



Education Report: Home-based ECE qualification changes

To:	Hon Chris Hipkins, Minister of Education		
Date:	17/02/2021	Priority:	Medium
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Drafter:	Sam Hughes	DDI:	04 439 6466
Key Contact:	John Brooker	DDI:	0(2)(a)
Messaging seen by Communications team:	No	Round Robin:	No

Purpose of Report

This purpose of this paper is for you to:

- **Agree** to the timeline the Ministry has prepared for implementing minimum percentages of qualified educators in home-based services.
- **Direct** the Ministry to draft a Cabinet paper to be submitted to LEG and Cabinet to seek drafting instructions to implement these changes by 1 January 2022.

Summary

1. From 1 January 2022, home-based services will be required to gradually increase the percentages of qualified educators in their services. This change was agreed by Cabinet in June 2020 [SWC-20-MIN-0078 refers].
2. Amendments to the Education (Early Childhood Services) Regulations 2008 (the Regulations) are required to ensure minimum qualification requirements are in place for 1 January 2022.
3. The following timeline would enable consultation on draft regulations ahead of implementation. It requires a Cabinet paper to be submitted to Cabinet Legislation Committee (LEG) and Cabinet in March–April 2021 to seek approval for the issuing of drafting instructions.

Date	Activity
March – April 2021	Cabinet paper
July – September 2021	Consultation on draft regulations
October 2021	Analysis of submissions
November 2021	Final Cabinet paper
1 January 2022	Implementation

Recommended Actions

The Ministry of Education recommends you:

- a. **agree** to the proposed process and timeline for the regulatory changes required to implement minimum percentages of qualified educators in home-based services from 1 January 2022, as agreed by Cabinet in June 2020 [SWC-20-MIN-0078 refers]


Agree / Disagree

- b. **direct** the Ministry to draft a Cabinet paper, to be submitted to LEG and Cabinet between March and April 2021, to seek drafting instructions

Agree / Disagree

- a. **agree** that this briefing be proactively released to coincide with public consultation on draft regulations, planned for between July and September 2021.

Release / Not release



John Brooker
Group Manager
Education System Policy

17/02/2021

Hon Chris Hipkins
Minister of Education

___/___/___

Qualification requirements for the standard and quality rates

1. On 17 June 2020, Cabinet agreed to the implementation of changes that arose from the 2018 Review of Home-based ECE [SWC-20-MIN-0078 refers]. This included progressively increasing the qualification requirements for educators in the home-based ECE workforce.
2. From 1 January 2022, all home-based services will be required to have a percentage of qualified educators [SWC-20-MIN-0078 refers]. During the transition, home-based services on the quality funding rate will require higher percentages of qualified educators in their services than those on the standard rate. This is detailed in the table below.

	1-Jan-21	1-Jan-22	1-Jan-23	1-Jan-24	1-Jan-25
Quality funding rate: Percentages of qualified educators.	30%	50%	70%	80%	N/A*
Standard funding rate: Minimum percentages of qualified educators.	N/A	10%	30%	60%	80%

* In January 2025, there will be a single quality funding rate for all services rather than standard and quality rates

3. The increase to the minimum qualification requirements for the standard funding rate requires an amendment to the Education (Early Childhood Services) Regulations 2008 (the Regulations).

Regulatory changes for home-based educator qualifications

4. Implementation of the increased, minimum educator qualification requirements for home-based services require the following amendments to the Regulations:
 - create a requirement for home-based educators to hold a 'required qualification' (see below) in order to be considered as qualified
 - introduce the minimum percentages of qualified educators that will apply per home-based licence in each of the next four years
 - outline how the minimum percentages of educators per home-based licence will be applied and calculated.

Required qualifications

5. Required qualifications are a Level 4 or higher ECE qualification, a grand-parented Level 3 ECE qualification, or Te Ara Tuarua (the level 5 kōhanga reo qualification). Required qualifications must also be listed on the New Zealand Qualifications Framework (NZQF) or otherwise recognised by the Ministry. Recognition can extend to ECE and primary teaching qualifications recognised by the Teaching Council for registration purposes. These requirements align with the qualification requirements originally agreed to by Cabinet following the Review of Home-based ECE [CBC-190-MIN-0002 refers].

Calculating percentages for qualified educators

6. The Ministry established an approach to calculating percentages of educators per service as part of the first increase to the percentages of qualified educators for quality rate services in January 2021.

7. The Ministry opted to use a 'headcount' method where each educator counts once on a licence in a 7-day (Mon-Sun) period – regardless of the hours worked or the number of children they cared for. This approach was chosen because it is straightforward for services to understand and for the Ministry to assess.
8. The Ministry recommends applying this same approach to all home-based services in the Regulations, so calculation of the qualification requirements for the standard and quality rates operate in a complementary way. This approach is similar to the way the 50% minimum of qualified teachers in teacher-led centres is calculated, which is based on a headcount of employed teachers.
9. The Ministry also recommends that a requirement be set in the Regulations to limit educators to being counted on only one licence in any week-long (Mon-Sun) period. This would prevent service providers with multiple licences from using the same qualified educators as counting towards this requirement in each licence.

Timeline for regulatory changes and consultation

10. The Ministry has previously consulted on the proposal for educators to hold a Level 4 ECE qualification as part of the Review of Home-based ECE in 2018. Since then implementation detail has been developed, and it is necessary to consult on and confirm these with the sector.
11. The proposed timeline for introducing minimum qualification requirements for home-based educators through amending the Regulations is as follows:

Date	Activity
March – April 2021	Cabinet paper seeking agreement to issue drafting instructions goes to LEG and Cabinet.
May – July 2021	Drafting of the amendments to the Regulations and consultation document.
July – September 2021	Public consultation on draft regulations. Note: members of the Early Childhood Advisory Committee and the Home-based Sector Reform Implementation Group will be advised in advance.
October 2021	Analysis of submissions and redrafting of the amendments to the Regulations.
November 2021	Cabinet paper goes to LEG and Cabinet, seeking agreement to any changes to the amendments to the Regulations.
1 January 2022	Implementation of the new regulations.

12. This timeline was developed to ensure implementation of regulatory changes on 1 January 2022. The timeline falls between the end of tranche one and the beginning of tranche two of the Ministry's Early Learning Regulatory Review. For this reason, these home-based regulatory changes will be progressed separately.

Further work as part of the Early Learning Regulatory Review

13. A number of other proposals arose from the Review of Home-based ECE in 2018 that would need to be implemented through changes to the Regulations [CBC-190-MIN-0002 refers]. We plan to consider and progress these proposals (below) as part of tranches two and three of the Early Learning Regulatory Review.

14. Proposals that arose from the Review of Home-based ECE that do not require regulatory changes can be progressed separately through changes to licensing criteria. These proposals include health and safety training and specific Professional Learning and Development requirements for educators.

Teacher qualified co-ordinator proposals

15. Cabinet agreed to amend the Regulations to strengthen the oversight role of the teacher-qualified coordinator in home-based services [CBC-190-MIN-0002 refers]. The coordinator, also called the Person Responsible in the Regulations, is responsible for overseeing the education and care, comfort, and health and safety of the children in home-based services.
16. Proposals were put forward to strengthen the oversight role of the teacher-qualified coordinator as part of the Review of Home-based ECE. These proposals include requiring coordinators to work on only one home-based licence at a time, and requiring them to hold a full practising certificate and have relevant work experience mentoring adults. This work is scheduled to be considered as part of tranche two of the Early Learning Regulatory Review, alongside other person responsible changes.

Information collection proposals

17. Subject to Budget considerations, Cabinet agreed to collect more information from home-based services [CBC-190-MIN-0002 refers]. The Budget 2020 bid, *Home-based ECE – Support for educators to become qualified*, has since provided the Ministry with funding to automate the collection of information on educator qualifications.
18. Once the Ministry has finalised the exact parameters for data collection based on our operational needs, we can work to prepare amendments to the Regulations that we expect will be required. This work is scheduled to be considered as part of tranche two of the Ministry's Early Learning Regulatory Review.

Proposed licensing changes

19. Other proposals from the Review of Home-based ECE relating to licensing requirements require further work [CBC-190-MIN-0002 refers]. These proposals include limits on the geographic area where home-based networks can operate, caps on educators per licence, changes to licence sizes, and investigating the introduction of ratios of educators to coordinators.
20. The Ministry plans to consider these licensing-focused proposals in tranche three of the Early Learning Regulatory Review. This is because tranche three will consider other aspects of the licensing system, and because some of these proposals may be superseded by the teacher-qualified coordinator proposals in tranche two.