based ECE.

ECE Information and Performance Project

20. This project aims to develop a suite of tools that will provide advance identification of licensed ECE services at risk of non-compliance across three areas: participation and quality; fiscal; and regulatory. This will allow us to significantly increase the number of ECE services we are able to monitor. We will then be able to allocate resources effectively and in a timely manner to mitigate risk. We will apply this to the home-based ECE sector in the first instance.

Co-ordinated Investigations

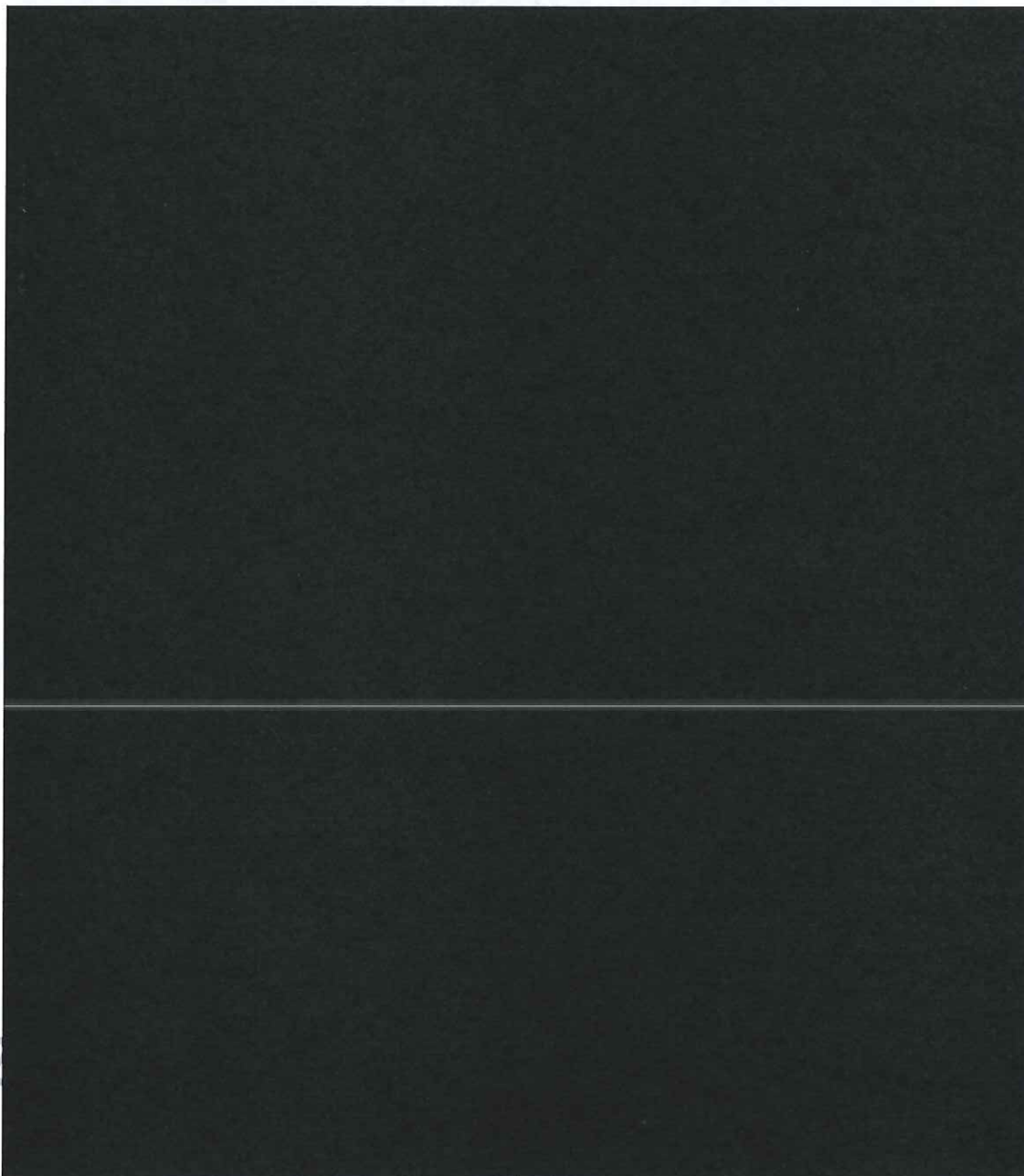
21. In response to recent complaints about two home-based ECE services we have had to take a new approach that merges capability and resource across various Sector Enablement and Support teams including monitoring, ECE licensing staff, and the National Office ECE team. This process has also highlighted the need for us to introduce specialised capability and resource to enable us to appropriately respond to the changes noted above. This approach will be used as a framework for future investigations across the ECE sector starting with home-based.

Licensing and Funding Levers Project

22. This project aims to improve our use of existing licensing and funding controls across the ECE sector by addressing gaps in our current guidance. There is a home-based specific work stream within the project.

Home-based Advisory Group

23. The Advisory Group will continue to meet and provide feedback on work from the outstanding Working Group recommendations. This will support operational clarity and compliance with the regulations by the sector.



§ 18(c)(i) OIA

§ 18(c)(i) OIA



MEMO



To: Karl le Quesne
From: Julie Madgwick
CC: Karin Dalgleish; Beverley Richards
Date: 16 October 2014
Subject: Home-based Work Programme

Description

1. In June 2013 the Minister of Education agreed for the Ministry to work with the home-based sector peak bodies on a work programme to support the sector to contribute to the BPS Goal of 98% participation in quality ECE by 2016. Alongside the participation goal, the work programme was focussed on increasing the quality of home-based ECE.
2. The Home-based Working Group (HBWG) was established and provided representatives to work on seven projects identified by the group as key to supporting the sector. The projects, deliverables and outcomes are attached as Appendix 1 Home-based ECE Work Programme.
3. The objectives of the HBWG are to:
 - identify ways we can work together to contribute to the BPS target
 - agree to and carry out a project to address a range of operational issues identified by the working group
 - foster a sense of commonality between government and the home-based ECE sector by achieving shared goals.
4. The project groups provided the HBWG with options papers and operational policy that included recommendations for future actions to support ongoing improvement in the sector.
5. Basecamp, an online project management tool, was used as a consultation platform where all members of the HBWG could view and comment on the work as it progressed.

Process

6. The project leads, all members of the ECE Operational Policy Design team, facilitated face to face and virtual meetings with their project teams to develop the recommendations for each project.
7. The project leads wrote the papers and, after numerous iterations following project team feedback, the papers were uploaded onto Basecamp for further feedback from the wider group. All final versions, pending Ministry sign off, were uploaded onto Basecamp by 1 October.
8. The project deliverables and outcomes are detailed in Appendix 1.

~~~~~  
 We get the job done *Kā ōti ā mātou ngā mahi*

We are respectful, we listen, we learn *He rōpū manaaki, he rōpū whakarongo, he rōpū ako mātou*

We back ourselves and others to win *Kā manawanui ki a mātou, me ētahi ake kia wikaoria*

We work together for maximum impact *Kā mahi ngātahi mo te tukinga nui tonu*

Great results are our bottom line *Ko ngā huanga tino pai a māton whāinga mutunga*



- b. carries out a desktop analysis of good practice resources on assurance and accountability in the home based sector (project 2).
- c. develops new accountability and assurance resources if any gaps are identified in the desktop analysis (project 2).
- d. shares the resources produced through Recommendations a-c with the Home Based Working Group, for its feedback (project 2).
- e. assesses current licensing operational policy and procedures and identifying any further information to be released (project 2).
- f. updates the information in the Funding Handbook to clarify the regulatory requirements for standard and quality funded networks and communicate these to the home-based sector (project 3).
- g. analyses ERO education review reports for individual home-based services to identify improvements in quality over time (project 3).
- h. works with the HBWG to establish a platform to share ideas, strategies and practical solutions, and to showcase good practice stories with other home-based providers (project 4).
- i. develops operational policy to define the processes for application, approval and monitoring of services using an electronic verification process for ECE records; make changes to the ECE Funding Handbook and communicate with the ECE sector and SMS providers (project 6).

AGREE/DISAGREE

19. In addition, and outside the work programme above, that you:

- a. **agree** that the Ministry retains the current service size for home based education and care networks (project 7).

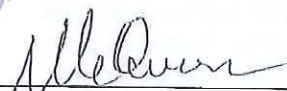
AGREE/DISAGREE

- b. **agree** to the contents of Regulation 28(2)(c) operational policy (appendix 2) (project 5)

AGREE/DISAGREE

- c. **agree** that the Ministry maintains the Home-based Working Group as an advisory and reference group with new terms of reference, subject to agreement from the group

AGREE/DISAGREE

  
Karl le Quesne  
Group Manager ECE

29/10/14  
Date

# Appendix 1

| Home-based ECE Work Programme                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project                                                                      | Deliverables – proposed and to be confirmed by working groups                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Outcomes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1. The simultaneous provision of home-based ECE and out of school programmes | <ul style="list-style-type: none"> <li>Operational policy memorandum</li> <li>Information for ECE licensing staff and services, including ECE Lead</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>This project has been discontinued in this forum because legislative change was outside the scope of this group. It is being considered in another work programme in the ECE Policy team.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2. Improving accountability and assurance in home-based ECE                  | <p>An options paper that will provide recommendations for:</p> <ul style="list-style-type: none"> <li>A process for ensuring regulations are maintained post licensing and for identifying, rectifying and managing regulatory breaches</li> <li>Protocols for licensing and working with providers</li> <li>Strengthening current licensing processes for home-based ECE, including documentation requirements and interpretation of criteria</li> <li>Supporting Ministry staff to gain a better understanding of home-based ECE and services to better understand the licensing process and requirements</li> <li>The implications of any recommendations for home-based ECE services and the Ministry</li> </ul> | <p>The Ministry to:</p> <ul style="list-style-type: none"> <li>create a webpage dedicated to internal accountability and assurance information and resources, with a section on responsibilities for each role</li> <li>carry out a desktop analysis of good practice resources on assurance and accountability in the home based sector</li> <li>develop new accountability and assurance resources if any gaps are identified in the desktop analysis</li> <li>share the resources produced through Recommendations A-C with the Home Based Working Group, for its feedback</li> <li>assess current licensing operational policy and procedures and identifying any further information to be released</li> </ul> |
| 3. Lifting the quality of home-based ECE services                            | <p>An options paper that will provide recommendations for:</p> <ul style="list-style-type: none"> <li>Ensuring the skills and practice of co-ordinators meet the role requirements</li> <li>How services can better support educators to improve practice over time</li> <li>Ensuring both standard and quality funding requirements</li> </ul>                                                                                                                                                                                                                                                                                                                                                                      | <p>The HBWG to:</p> <ul style="list-style-type: none"> <li>provide ITE providers with information on home-based ECE so they can include this in their degree level programmes</li> <li>investigate programmes for co-ordinators that focus on adult education and support the providers of these programmes to include home-based sector specific content</li> </ul>                                                                                                                                                                                                                                                                                                                                                |



## Appendix 1

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| contribute to 98%       | <ul style="list-style-type: none"> <li>• An analysis and prioritisation of identified options</li> <li>• An agreement of which options to implement</li> </ul>                                                                                                                                                                                                                                                                                                                       | <p>home-based providers. This might include ideas such as:</p> <ul style="list-style-type: none"> <li>▫ focusing on areas where they may be an unmet demand for ECE (e.g. long waiting lists)</li> <li>▫ strengthening or developing an identity as part of the community and embracing the community's identity language and culture</li> <li>▫ strengthening or building relationships with local government agencies that are likely to be working with families</li> <li>▫ how to overcome barriers to participation, including affordability and transport</li> <li>▫ accessing support available to make services more welcoming to non-participating families, and increasing the chances of a positive experience once children start attending (e.g. SELO, TAP 3 funding)</li> <li>▫ investigating opportunities to connect with other initiatives that are working to raise participation in communities</li> <li>▫ investigating opportunities for educators to form connections with each other and with other local ECE providers.</li> </ul> |
| 5. Regulation (28) (2c) | <ul style="list-style-type: none"> <li>• An operational policy memorandum that clarifies the intent of Regulation 28(2); how it should be implemented; and how it should be assessed.</li> <li>• Information for ECE licensing staff and Services (this includes information for ECE Lead).</li> <li>• Updated guidance for the Licensing Criteria for home-based Education and Care Services 2008 (if required)</li> <li>• Communication plan for the sector and regions</li> </ul> | <p>Operational policy (appendix 2) that details how to the requirements of regulation 28(2)(c) can be met including:</p> <ul style="list-style-type: none"> <li>• definitions of the elements of Regulation 28(2)(c)</li> <li>• what Ministry accepts as evidence of compliance with Regulation 28(2)(c)</li> </ul> <p>Next steps:</p> <ul style="list-style-type: none"> <li>• this operational policy will be made available to Ministry of Education licensing staff on KBase</li> <li>• a communications plan will be developed for the dissemination of the key information contained here to the</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |

## BRIEFING NOTE: Home-based Early Childhood Education

|                        |                |                  |         |
|------------------------|----------------|------------------|---------|
| <b>Date:</b>           | 11 August 2016 | <b>Priority:</b> | High    |
| <b>Security Level:</b> | In Confidence  | <b>METIS No:</b> | 1017406 |
| <b>Approved by:</b>    | Steve Stuart   | <b>DDI:</b>      |         |

s 9(2)(a) OIA

### Purpose

- This briefing note:
  - provides background information on home-based early childhood education (ECE) in New Zealand;
  - outlines projects underway at the Ministry of Education relating to home-based ECE; and
  - seeks an indication from you about whether you would like further advice.

### History of home-based ECE in New Zealand

- Since the late 1980s, the integration of care and education has been fundamental to ECE in New Zealand. As increasing numbers of women returned to work earlier after having children, care arrangements in home-based settings became more prevalent. As with other ECE service types, government took on the role of ensuring the quality of care for these children.
- Home-based education and care is defined in section 309 of the Education Act 1989 (the Act) as 'the provision of education and care, for gain or reward, to fewer than five children under the age of six' in a home environment. The education and care component is delivered by an in-home educator, who is not required to be qualified but receives supervision and support from a person responsible, also known as a coordinator. Coordinators are required to be qualified ECE teachers who have been certificated by the Education Council.
- The initial Education (Home-Based Care) Order 1992 (the Order) was based on the Barnardos model as it was the only home-based operator at the time. Other operators had to fit within or adapt this framework to receive government funding. A service's charter was considered against the standards set out in the Order and, if met, it would be signed and the service could receive funding.



5. Home-based ECE was incorporated into the broader Education (Early Childhood Services) Regulations 2008 (the regulations). These regulations introduced a singular licensing system for all ECE service types, and superseded the charter arrangement in the home-based sector. The regulations set out minimum standards for curriculum, premises and facilities, health and safety, and governance, management and administration, and define several roles within a service.

**Home-based provision is growing rapidly and is increasingly for-profit**

6. As at 31 May 2016 there were 474 active licensed home-based services run by 159 service providers. Home-based ECE services represented 10.4% of the total ECE sector.
7. In the year to the same date the home-based sector had received \$152 million equating to 8% of the total operational funding in the ECE sector.
8. The last three years have seen high levels of growth across the home-based ECE sector, with new home-based services accounting for 19%, 28%, and 40% of all new ECE services over financial years 2013/14/15 respectively. This can primarily be attributed to a small number of service providers opening multiple licensed services in a short space of time. These providers now represent a significant proportion of all home-based providers. There has also been significant growth in the number of home-based ECE services that cater to specific communities and populations.
9. Total enrolments in home-based ECE increased 114% from 2000 to 2014. This increase has been particularly significant for children aged under 2 years old – between 2000 and 2014, the increase was 205%.
10. Over the past 15 years the ECE sector, including home-based ECE, has seen a shift from being primarily not-for-profit to being primarily for-profit. In 2000, 74% of ECE services were owned by not-for-profit entities and 26% owned by for-profit. In 2015 this had changed dramatically to 15% owned by not-for-profit, and 85% owned by for-profit.

|                | 2000 | 2005 | 2010 | 2015 |
|----------------|------|------|------|------|
| Not-for-profit | 74%  | 50%  | 25%  | 15%  |
| For-profit     | 26%  | 50%  | 75%  | 85%  |

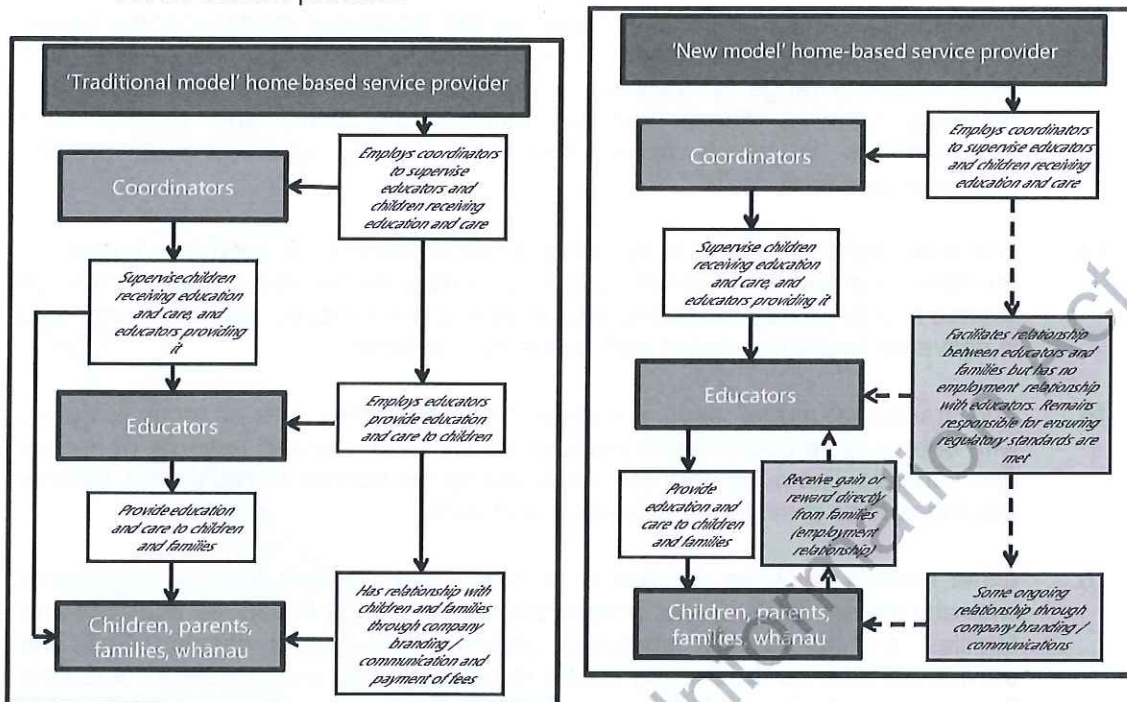
11. The sector has seen the emergence of a large corporate entity, Evolve Education Group, which has purchased PORSE In-Home Childcare and Au Pair Link as well as smaller home-based ECE services. Evolve listed on the share market in both New Zealand and Australia in late 2014, and has posted a \$15.6 million net profit in the year ended March 2016.

### Models of home-based ECE are diverse

12. While the licensing framework is based on the 'traditional' model of home-based education and care first observed in Barnardos, the sector has evolved and there is now a range of operating models licensed under the regulations and receiving funding. These include nannies, au pairs, and familial care arrangements in which family members, usually grandparents, provide education and care.
13. The body, agency or person operating a home-based ECE service is known as the 'service provider'. Under all operating models, the service provider holds the licence and is directly responsible for ensuring home-based education and care is delivered to children in line with licensing standards.
14. The 'traditional model' sees a service provider holding one or more licences, with one or more coordinators responsible for each licensed network of homes (the service). The educators are employed by the service provider, and parents pay the service provider for education and care.
15. Other models, such as nannies or au pairs, may be third party arrangements whereby the service provider brokers the relationship between the educator and families, and the families employ or contract the educator directly. While the service provider as the licence holder remains directly responsible for ensuring licensing standards are being met, there is no direct employment relationship between the educator and the service provider.
16. With the increase in the number of enrolments for children under 2 years old, we have observed in many cases a family member, usually the grandparent, acting as educator with no non-familial children attending. We are aware that some services are actively seeking out families with pre-existing informal family care arrangements and are formalising them by enrolling them in the service. As a result we are essentially providing increasing levels of ECE subsidy funding for care that would otherwise have taken place, while we become less assured about whether the expected level of education is being delivered.
17. The Act's definition of home-based ECE requires educators to receive gain or reward for their role in providing education and care. This distinguishes licensed home-based ECE services from informal care arrangements that are not subject to licensing standards and not eligible to receive funding.
18. In practice gain or reward may take several different forms. Payments for services may be made directly to service providers, who then pay the educators, or directly from parents to educators. Arrangements for non-monetary payment, such as the provision of grocery vouchers to educators, also constitute gain or reward for the provision of home-based education and care.



19. The following diagrams give a high-level overview of a 'traditional' and 'new' model service provider:



**Funding rules are intended to incentivise quality, but the proportion of services on the quality rate is small**

20. There are two funding rates for home-based ECE services:
- The standard rate is applicable for licensed home-based services.
  - The quality rate is a higher rate available to services that meet requirements additional to those specified in the regulations. This can be accessed if all educators meet minimum qualification requirements, and coordinators meet minimum hours of being 'on duty'.
21. Funding may not be claimed for an educator's own children, children who are present in the home but not enrolled in the home-based service, or children enrolled at school. Funding may be claimed where the educator is a member of that child's family (but not a parent or caregiver) and is living in the home if at least one child who is not a member of the educator's family receives ECE at the home.
22. An omnibus Education Legislation Bill currently before Parliament proposes a change to the definition of home-based ECE. This definition change will allow two additional school-aged children to be present in the home at the same time that home-based ECE is being delivered. This definition change does not impact on current funding rules as educators cannot claim for children present in the home who are not enrolled in the ECE service.
23. Quality funding is intended to incentivise provision of quality education and care. However, only 23% of home-based ECE services are currently receiving funding at the quality rate. This could indicate the incentive is not working to increase quality as we would have liked to see.

**Speed of growth may be affecting quality standards and education delivery**

24. We are confident that children in home-based ECE services are being well cared for<sup>1</sup>. However, the rate of the sector's expansion has raised concerns about services' ability to maintain quality standards once licensed and their delivery of education programmes. Increasing interest in expanding the number of licensed home-based ECE services by medium to large service providers continues to attract corporate interest, which is leading to perceptions of profit over quality.
25. The speed of growth in the home-based sector can be attributed to the relative ease with which a service provider can open a home-based ECE service. With the education and care being provided in existing homes there are no infrastructure costs on opening. Staffing costs are minimal, often limited to coordinators. We have also observed services (and therefore licences) being bought and sold, meaning subsidy funding is being on-sold. This is enabled within the current regulatory framework.
26. Rapid growth also appears to be having a demonstrable impact on the quality of curriculum provision. In recently conducted monitoring visits across a number of large, newly established home-based services we have observed a lack of delivery in the homes, with a significant level of non-compliance across curriculum criteria.
27. We have observed new patterns of non-compliant behaviour that is resource intensive to detect and manage, in part due to the speed with which the services are growing. The Ministry puts a lot of human resource into licensing home-based ECE and managing any quality issues that arise. The rapid growth of the sector, and the associated size and scale of some services, is increasing pressure on this resource and making it difficult to assess and address issues. If the 474 licensed home-based services were all to operate at full capacity this would mean a maximum of 37,920 children attending home-based ECE at any one time in 9,480 homes.

**Government operates a high-trust quality assurance model**

28. We work in a high-trust environment; once they are licensed service providers are responsible for ensuring coordinators, educators and homes continue to meet the regulatory requirements. Non-compliance is usually detected by the Ministry through complaints received, audit findings and Education Review Office (ERO) reports. When we are notified of non-compliance, we act through licensing or funding sanctions as appropriate.

29.



s 6(c) OIA

<sup>1</sup> In 2014/15 only 2 health and safety complaints against home-based ECE services were upheld



30. Post licensing, ERO conducts reviews and provides us with information on the quality of education provision within a given service. It is noted, however, that when reviewing home-based ECE services, reviewers only conduct paper-based compliance assessments as they are not allowed to enter educators' homes to observe the provision of education and care. [REDACTED]

s 9(2)(g)(i) OIA [REDACTED]

#### Ministry projects will increase ability to address issues in home-based ECE

31. The Ministry has a number of projects underway whose collective purpose is to increase our system capability and address issues across the ECE sector as a whole, and will be applied to home-based ECE. The projects will enable us to:

- develop a systems response to identify and address non-compliant behaviour across a range of indicators within our current system and tools
- increase our evidence base
- develop a system to monitor and respond, and then resource our response

32. We have projects underway relating to risks associated with changing enrolment and care arrangements:

- The ECE information and performance project aims to develop a suite of tools that will provide advance identification of licensed ECE services at risk of non-compliance across three areas: participation and quality; fiscal and financial management; and regulatory. This will allow us to significantly increase the number of ECE services we are able to monitor, and then effectively allocate resources to mitigate risk.
- The licensing and funding levers project aims to improve our existing licensing and funding controls across the ECE sector by addressing gaps within our current guidance. There is a home-based specific work stream within the project.

33. We also have projects underway relating to new patterns of non-compliant behaviour:

- We are undertaking an evaluation of funding-related risks in the ECE sector and will ascertain the extent to which there is relevant information, effective monitoring and appropriate response capability by the Ministry. This will result in the development of an assurance map and the identification of gaps (or duplications) where risks are not appropriately managed (or over-managed).

• [REDACTED]

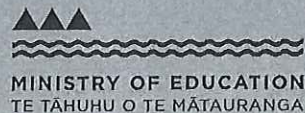
s 6(c) OIA

#### Indication of further advice

34. The projects outlined in the sections above will address information gaps and our ability to review our stewardship and monitoring capabilities more effectively.
35. We also seek an indication from you about whether you would like further advice on the following points within the wider regulatory framework:
  - a. The evolving size and shape of the home-based sector, and its fit within the regulatory framework to ensure quality;
  - b. Eligibility of different home-based operating models to be licensed and receive subsidy funding;
  - c. The standard required for gain or reward for the provision of home-based education and care;
  - d. Educator qualification requirements for licensed home-based services;
  - e. Incentives for providing quality home-based education and care; and
  - f. The ability of ERO to observe and assess in-home education and care.







## Education Report: The definition change to home-based ECE and associated amendments to licensing criteria

|                 |                 |           |         |
|-----------------|-----------------|-----------|---------|
| Date:           | 25 October 2016 | Priority: | High    |
| Security Level: | In Confidence   | METIS No: | 1030420 |

### Action Sought

| Addressee             | Action Sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Deadline        |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Minister of Education | <p>a. <b>note</b> the definition of home-based ECE is changing as part of the omnibus Education Legislation Bill</p> <p>b. <b>note</b> that changes to home-based ECE licensing criteria are required to support the implementation of this definition change</p> <p>c. <b>note</b> we consulted with representatives from the ECE sector and will advise the sector of changes to the home-based licensing criteria</p> <p>d. <b>approve and sign</b> the amendments to, and prescription of, home-based ECE licensing criteria (as detailed in Appendix 2) where indicated in Appendix 3</p> <p>e. <b>approve</b> the notification by the Secretary for Education of the amended criteria in the <i>New Zealand Gazette</i></p> | 28 October 2016 |
| Enclosure: Yes        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Round robin: No |

### Contact for telephone discussion (if required)

| Name            | Position      | Telephone | 1 <sup>st</sup> Contact |
|-----------------|---------------|-----------|-------------------------|
| Anthony Newton  | Group Manager |           | ✓                       |
| Megan Hutchison | Drafter       |           |                         |

§ 9(2)(a) OIA

The following departments/agencies have seen this report:

MOE

Minister to Complete (please circle)

1 = very poor

2 = poor

3 = acceptable

4 = good

5 = very good

Minister's Office to Complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by events

☐ See minister's notes

☐ Withdrawn

☐ Signed

Comments:





25 October 2016

IM60/102/52/3

**Education Report: The definition change to home-based ECE and associated amendments to licensing criteria**

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**Recommendations**

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**We recommend that you:**

- a. **note** that the definition of home-based ECE is changing as part of the omnibus Education Legislation Bill;
- b. **note** that changes to home-based ECE licensing criteria are required to support the implementation of this definition change;
- c. **note** that we consulted with representatives from the ECE sector and will advise the sector of changes to the home-based ECE licensing criteria;
- d. **approve and sign** the amendments to and prescription of home-based ECE licensing criteria (as detailed in Appendix 2) where indicated in Appendix 3; and  
APPROVED / NOT APPROVED
- e. **approve** the notification by the Secretary for Education of the amended criteria in the *New Zealand Gazette*;  
APPROVED / NOT APPROVED

  
Susan Howan  
Acting Deputy Secretary  
Sector Enablement and Support

  
Hon Hekia Parata  
Minister of Education

2, 11, 16

## **Education Report: The definition change to home-based ECE and associated amendments to licensing criteria**

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### **Purpose of report**

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1. This report updates you on the up-coming definition change for home-based early childhood education (ECE). It also seeks your approval for consequent changes to home-based ECE licensing and criteria.
2. The proposed changes will ensure the delivery of ECE and child health and safety requirements for home-based ECE services are not compromised by the definition change.

### **Summary of the definition change to home-based ECE**

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3. An omnibus Education Legislation Bill is currently before Parliament. The Bill is at the 3<sup>rd</sup> Reading stage and is expected to receive Royal Assent early in November.
4. One of the Bill's proposed changes is an amendment to the definition of a home-based ECE service.
5. The current definition of home-based ECE in the Education Act 1989 sets the maximum number of children that can be present in the home at 4, including the educator's own pre-school aged children. The educator's own school-aged children are not counted in the definition.
6. The proposed amendment sets the maximum number of children that can be present in a home at 6, of which:
  - a. not more than 4 children can be at the home for the purposes of receiving home-based education and care (including the educator's own pre-school aged children); and
  - b. the educator's own school-aged children are not counted in the definition.
7. The current, and amended, definitions of home-based ECE are detailed in full in Appendix 1.

### **Purpose of the definition change**

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8. The definition change allows home-based ECE providers to simultaneously provide home-based ECE and out-of-school care services. The change is intended to provide greater flexibility for parents and families with both pre-school and school-aged children, supporting wider welfare and workforce goals.
9. We need to ensure that the education and care, and health and safety, of children enrolled in home-based ECE is not compromised by the presence of additional older children in the home.



10. We have reviewed the current home-based ECE licensing criteria in light of the definition change. We have subsequently determined which of our requirements need strengthening in recognition of the change and identified the need for one additional criterion.
11. The sector is aware of the up-coming definition change. There has been a significant increase in enquiries to the Ministry of Social Development from licensed home-based services about the approval process for delivery of an Out of School Recreation and Care (OSCAR) programme.
12. We therefore need to ensure that these licensing criteria changes are in effect before the Bill becomes law so we can clearly communicate our requirements and expectations to the sector before they begin offering any out-of-school care. The proposed changes are detailed in Appendix 2.

#### Approval for changes to home-based ECE licensing criteria

13. We need you to approve amendments to and prescribe new criteria, using your powers under section 317(2)(b) of the Education Act. We have consulted with the ECE sector through the Home-based Advisory Group on the changes proposed.
14. We have also consulted with the Ministry of Social Development to ensure the changes are not at odds with their requirements for the provision of Out of School Recreation and Care.
15. In summary, the proposed changes to existing criteria include:
  - a. Strengthening current criteria to ensure services offering out-of-school care:
    - i. have a written emergency plan and supplies that cover all children present in the home;
    - ii. maintain records that emergency drills have been performed with enrolled children and out-of-school care children at the same time;
    - iii. develop and implement a supervision plan for all excursions;
    - iv. return any child receiving out-of-school care to their parents should they become unwell while attending the service;
    - v. do not provide out-of-school care to children who are absent from school due to illness; and
    - vi. provide written notice advising parents if the home their child is attending will have children receiving out-of-school care and seek parental acknowledgement of this notice.
16. In addition, we propose you prescribe:
  - a. One new criterion requiring educators to actively supervise all children, at all times, while they attend the service. There is no current requirement in our regulatory framework for educators to ensure children are supervised.

- b. A definition for out-of-school care that is in line with the amended definition of home-based ECE. This is to ensure ECE delivery is maintained regardless of whether the out-of-school care arrangement is a formal programme or a private care arrangement.
- 17. All of the proposed changes will require services that intend to offer out-of-school care to make changes to current processes and to collect or provide additional documentation to evidence their compliance. This means services will have some additional administrative requirements. However, the Education Act definition amendment changes the environment in which home-based ECE is delivered, and we consider these criteria changes necessary to ensure children's education and health and safety are maintained in light of the presence of additional older children.
- 18. We will ensure the additional administrative burden is minimised by supporting services to make these changes:
  - a. all criteria will be supported by updated guidance that sets out how ECE services can meet the requirements; and
  - b. we will provide information on the changes via He Pānui Kohungahunga – the Early Learning Bulletin and on the Education website ([www.education.govt.nz](http://www.education.govt.nz)).

#### Next Steps

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- 19. Once approved, the Secretary for Education will notify amendments in the New Zealand Gazette. The criteria changes will come into effect on the day after notification in the Gazette. The amended criteria will then be made available on the Education website ([www.education.govt.nz](http://www.education.govt.nz)). An up-to-date set of criteria will be published on the website for services to download.
- 20. We will advise the sector of the changes, supported by the guidance, on the Education website, through a special edition of He Pānui Kōhungahunga - the Early Learning Bulletin, and by email to Early Childhood Advisory Committee members, the day after the Bill is passed into law.



## Appendix 1: Current and proposed definition of home-based ECE

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### The current definition of home-based ECE

1. The Education Act 1989 currently defines home-based based ECE as:

**Home-based education and care service** means the provision of education or care, for gain or reward, to fewer than 5 children under the age of 6 (in addition to any child enrolled at school who is the child of the person who provides education or care), in—

- (a) the children's own home; or
- (b) the home of the person providing the education or care; or
- (c) any other home nominated by the parents of the children.

### Definition proposed under the Education Legislation Bill

2. The Education Legislation Bill proposes that the definition of home-based ECE be amended to:

#### **Home-based education and care service—**

- (a) means the provision of education or care, for gain or reward, to children who are under the age of 5 years, or who are 5 years of age but not enrolled in school, in—

- i. the children's own home; or
- ii. the home of the person providing the education or care; or
- iii. any other home nominated by the parents of the children; and

- (b) includes the provision of education or care to any child of the person providing the service.

3. It also proposes that a new section, section 317A, is inserted after section 317 as follows:

#### **317A Requirements for licensed home-based education and care services**

- (1) A licensed home-based education and care service may be provided to 1 or more children, up to a total of 4 in any 1 home.
- (2) While children are participating in the service, the total number of children present in the home in which the service is provided (including those receiving the service) must not be more than 6.
- (3) In this section—

**children** means children aged 13 years or younger, (other than children of the educator who are enrolled in school)

**educator** has the meaning given by regulation 3 of the Education (Early Childhood Services) Regulations 2008

## Appendix 2: Comparison of Existing Licensing and Certification Criteria and Proposed Amendments

| 1. Prescribe definition for out-of-school care         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                         |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Current criteria                                       | Proposed new definition                                                                                                                                                                                                                                                                                                                                                                                                                                            | Comment                                                                                                                 |
| There is no existing definition of out-of-school care. | <p><b>4 Interpretation Home-based services</b></p> <p>for the purposes of these criteria, unless the context indicates otherwise ...</p> <p>(g) <b>out-of-school care</b> means the presence of any child during licensed hours who is aged 13 years or younger, who is enrolled at school, and who is counted towards the total number of children that can be present in the home, in line with the requirements set out in S317A of the Education Act 1989.</p> | The purpose of this is to signal which criteria have additional requirements for services providing out-of-school care. |

| 2. Strengthen to reflect the presence of school aged children in the home                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Existing criterion<br>(deletions are struck through)                                                                                                                                                                                                                                                                                                                                                                                                                            | Proposed amendment to existing criterion<br>(changes are underlined)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Comment                                                                                                                                                                                                           |
| <p><b>3 Explanatory Information Home-based Services</b></p> <p>In these criteria:</p> <p>(a) A copy of the minimum standard in each regulation is set out, followed by the criteria against which compliance will be assessed; and</p> <p>(b) Any specific documentation requirements to demonstrate compliance with a criterion are set out below the relevant criterion.</p>                                                                                                  | <p><b>3 Explanatory Information Home-based Services</b></p> <p>In these criteria:</p> <p>(a) A copy of the minimum standard in each regulation is set out, followed by the criteria against which compliance will be assessed; and</p> <p>(b) Any specific documentation requirements to demonstrate compliance with a criterion are set out below the relevant criterion.</p> <p>(c) <u>A flag symbol (H) indicates a criterion that applies to services which include a home or homes that have children receiving out-of-school care (as defined in the interpretation section) in the home while the licensed home-based ECE service is being provided.</u></p> | This is an addition to the criteria. Its purpose is to clarify which circumstances are included in the proposed criteria amendments.                                                                              |
| <p><b>HS4 Home-based Services</b></p> <p>There are a written emergency plan and supplies to ensure the care and safety of the children and educator at the home and when away from the home. The plan must include evacuation procedures that apply in a variety of emergency situations and that are relevant to the home.</p> <p>If the home is in a building that has an approved Fire Evacuation scheme, the evacuation procedures must be consistent with that scheme.</p> | <p><b>HS4 Home-based Services</b></p> <p>There are a written emergency plan and supplies to ensure the care and safety of the children and educator at the home and when away from the home. The plan must include evacuation procedures that apply in a variety of emergency situations and that are relevant to the home.</p> <p><u>H The written emergency plan must also include out-of-school care children if out-of-school care is being provided in the home.</u></p>                                                                                                                                                                                       | To ensure that, in the event of an emergency the care and safety of ECE children is maintained when out-of-school care children are in the home: that they can be evacuated safely and that there are sufficient. |



|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Documentation required:</b></p> <p>A written emergency plan that includes at least:</p> <ul style="list-style-type: none"> <li>▪ An evacuation procedure for the premises.</li> <li>▪ A list of safety and emergency supplies and resources sufficient for the age and number of children and adults <del>at the service</del> and details of how these will be maintained and accessed in an emergency.</li> <li>▪ A communication plan for families and support services.</li> <li>▪ Evidence of review of the plan on an, at least, annual basis and implementation of improved practices as required.</li> </ul> | <p>If the home is in a building that has an approved Fire Evacuation scheme, the evacuation procedures must be consistent with that scheme.</p> <p><b>Documentation required:</b></p> <p>A written emergency plan that includes at least:</p> <ul style="list-style-type: none"> <li>▪ An evacuation procedure for the premises.</li> <li>▪ A list of safety and emergency supplies and resources sufficient for the age and number of children and adults <u>present in the home</u> and details of how these will be maintained and accessed in an emergency.</li> <li>▪ A communication plan for families and support services.</li> <li>▪ Evidence of review of the plan on an, at least, annual basis and implementation of improved practices as required.</li> </ul> | <p>supplies for them.</p>                                                                                                                                                   |
| <p><b>HS7 Home-based Services</b></p> <p>Educators are familiar with relevant emergency drills and carry these out with children on an at least three-monthly basis.</p> <p><b>Documentation required:</b></p> <p>A record of the emergency drills carried out and evidence of how evaluation of the drills has informed the annual review of the service's emergency plan.</p>                                                                                                                                                                                                                                            | <p><b>HS7 Home-based Services</b></p> <p>Educators are familiar with relevant emergency drills and carry these out with children on an at least three-monthly basis.</p> <p><b>Documentation required:</b></p> <p>A record of the emergency drills carried out and evidence of how evaluation of the drills has informed the annual review of the service's emergency plan.</p> <p><u>For services providing out-of-school care the record must include evidence of drills performed with enrolled children and out-of-school care children at the same time.</u></p>                                                                                                                                                                                                       | <p>To demonstrate that ECE children can be evacuated in an emergency and that their safety is maintained when out-of-school care children are also present in the home.</p> |
| <p><b>HS14 Home-based Services</b></p> <p>Whenever children leave the premises on an excursion:</p> <ul style="list-style-type: none"> <li>▪ assessment and management of risk is undertaken;</li> <li>▪ parents have given prior written approval of their child's participation;</li> <li>▪ for regular excursions at the time of enrolment; and</li> <li>▪ for special excursions prior to the excursion taking place; and</li> <li>▪ there are communication systems in place so that people know where the children are and the educator can communicate with others as necessary.</li> </ul>                         | <p><b>HS14 Home-based Services</b></p> <p>Whenever children leave the premises on an excursion:</p> <ul style="list-style-type: none"> <li>▪ assessment and management of risk is undertaken;</li> <li>▪ <u>a supervision plan specific to the excursion is developed and implemented;</u></li> <li>▪ parents have given prior written approval of their child's participation;</li> <li>▪ for regular excursions at the time of enrolment; and</li> <li>▪ for special excursions prior to the excursion taking place; and</li> <li>▪ there are communication systems in place so that people know where the</li> </ul>                                                                                                                                                     | <p>To ensure that ECE children are actively supervised when on an excursion.</p>                                                                                            |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Documentation required:</b></p> <p>A record of excursions that includes:</p> <ul style="list-style-type: none"> <li>▪ the names of adults and children involved;</li> <li>▪ the time and date of the excursion;</li> <li>▪ the location and method of travel;</li> <li>▪ assessment and management of risk;</li> <li>▪ evidence of parental permission for regular excursions at the time of enrolment; and</li> <li>▪ evidence of parental permission for special outings or excursions.</li> </ul>                                                                             | <p>children are and the educator can communicate with others as necessary.</p> <p><b>Documentation required:</b></p> <p>A record of excursions that includes:</p> <ul style="list-style-type: none"> <li>▪ the names of adults and children involved;</li> <li>▪ the time and date of the excursion;</li> <li>▪ the location and method of travel;</li> <li>▪ <u>the excursion supervision plan;</u></li> <li>▪ assessment and management of risk;</li> <li>▪ evidence of parental permission for regular excursions at the time of enrolment; and</li> <li>▪ evidence of parental permission for special outings or excursions.</li> </ul>                                                                                                        |                                                                                                                                                                                                                                                                                                        |
| <p><b>HS23 Home-based services</b></p> <p>All practicable steps are taken to ensure that children do not come into contact with any person (adult or child) on the premises who is suffering from a disease or condition likely to be passed on to children and likely to have a detrimental effect on them.</p> <p>Specifically, children who become unwell while attending the service are kept at a safe distance from other children (to minimise the spread of infection) and returned to the care of a parent or other person authorised to collect the child without delay.</p> | <p><b>HS23 Home-based services</b></p> <p>All practicable steps are taken to ensure that children do not come into contact with any person (adult or child) on the premises who is suffering from a disease or condition likely to be passed on to children and likely to have a detrimental effect on them.</p> <p>Specifically, <u>any child</u> who becomes unwell while attending the service <u>or receiving out-of-school-care</u> is kept at a safe distance from other children (to minimise the spread of infection) and returned to the care of a parent or other person authorised to collect the child without delay.</p> <p><u>Out-of-school care must not be provided to children who are absent from school due to illness.</u></p> | <p>The intent of this criterion is to minimise the spread of illness. The amendment extends this to make it clear that any child in the who becomes ill must be returned home. It also clarifies that out-of-school care cannot be offered as a service to parents with sick school-aged children.</p> |



|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>GMA2 Home-based services:</b></p> <p>Information is provided parents about:</p> <ul style="list-style-type: none"> <li>▪ how they can be involved in the service;</li> <li>▪ any fees charged by the service;</li> <li>▪ the amount and details of the expenditure of any Ministry of Education funding received by the service; and</li> <li>▪ any planned reviews and consultation.</li> </ul> <p><b>Documentation required:</b></p> <p>Written information letting parents know:</p> <ul style="list-style-type: none"> <li>▪ how they can be involved in the service;</li> <li>▪ any fees charged by the service;</li> <li>▪ the amount and details of the expenditure of any Ministry of Education funding received by the service; and</li> <li>▪ about any planned reviews and consultation.</li> </ul> | <p><b>GMA2 Home-based services:</b></p> <p>Information is provided parents about:</p> <ul style="list-style-type: none"> <li>▪ how they can be involved in the service;</li> <li>▪ any fees charged by the service;</li> <li>▪ the amount and details of the expenditure of any Ministry of Education funding received by the service; and</li> <li>▪ any planned reviews and consultation.</li> </ul> <p><b>Documentation required:</b></p> <p>1. Written information letting parents know:</p> <ul style="list-style-type: none"> <li>▪ how they can be involved in the service;</li> <li>▪ any fees charged by the service;</li> <li>▪ the amount and details of the expenditure of any Ministry of Education funding received by the service; and</li> <li>▪ about any planned reviews and consultation.</li> </ul> <p>2. <u>For services offering out-of-school care, evidence of:</u></p> <ul style="list-style-type: none"> <li>▪ <u>written notice advising parents if the home their child is attending will have children receiving out-of-school care; and</u></li> <li>▪ <u>written parental acknowledgement of this written notice.</u></li> </ul> | <p>The intent is to ensure parents are informed about the operation of the service. The purpose of this amendment is to ensure parents are able to make fully informed decisions about their child's ECE arrangement.</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| 3. Prescribe new criterion to ensure the supervision of ECE children            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Existing criterion                                                              | Proposed new criterion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Comment                                                                                                                                                                                                                                                                                                                  |
| There is no existing criterion for notifying the Ministry of serious incidents. | <p><b>HS34 Home-based services</b></p> <p><b>Supervision</b><br/>Every educator must ensure that they actively supervise children, at all times, while they attend the service.</p> <p><b>Documentation Required:</b><br/>A written supervision plan that ensures the good health and safety of children enrolled in the service is maintained at all times.</p> <p>The plan must be specific to the premise and the number, age, abilities and enrolled hours of the children attending and must show how the educator will actively supervise children attending the service. It must include, but is not limited to:</p> <ul style="list-style-type: none"> <li>▪ how the premise will be arranged, across all indoor and outdoor spaces likely to be used at any time while children are attending the home, to enhance supervision of children;</li> </ul> | In the last few years there have been a number of serious incidents that have highlighted the need for a supervision criterion. The introduction of additional school aged children in a home further increases the need to ensure ECE children are adequately supervised while they are attending a home-based service. |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  | <ul style="list-style-type: none"><li>▪ how children will be supervised while they are;<ul style="list-style-type: none"><li>• involved in activities or routines (such as sleeping, eating and toileting) in separate parts of the home;</li><li>• using play equipment and resources, both indoors and outdoors;</li><li>• interacting with other people in the home, including visitors; and</li><li>• using technology or while they are in the presence of technology while it is being used by others in the home.</li></ul></li></ul> |  |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

Released under the Official Information Act 1982



## Appendix 3: Licensing and Certification criteria amendments

### Licensing Criteria for Home-based Early Childhood Education and Care Services 2016

Pursuant to regulation 41 of the Education (Early Childhood Services) Regulations 2008, the Minister of Education prescribes the following criteria.

#### Contents

- 1 Title
- 2 Commencement
- 3 Principal Criteria amended
- 4 Explanatory Information
- 5 Interpretation
- 6 HS4
- 7 HS7
- 8 HS14
- 9 HS23
- 10 HS34
- 11 GMA2

#### 1 Title

These criteria may be cited as the *Licensing Criteria for Home-based Early Childhood Education and Care Services Amendment Criteria 2016*.

#### 2 Commencement

These criteria come into effect the day after notification in the *New Zealand Gazette*.

#### 3 Principal Criteria amended

These criteria amend the *Licensing Criteria for Home-based Early Childhood Education and Care Services 2008* amendments of 26 May 2016.

#### 4 Explanatory information is revoked and the following information substituted

"In these criteria:

- a. A copy of the minimum standard in each regulation is set out, followed by the criteria against which compliance will be assessed; and
- b. Any specific documentation requirements to demonstrate compliance with a criterion are set out below the relevant criterion.
- c. A flag symbol ( $\mathbb{P}$ ) indicates a criterion that applies to services which include a home or homes that have children receiving out-of-school care (as defined in the Interpretation section) in the home while the licensed home-based ECE service is being provided."

#### 5 Interpretation – new heading and definition inserted

"**out-of-school** means the presence of any child during licensed hours who is aged 13 years or younger, who is enrolled at school, and who is counted towards the total number of children that can be present in the home, in line with the requirements set out in S317A of the Education Act 1989."

**6 Criterion HS4 is revoked and the following criterion substituted**

**"HS4** There are a written emergency plan and supplies to ensure the care and safety of the children and educator at the home and when away from the home. The plan must include evacuation procedures that apply in a variety of emergency situations and that are relevant to the home.

☒ The written emergency plan must also include out-of-school children if out-of-school care is being provided in the home.

If the home is in a building that has an approved Fire Evacuation scheme, the evacuation procedures must be consistent with that scheme.

**Documentation required:**

A written emergency plan that includes at least:

- An evacuation procedure for the premises.
- A list of safety and emergency supplies and resources sufficient for the age and number of children and adults present in the home and details of how these will be maintained and accessed in an emergency.
- A communication plan for families and support services.
- Evidence of review of the plan on an, at least, annual basis and
- implementation of improved practices as required."

**7 Criterion HS7 is revoked and the following criterion substituted**

**"HS7** Educators are familiar with relevant emergency drills and carry these out with children on an at least three-monthly basis.

**Documentation required:**

A record of the emergency drills carried out and evidence of how evaluation of the drills has informed the annual review of the service's emergency plan.

☒ For services providing out-of-school care the record must include evidence of drills performed with both enrolled children and out-of-school care children at the same time."

**8 Criterion HS14 is revoked and the following criterion substituted**

**"HS14** Whenever children leave the premises on an excursion:

- assessment and management of risk is undertaken;
- a supervision plan specific to the excursion is developed and implemented;
- parents have given prior written approval of their child's participation;
- for regular excursions at the time of enrolment; and



- for special excursions prior to the excursion taking place; and
- there are communication systems in place so that people know where the children are and the educator can communicate with others as necessary."

**Documentation required:**

A record of excursions that includes:

- the names of adults and children involved;
- the time and date of the excursion;
- the location and method of travel;
- the supervision plan;
- assessment and management of risk;
- evidence of parental permission for regular excursions at the time of enrolment; and
- evidence of parental permission for special outings or excursions."

**9 Criterion HS23 is revoked and the following criterion substituted**

**"HS23** All practicable steps are taken to ensure that children do not come into contact with any person (adult or child) on the premises who is suffering from a disease or condition likely to be passed on to children and likely to have a detrimental effect on them.

Specifically, any child who becomes unwell while attending the service or receiving out-of-school care is kept at a safe distance from other children (to minimise the spread of infection) and returned to the care of a parent or other person authorised to collect the child without delay.

Ⓟ Out-of-school care must not be provided to children who are absent from school due to illness."

**10 Insert new criterion HS34**

**"HS34 Supervision**

Every educator must ensure that they actively supervise children, at all times, while they attend the service.

**Documentation Required:**

A written supervision plan that ensures the good health and safety of children enrolled at the service is maintained at all times.

The plan must be specific to the premise and the number, age, abilities and enrolled hours of the children attending and must show how the educator will actively supervise children attending the service. It must include, but is not limited to:

- how the premise will be arranged, across all indoor and outdoor spaces likely to be used at any time while children are attending the home, to enhance the supervision of children;

- how children will be supervised while they are:
  - involved in activities or routines (such as sleeping, eating and toileting) in separate parts of the home;
  - using play equipment and resources, both indoors and outdoors;
  - interacting with other people in the home, including visitors; and
  - using technology or while they are in the presence of technology while it is being used by others in the home.

**11 Criterion GMA2 is revoked and the following criterion substituted**

**"GMA2** Information is provided to parents about:

- how they can be involved in the service;
- any fees charged by the service;
- the amount and details of the expenditure of any Ministry of Education funding received by the service;
- any planned reviews and consultation; and
- whether or not out-of-school care will be provided in the educator's home while their child is attending.

**Documentation required:**

1. Written information letting parents know:
  - how they can be involved in the service;
  - any fees charged by the service;
  - the amount and details of the expenditure of any Ministry of Education funding received by the service; and
  - about any planned reviews and consultation.
2. For services offering out-of-school care, evidence of:
  - written notice advising parents if the home their child is attending will have children receiving out-of-school care; and
  - written parental acknowledgement of this written notice.

Dated at Wellington on

2nd day of November 2016

Hekia Parata

Hon Hekia Parata  
Minister of Education



