



Education Report: Final draft National Statement on the Network of Licensed Early Childhood Services

To:	Hon Chris Hipkins, Minister of Education		
Date:	20 October 2022	Priority:	High
Security Level:	In Confidence	METIS No:	1297753
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Messaging seen by Communications team:	Yes / No	Round Robin:	No

Purpose of Report

The purpose of this paper is to seek your approval to publish the National Statement on the Network of Licensed Early Childhood Services in the *Gazette* as required by section 17D(3) of the Education and Training Act. It also seeks your approval of the Ministry of Education's intention to issue information supporting the National Statement including regional data sheets and a collection of data links.

Summary

In readiness for the introduction of network management for licensed early childhood services (network management) on 1 February 2023 we have drafted a National Statement on the Network of Licensed Early Childhood Services for your approval. This draft incorporates feedback received from the Early Learning Regulatory Review Advisory Group as well as other minor changes to the previous version you saw.

The Statement sets out your expectations for the network while prioritising data accuracy and recency and supports assessment at individual applicant catchment level. It allows you the flexibility to approve or decline applications based on what we know about supply, demand, growth and need in an area using the best available, relevant, and up to date information. We will also issue:

- separate regional data sheets to provide a high-level overview of regions at territorial authority level, and
- a collection of links in the network management section of our website that signpost applicants to the data sources at lower SA2 statistical unit level.

The data sources and approach to the use of data in assessing applications is expected to continue to evolve over time as the new function embeds.

Recommended Actions

The Ministry of Education recommends you:

- a. **note** that we have incorporated feedback from the Early Learning Regulatory Review Advisory Group and made other minor changes to the draft National Statement on the Network of Licensed Early Childhood Services.
- Noted**
- b. **agree** to publish the attached National Statement on the Network of Licensed Early Childhood Services (Appendix One) in the *Gazette*
- Agree** Disagree
- c. **agree** that to support the National Statement the Ministry of Education should issue separate regional data sheets to provide a high-level overview of regions at territorial authority level, and a collection of links on our website that signpost applicants to the data sources at lower statistical unit level.
- Agree** Disagree
- d. **note** that we are aiming to publish the Statement in the *Gazette* early November to support the sector to understand the content of the Statement before applications for network approval open.
- Noted**
- e. **note** that officials will work with the sector during 2023 to refine and develop future iterations of data and data products to be used to support growing understanding of the network and for assessing applications.
- Noted**
- f. **agree** that this Education Report be proactively released. Any information that might need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

Agree Disagree


Karen Walfisch
Associate Deputy Secretary Early Learning,
Claims and Engagement Te Pae Aronui

19/12/2022



Hon Chris Hipkins
Minister of Education

19/11/2022

Background

- 1 On 1 February 2023 a new legislative power to enable network management of licensed early childhood (ECE) services comes into force (network management). Network management was created as part of the Education and Training Act 2020.
- 2 As part of changes in that Bill, you also have the ability to issue national and regional Statements that outline your priorities for the network, describe supply, demand, forecast growth and need, and detail any other matters you consider relevant to the network of licensed early childhood education services (the network).
- 3 We advised you that in the first phase of implementation it was likely that there would be a national Statement and one regional Statement. (METIS 1255416 refers).
- 4 We subsequently advised you that we recommended a modified approach. (METIS 1294786 refers). We provided you with a single draft National Statement that set out your expectations for the network, prioritised data accuracy and recency and supported assessment at individual applicant catchment level.
- 5 This approach allows you to approve or decline applications based on what we know about supply, demand, growth and need in an area using the best available, relevant, and up to date information. We outlined that there would be:
 - a gazetted national Statement including high-level national and regional data for the 10 education regions.
 - separate regional data sheets to provide a high-level overview of regions at territorial authority level, and
 - a collection of links on our website that signpost applicants to the data sources at lower statistical unit level.
- 6 You agreed we could engage with the sector on the draft Statement at a high level. (METIS 1294786 refers).

We engaged with our sector advisory group and made some changes to the Statement based on their feedback

- 7 We presented the draft Statement to the Early Learning Regulatory Review Advisory Group (that has helped inform the development of network management policy to date). We subsequently gave them an opportunity to socialise the ideas in the Statement confidentially with their networks, and provide any additional written feedback.
- 8 The Advisory Group did not raise major issues with the Statement. The group indicated that they appreciated the clarity the draft Statement provides, particularly how you will be using data when assessing applications.
- 9 We received three pieces of written feedback after the meeting. Two of these related to the priorities only, which were covered in the public consultation on the priorities and have been dealt with separately.
- 10 The third piece of feedback asked for clearer links to the Early Learning Action Plan (ELAP) and for terminology to be more clearly defined. The Statement quotes the role of network management as described in the ELAP at paragraph 2.
- 11 We have made minor changes to the draft to reflect the feedback received. This included refining our use of terms in the data tables.

... and we have made other minor changes

- 12 We have added the data tables and information on data sources and how we have presented it. The data is presented in Appendix B at the end of the Statement (Appendix One). We amended the text in the Statement to reflect this placement.
- 13 We also made some additional minor changes. This includes some modifications to clarify meaning and simplify some of the text.
- 14 Appendix Two outlines the changes to the text.

We now seek your approval to publish the draft Statement in the *Gazette*

- 15 We seek your approval to publish the draft Statement (see Appendix One). Note that the Statement must be published in full, and the draft reflects this format.
- 16 The draft national Statement includes:
- the priorities Cabinet previously agreed (ref SWC-22-MIN-0129);
 - an approach to defining and using data and other information to assess applications;
 - limited high-level data at a national and regional level with signposting to further detailed data;
 - your underlying assumptions;
 - how you will weight other key considerations in taking your decisions;
 - other relevant matters; and
 - limitations of network management approval.
- 17 The draft Statement clearly identifies key considerations you can use when making decisions on network approval applications. This provides clarity to the sector about your expectations of what a successful application will look like. Note that this does not prevent you from considering any additional relevant considerations such as those raised by an applicant that are specific to their particular application.
- 18 The Statement includes, and refers to, a limited amount of high-quality, robust data that is already well publicised and understood within the sector. This includes information from Statistics New Zealand and licensing data held by the Ministry of Education. This will provide us with a basis to introduce the new function, and to build on for future iterations and enhancements of the data products.
- 19 The Statement places the onus on applicants to clearly identify their catchment area and the supply, demand, forecast growth and needs of the area. We can then provide you with analysis of the applicant's case assessed against the criteria you must consider and using the data they provided, the data we hold, and other key data sources including census data.
- 20 This gives you flexibility to consider each application on a case-by-case basis and make your decision based on a range of factors. This is broadly comparable to how we currently assess applications for state-integrated or special character schools.

We also seek your approval for the approach to providing additional information to the sector

- 21 Alongside the Statement we will issue:
- separate regional data sheets including a map of the region, the high-level regional data that is included in the national Statement and this data broken down by territorial authority within the region

- a collection of links on our website that signpost applicants to the data sources they can use to inform their application and that we will use in assessing the case they present.
- 22 The regional data sheets and collection of data links will allow applicants to access data down to an SA2 statistical level (approximately 1,000-4,500 people depending on location). This will make this information more accessible to the sector and make the overall picture of the network clearer. We plan to have these data sheets available by 1 February 2023.
- 23 The collection of links will be to data at the SA2 statistical level and to other data you may consider including licensed early childhood service utilisation rates, the data associated with the key ratios described in the Statement, council sites with housing and infrastructure information and relevant StatsNZ or Ministry of Business, Innovation and Employment data.
- 24 These additional resources will support applicants to:
- describe the area the proposed service will serve;
 - describe the attributes of that area including the needs of the children and community in the area; and
 - support their case for how they will meet that need.

We are aiming to publish the Statement as soon as possible

- 25 We previously advised you we were aiming to have the Statement published in the *Gazette* by 27 October 2022. Due to process delays this is now likely to be in early November. This still allows the sector plenty of time to understand the content of the Statement ahead of preparing the first applications for approval after 1 February 2023.

Over time we anticipate that the Statement and associated data products will become more sophisticated

- 26 This will happen as we and the sector build our capability and capacity to use and understand the available information on the licensed early childhood network and we assess the impact the new network management function (including the information in the Statements) has on the market.
- 27 This further work will provide us with the information we need to develop a better and more nuanced understanding of the licensed early childhood market which will then support further policy advice and initiatives to support targeted groups and communities.

Next steps

- 28 Subject to your approval, we will publish the Statement (Appendix 1) in the *Gazette* as soon as possible.
- 29 We will continue to develop other aspects of the application, assessment, approval, and monitoring processes.
- 30 We will also undertake the work with the sector you previously approved to refine and develop future iterations of data and data products to be used to support growing understanding of the network and for assessing applications.

Appendix One: Revised Statement

National Statement on the Network of Licensed Early Childhood Services

Commencement date: 1 February 2023

Gazetted date: [date of publishing in the *Gazette*]

Introduction

1. A high-quality network of licensed early childhood services is key to achieving an early learning system that enables every child to achieve their full potential and that supports their identity, language and culture, and is valued by parents and whānau.
2. Network management of licensed early childhood services is a regulatory function that supports this goal by helping to ensure that all children have access to quality early learning settings and prevent the unintended consequences of oversupply in specific areas.

Purpose

3. Any person intending to operate a new licensed education service (which is not an excluded service) must apply for approval from the Minister of Education under section 17 of the Education and Training Act 2020 before applying for a license.
4. This Statement provides potential applicants for approval with information about the network of licensed early childhood services including:
 - a. the Government's strategic priorities for the establishment of licensed early childhood services;
 - b. information about the supply, forecast growth, demand, and need for licensed early childhood services; and
 - c. other information relevant to applications for approval, including about the approach the Minister intends to take to assessing that information in accordance with the statutory criteria.

Relevant considerations

5. As described in the Education and Training Act 2020 Section 17(2)(a-g) the Minister in assessing applications for network approval must take into account:
 - a. a high-level assessment of the relevant attributes of the area to be served, including (without limitation):
 - i. the demography of the area;
 - ii. the needs of the communities in the area;
 - iii. the needs of the children in the area; and
 - iv. the availability of licensed early childhood services in the area with different offerings (for example, the provision of te reo Māori); and
 - b. this Statement and any relevant Regional Statement;

- c. the suitability of the applicant and of every individual involved in the governance of the proposed service (which at a minimum requires the Minister to consider and determine whether each individual is a fit and proper person);
- d. the applicant's financial position;
- e. the licensing history of the applicant and individuals involved in the governance of the proposed service;
- f. the applicant's capability to effectively establish and provide the service to which the application relates; and
- g. any other matter that the Minister considers is relevant to the application.

Process

- 6. Key process information is outlined in the Education (Early Childhood Services Network Approval) Regulations 2022. [Education \(Early Childhood Services Network Approval\) Regulations 2022 \(SL 2022/269\) – New Zealand Legislation](#)
- 7. The Ministry of Education has made further information on the application process, including how to apply, available at <https://www.education.govt.nz/early-childhood/running-a-service/starting-a-service/network-management>.

Strategic priorities for the establishment of licensed early childhood services

- 8. These strategic priorities describe the types of service offerings that the Government considers to be a priority for ensuring availability within the network of licensed early childhood services.
- 9. Meeting a priority is not a prerequisite for receiving network approval. However, as set out below, the extent to which a proposed service will meet a priority will be considered when the Minister takes into account whether the service will meet a need in the area to be served, as well as other relevant information about supply, demand and need. If a proposed service will meet a priority, it will be considered more favourably in these assessments. For example if two similar services apply for network approval in the same area, the one that meets a priority to the greater extent is more likely to be approved.

Priority	Definition
Māori bilingual and immersion services	Services where te reo Māori is used at least 51% of the time as a medium of instruction.
Hapū/iwi-owned services	Services that are majority owned by hapū or iwi.
Services with a distinct Māori identity and culture	Services that have a distinct Māori identity and use Māori cultural practices and values that inform the service provision.
Pacific bilingual and immersion services	Services where a Pacific language is used at least 51% of the time as a medium of instruction.
Pacific language and/or cultural services	Services that have distinct Pacific identities, cultural practices, languages, and values that inform the service provision.

Priority	Definition
Language immersion services (non-English/Māori/Pacific)	Services where a language other than English, Māori or a Pacific language is used at least 51% of the time as a medium of instruction.
Services well-equipped for learning support needs	Services with a particular focus on providing services and support to children with a range of learning support needs.
Services well-equipped for migrants and former refugees	Services that are well-equipped for supporting children and communities with migrant and/or refugee backgrounds.
Services planned to operate on a new school site	Services that are planned to operate on a newly-built school site in growth areas or adjacent to growth areas.
Organisations funded by Targeted Assistance for Participation (TAP)	This is a transitional priority that covers any organisations that already have funding approved through TAP prior to network management commencing on 1 February 2023 as set out in the Bill.
Wrap around services	Early childhood services which are set up to facilitate access to other social services, including health and family support alongside early childhood education.

Assessment of the relevant attributes of the area to be served

Identifying the area to be served

10. Applicants are expected to identify and consider the area that the proposed service will serve, and the relevant attributes of that area.
11. For most types of early childhood education and care services, the area to be served will predominantly be the nearby geographic area (including the people living and working in that area). To enable demographic and other statistical information to be considered about the area, the starting point is that the nearby geographic area is the Statistical Area Unit 2 (SA2) in which the proposed service would be located and the adjoining SA2s.
12. For hospital-based services, the community to be served are the children under the age of 6 years who are receiving hospital care in the relevant hospital.
13. For home-based education and care services, the area to be served will not necessarily be the nearby geographic area but should be identified by the applicant.
14. Despite these starting points, the Minister may consider that a service is likely to serve a broader or more specific area, including an identifiable community within an area or areas, if there is information available that provides reasonable grounds to support that assessment.

High-level assessment of relevant attributes

15. The Minister will take into account a high-level assessment of the relevant attributes of the area to be served, including the demography of the area, the needs of the communities in the area, the needs of the children in the area, and the availability of licensed early childhood services in the area with different offerings (for example, the provision of te reo Māori).

16. This assessment may take into account relevant information relating to supply, forecast growth, demand, and need for licensed early childhood services in the area to be served, as set out below.
17. The Minister may also take into account other information, including information supplied by the applicant, about the relevant attributes of the area.

Information about the supply, forecast growth, demand, and need for licensed early childhood services

Approach to assessing supply, forecast growth, demand, and need

18. Information about the supply, forecast growth, demand and need for licensed early childhood services is relevant to the Minister's assessment under section 17(2)(a), (b) and (g) of the Act.
19. In assessing applications for approval, the Minister will consider the best available relevant information about the supply, forecast growth, demand, and need for services in the area to be served, as described below.
20. Based on that relevant information, the Minister will assess:
 - a. whether the applicant has established that the proposed service will meet a need in the area to be served; and
 - b. whether there are reasonable grounds to believe that granting approval:
 - i. could lead to an oversupply of licensed early childhood services in the area to be served;
 - ii. could help address an undersupply of licensed early childhood services in the area to be served; or
 - iii. neither i. nor ii. apply.
21. The assessment of need referred to at 20(a) is distinct from the assessment of broader supply and demand factors referred to at 20(b), although there may be significant overlap between them. The assessment of need relates to whether the proposed service will meet an identified unmet need in the area to be served, whereas the broader assessment of supply and demand relates to the impact of the proposed service on the overall network of licensed early childhood services in that area.
22. More information is provided below about how these assessments will be undertaken and the information that will be taken into account. The intention is that this approach will be developed over time as more evidence becomes available, including insights generated from the network management function.
23. This assessment may affect the Minister's decision in the following ways:
 - a. An application is likely to be declined if the applicant has not established the service will meet a need and/or there are reasonable grounds to believe that granting approval could lead to oversupply in an area to be served.
 - b. An application is more likely to be granted if the applicant has established that the proposed service will meet a need in the area to be served (particularly if the need reflects a strategic priority) and/or there are reasonable grounds to believe that

granting approval could help address an undersupply of services in an area to be served.

- c. If the Minister does not consider there are reasonable grounds to believe that granting approval would either lead to oversupply or help address undersupply in an area, then that part of the assessment will not be determinative either way.

Relevant information about supply, forecast growth, demand, and need

- 24. Applicants are expected to identify the need the proposed service will meet and how the proposed service will meet that need, as well as assess the relevant available information about supply and demand in relation to the area to be served.
- 25. The following sections describe the national-level and regional-level information that will be relevant to the supply, forecast growth, demand, and need for licensed early childhood services.
- 26. The Ministry will maintain on its website a list of sources of relevant information that can be obtained specifically in relation to an area to be served. Information on new approvals relevant to an area to be served can be found at <https://www.education.govt.nz/early-childhood/running-a-service/starting-a-service/network-management/approvals-and-revocations>. Additional information on the network of licensed early childhood services can be found at <https://www.education.govt.nz/early-childhood/running-a-service/starting-a-service/network-management>.
- 27. The intention is that more information will be made available to assist potential applicants as the approach to network management is developed and more information becomes available (including as a result of verifying the applicability of current datasets and from insights generated from the network management function).
- 28. Initially, it is likely that more reliance will be placed on relevant information submitted by the applicant about local factors affecting need and demand than on the statistics set out below.

Standard area-specific information about supply, forecast growth, demand, and need

- 29. In all cases the Minister is likely to consider the following information, accessible from the Ministry's website.
 - a. **Standard information about supply and forecast supply of licensed services within the relevant area:**
 - i. ***Current licensed services in the area:*** including location, number of licensed places (2 and over, under 2 and total), enrolments, licensed opening hours, and service type;¹ and
 - ii. ***Forecast licensed services in the area (being services that have received network approval and any proposed excluded services recognised by the Ministry as having reached an equivalent stage where that information is available²):*** including location, forecast licensed places (2 and over, under 2 and total), forecast opening hours, and service type.

¹ Service type categories are defined in Appendix A.

² The Ministry may develop a process for determining whether a proposed excluded service is recognised as having reached a stage equivalent to network approval.

- iii. This information will not initially include home-based education and care services, for which there is currently no area-specific information.
- b. **Standard information about potential demand or need for services within the relevant area:**
- i. ***Under 5 population projection for the area:*** including projected population under 5 resident in the relevant area and (where relevant) the population under 5 resident in the relevant area by ethnicity. The Statistics New Zealand mid-range projections for 2033 should be used.
 - ii. ***Number of people travelling to work in the area:*** where relevant, the number of people travelling to work to that area based on the most recent Census data published by Statistics New Zealand.
 - iii. ***Underlying zoning for the area:*** that is whether the area is predominantly residential, commercial, rural, or mixed in the relevant district plan.
- c. **Standard comparison of information about supply and demand:** which may include considering the following basic ratios for the relevant area:
- i. ratio between the projected population under 5 and the total combined number of current and forecast licensed places in the area;
 - ii. ratio between the projected population under 5 and the combined number of current and forecast licensed places in the area of the relevant service type; and
 - iii. ratio between licensed attendance and licenced places.

Other area-specific information that may be relevant to supply, demand and need

- 30. In a particular case, the Minister may also consider other information relevant to supply, demand and need for a service if such information is objective, verifiable based on evidence, provides a reasonable basis for comparison with other services, and provides a reasonable basis on which to assess the supply, demand or need for a service.
- 31. This information may be already held by the Ministry, supplied by the applicant, or gathered by the Minister during the application process.
- 32. The Minister will not necessarily take into account other information and may decide to disregard other information if there is already sufficient information on which to make a decision or the other information is not considered sufficiently reliable or relevant.

Additional information and assumptions about demand and need for early childhood education services

- 33. In assessing applications in respect of a particular area, the Minister may also take note of the following additional information and assumptions relating to demand or need:
 - a. A proposed service that reflects a priority is likely to be considered to meet a need in the area to be served.
 - b. The projected population of children under 5 resident in a nearby geographic area will likely impact the demand or need for services in that area. This is likely to be more relevant in predominately residential areas.

- c. The number of people travelling to work in a nearby geographic area will likely impact the demand or need for services in an area and may provide an indication about areas where demand is greater than what would be suggested by the resident under 5 population. This is likely to be more relevant in predominately non-residential areas.
- d. Service type is relevant to demand and need, which means the existence of services (licensed or forecast) that are the same service type as the proposed service will be given more weight in the assessment of supply, demand and need. For example, if an applicant proposes to establish a *parent-led* early childhood education and care centre, the existence of services nearby of that same type will be more relevant to the expected demand for the proposed service than those of a different type (such as *teacher-led* early childhood education and care centres).
- e. The following other factors may be relevant to demand, need and parent choice in a particular case:
 - i. opening hours, flexibility and convenience;
 - ii. fees and affordability;
 - iii. particular service offerings (such as culturally appropriate services or services with a special character or philosophy).

High-level national-level and regional level information

- 34. High level national-level and regional-level information about the supply, forecast growth, demand, and need for licensed early childhood services is provided in Appendix B.

Limitations of information and assessment of supply, demand and need

- 35. The information referred to in this Statement relating to supply, demand and need is the best available information that has been identified at the time and is set out above to assist potential applicants to consider the necessary factors in making an application. No warranty is given as to its accuracy at any particular time.
- 36. Further the purpose of network management is not to protect the commercial interests of any person or to protect licensed service providers from any competition. Granting network approval, including a favourable assessment of demand and need, does not provide any guarantee or assurance that there will be demand for the service. Further the Minister is not required to decline network approval for an applicant merely because the proposed new service will impact an existing licensed or forecast service.
- 37. If the Minister intends to rely on potentially unfavourable information that was not available to the applicant at the time of the application (eg because the relevant information has since changed or because it is information held by the Ministry), the Minister may provide the applicant with an opportunity to respond to the potentially unfavourable information.

Information relevant to other parts of the network management assessment

- 38. This section sets out other information relevant to applications for approval, including describing the other information that will likely be relevant to assessing other parts of the statutory criteria and the Minister's approach to those criteria.
- 39. Where this Statement refers to information that will likely be relevant, this is provided to assist applicants to understand what should be addressed in the application. The Minister may in any particular case consider other relevant information.

Suitability of the applicant and of every individual involved in the governance of the proposed service

40. The Minister will take into account whether the applicant and every individual involved in the governance of the proposed service are suitable. At a minimum this requires the Minister to consider and determine whether each individual is a fit and proper person, including by considering the Secretary's assessment provided under section 18(4) of the Act.
41. The information relevant to the Minister's determination relating to fit and proper persons will be the Secretary's assessments and any information relevant to those assessments (which is information about the matters listed in section 18 of the Act and in the Regulations).
42. An application for approval will be declined if the Minister determines that the applicant or any individual involved in its governance is not a fit and proper person to operate a licensed early childhood service.

Applicant's financial position

43. The Minister will take into account the applicant's financial position, including by considering the Secretary's assessment provided under section 18A(3) of the Act.
44. The information relevant to these assessments will be the Secretary's assessment, as well as the information that may be considered by the Secretary. This includes whether the applicant has access to, or has a credible plan to obtain access to, sufficient resources to effectively establish and provide the service. It is expected that the Secretary will apply this assessment flexibly so that smaller and less commercial applicants are able to receive a favourable assessment.
45. An application for approval will almost certainly be declined if the Minister determines that the proposed service is not financially viable (eg, because the applicant does not have access to, or does not have a credible plan to obtain access to, sufficient resources to effectively establish and provide the service).

Licensing history of the applicant and individuals involved in the governance of the proposed service

46. The Minister will take into account the licensing history of the applicant and the individuals involved in the governance of the proposed service.
47. This may include considering the following information if it is considered relevant:
 - a. licenses held by the applicant and any licensed early childhood services of which the relevant individuals have been involved in the governance;
 - b. the number of years those licensed early childhood services have operated;
 - c. any adverse regulatory decisions, including provisional licenses, suspension, cancellations, or directions.
48. This assessment of this criterion will not have significant weight to the overall decision of whether to grant or decline approval. However, the information above may be relevant and material to other parts of the assessment in particular, to both the fit and proper assessment, and to the capability assessment.

Applicant's capability to effectively establish and provide the service to which the application relates

49. The Minister will take into account the applicant's capability to effectively establish and provide the service to which the application relates
50. The information relevant to this assessment is likely to be information about the governance and management of the applicant and proposed service, including the experience, qualifications and skills of the relevant individuals and organisations involved. Relevant qualifications, experience and skills may relate to:
 - a. The establishment of the proposed service, including managing the proposed development.
 - b. The provision of the proposed service, which may include experience in skills in education (especially early childhood education), cultural competence and business / organisational management. If the proposed service is of a particular type or offering, then the governance and management will need to reflect the skills and experience required to provide that service type or offering. For example, if the applicant proposes to establish a service that will reflect a priority, it will be expected to show that it has the capability to meet that priority effectively.
51. Applicants will be expected to provide credible and reliable information, including in relation to current governance arrangements, rather than only point to future plans to acquire necessary skills.
52. This part of the assessment is particularly important and will receive significant weight in the overall decision of whether to grant or decline approval.

Limitations of network approval decisions

53. A network approval decision and a subsequent decision about whether to grant a licence are independent of each other. If network approval is granted, the fact that a matter was considered as part of that decision should not be taken as an indication about how that matter will be addressed at the licensing stage. When applying for a licence, applicants must demonstrate that all requirements set by the Education (Early Childhood Services) Regulations 2008 and relevant licensing criteria are met or complied with, including premises and facilities and health and safety standards, and overall suitability for use as an education and care centre (if applicable).

Appendix A: Service Type Categories

The following Service Type Categories will be used in assessing the supply, demand and need for licensed early childhood services, as described in the Statement.

Service Type Category	Service type sub-categories included
Licensed early childhood education and care centres (teacher led)	Kindergartens (also referred to as “free kindergartens”).
	Other licensed education and care centres (also referred to as “education and care services” and “casual education and care”).
	For the purpose of network management, this category will exclude any <u>excluded service</u> (where this is known).
Licensed early childhood education and care centres (parent led)	Playcentres affiliated to Playcentre Aotearoa.
	For the purpose of network management, this category <u>excludes</u> Kōhanga Reo affiliated to Te Kōhanga Reo National Trust.
Licensed home-based education and care services (teacher led)	Also referred to as “Homebased Network”.
Licensed hospital-based education and care services (teacher led)	-
Excluded service: Kōhanga Reo chartered to Te Kōhanga Reo National Trust Board Reo	-
Excluded service: other	Excluded early childhood service teaching in te reo Māori, at, or close to full immersion
	Excluded early childhood service teaching in te reo Māori majority of time: affiliated to body recognised by Minister
	Excluded early childhood service teaching in te reo Māori majority of time: provided by or associated with iwi or Māori organisation recognised by Minister

Appendix B: High-level national-level and regional level information

Table One: Number of licensed early childhood services by type (as at 07 Oct 2022)

Area	Service Type	Count of Services	%
New Zealand			
	<i>Teacher-led licensed early childhood services:</i>		rounded to 1DP
	Casual-Education and Care	7	0.2%
	Education and Care Service	2,740	59.8%
	Free Kindergarten	664	14.5%
	Home-based Education and Care Service	333	7.3%
	Hospital-based Education and Care Service	20	0.4%
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	387	8.5%
	Te Kōhanga Reo	428	9.3%
Grand Total		4,579	
Education Region			
	<i>Teacher-led licensed early childhood services:</i>		rounded to 1DP
Tai Tokerau		222	4.8%
	Education and Care Service	105	
	Free Kindergarten	26	
	Home-based Education and Care Service	13	
	Hospital-based Education and Care Service	1	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	34	
	Te Kōhanga Reo	43	
Auckland		1,506	32.9%
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	4	
	Education and Care Service	1,076	
	Free Kindergarten	141	
	Home-based Education and Care Service	155	
	Hospital-based Education and Care Service	10	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	76	
	Te Kōhanga Reo	44	
Waikato		443	9.7%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	266	
	Free Kindergarten	59	
	Home-based Education and Care Service	20	
	Hospital-based Education and Care Service	1	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	47	
	Te Kōhanga Reo	50	
Bay of Plenty/Wairariki		409	8.9%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	212	
	Free Kindergarten	48	
	Home-based Education and Care Service	25	
	Hospital-based Education and Care Service	2	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	28	
	Te Kōhanga Reo	94	
Hawke's Bay/Tairāwhiti		293	6.4%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	123	
	Free Kindergarten	42	
	Home-based Education and Care Service	20	
	Hospital-based Education and Care Service	2	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	18	
	Te Kōhanga Reo	88	
Taranaki/Whanganui/Manawatu		309	6.7%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	140	
	Free Kindergarten	64	
	Home-based Education and Care Service	24	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	36	
	Te Kōhanga Reo	45	
Wellington		484	10.6%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	263	
	Free Kindergarten	109	
	Home-based Education and Care Service	32	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	39	
	Te Kōhanga Reo	41	
Nelson/Marlborough/West Coast		153	3.3%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	82	
	Free Kindergarten	32	
	Home-based Education and Care Service	10	
	Hospital-based Education and Care Service	1	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	23	
	Te Kōhanga Reo	5	
Canterbury/Chatham Islands		495	10.8%
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	1	
	Education and Care Service	338	
	Free Kindergarten	78	
	Home-based Education and Care Service	17	
	Hospital-based Education and Care Service	1	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	53	
	Te Kōhanga Reo	7	
Otago/Southland		265	5.8%
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	2	
	Education and Care Service	135	
	Free Kindergarten	65	
	Home-based Education and Care Service	17	
	Hospital-based Education and Care Service	2	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	33	
	Te Kōhanga Reo	11	
Grand Total		4,579	

Source: Education Counts | Early Childhood Services | ECE Directory Builder

Accessed on 07 Oct 2022 from <https://www.educationcounts.gov.nz/directories/early-childhood-services>

Note: Casual Education and Care, Education and Care Service, Free Kindergarten, Playcentre, and Te Kōhanga Reo are types of licensed Early Childhood Education and Care Centres.

Table Two: Number of licensed early childhood education places by type (as at 07 Oct 2022)

Area	Service Type	Max Licensed Positions	% of Total
New Zealand			rounded to 1DP
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	245	0.1%
	Education and Care Service	149,431	67.4%
	Free Kindergarten	26,389	11.9%
	Home-based Education and Care Service	22,015	9.9%
	Hospital-based Education and Care Service	464	0.2%
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	10,651	4.8%
	Te Kōhanga Reo	12,364	5.6%
Grand Total		221,559	
Education Region	Service Type	Max Licensed Positions	% of Total
Tai Tokerau			rounded to 1DP
	<i>Teacher-led licensed early childhood services:</i>	8,620	3.9%
	Education and Care Service	4,938	
	Free Kindergarten	909	
	Home-based Education and Care Service	780	
	Hospital-based Education and Care Service	15	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	904	
	Te Kōhanga Reo	1,074	
Auckland		82,454	37.2%
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	131	
	Education and Care Service	63,046	
	Free Kindergarten	5,425	
	Home-based Education and Care Service	9,830	
	Hospital-based Education and Care Service	278	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	2,197	
	Te Kōhanga Reo	1,547	
Waikato		20,911	9.4%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	14,395	
	Free Kindergarten	2,364	
	Home-based Education and Care Service	1,280	
	Hospital-based Education and Care Service	31	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	1,310	
	Te Kōhanga Reo	1,531	
Bay of Plenty/Wairariki		17,970	8.1%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	11,042	
	Free Kindergarten	1,924	
	Home-based Education and Care Service	1,575	
	Hospital-based Education and Care Service	50	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	790	
	Te Kōhanga Reo	2,589	
Hawke's Bay/Tairāwhiti		11,808	5.3%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	6,106	
	Free Kindergarten	1,671	
	Home-based Education and Care Service	1,410	
	Hospital-based Education and Care Service	22	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	470	
	Te Kōhanga Reo	2,129	
Taranaki/Whanganui/Manawatu		14,556	6.6%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	7,744	
	Free Kindergarten	2,570	
	Home-based Education and Care Service	1,700	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	1,026	
	Te Kōhanga Reo	1,516	
Wellington		21,633	9.8%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	12,361	
	Free Kindergarten	4,550	
	Home-based Education and Care Service	2,250	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	1,113	
	Te Kōhanga Reo	1,359	
Nelson/Marlborough/West Coast		6,593	3.0%
	<i>Teacher-led licensed early childhood services:</i>		
	Education and Care Service	3,658	
	Free Kindergarten	1,427	
	Home-based Education and Care Service	740	
	Hospital-based Education and Care Service	12	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	652	
	Te Kōhanga Reo	104	
Canterbury/Chatham Islands		24,762	11.2%
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	31	
	Education and Care Service	18,934	
	Free Kindergarten	2,934	
	Home-based Education and Care Service	1,270	
	Hospital-based Education and Care Service	28	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	1,335	
	Te Kōhanga Reo	230	
Otago/Southland		12,252	5.5%
	<i>Teacher-led licensed early childhood services:</i>		
	Casual-Education and Care	83	
	Education and Care Service	7,207	
	Free Kindergarten	2,615	
	Home-based Education and Care Service	1,180	
	Hospital-based Education and Care Service	28	
	<i>Parent/whānau-led licensed early childhood services:</i>		
	Playcentre	854	
	Te Kōhanga Reo	285	
Grand Total		221,559	

Source: Education Counts | Early Childhood Services | ECE Directory Builder

Accessed on 07 Oct 2022 from <https://www.educationcounts.gov.nz/directories/early-childhood-services>

Note: Casual Education and Care, Education and Care Service, Free Kindergarten, Playcentre, and Te Kōhanga Reo are types of licensed Early Childhood Education and Care Centres.

Table Three: Population and projected population growth

Area	Population (Census 2018)	Population 0-4 (Census 2018)	Projected population by 2033	Projected 0-4 population by 2033	Projected population growth by 2033 (%)	Projected 0-4 population growth by 2033 (%)
New Zealand	4,699,755	294,921	5,564,400	295,800	18.4%	0.3%
Education Region	Population (Census 2018)	Population 0-4 (Census 2018)	Projected population by 2033	Projected 0-4 population by 2033	Projected population growth by 2033 (%)	Projected 0-4 population growth by 2033 (%)
Tai Tokerau	179,079	11,685	215,100	11,800	20.1%	1.0%
Auckland	1,571,718	102,765	2,001,800	109,950	27.4%	7.0%
Waikato	429,849	29,256	524,820	30,010	22.1%	2.6%
Bay Of Plenty, Waiariki	349,236	22,836	421,220	22,470	20.6%	-1.6%
Hawkes Bay, Tairawhiti	213,804	14,376	246,300	14,100	15.2%	-1.9%
Taranaki, Whanganui, Manawatu	292,827	19,011	331,650	18,250	13.3%	-4.0%
Wellington	558,015	32,850	642,650	32,550	15.2%	-0.9%
Nelson, Marlborough, West Coast	186,096	9,825	209,050	9,090	12.3%	-7.5%
Canterbury and Chatham Islands	594,690	34,575	710,350	34,830	19.4%	0.7%
Otago, Southland	324,405	17,742	376,000	17,070	15.9%	-3.8%
Source:	Statistics New Zealand					
Population Dataset:	Age and sex by ethnic group (grouped total responses), for census usually resident population counts, 2006, 2013, and 2018 Censuses (RC, TA, SA2, DHB)					
	Accessed from:	https://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE8277				
	Area:	Territorial Authority				
	Age group:	Total people - age group, and 0-4 years				
	Year:	2018				
Population Projection Dataset for New Zealand:	National population projections, by age and sex, 2022(base)-2073					
	Accessed from:	https://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE8610				
	Note:	Released July 2022				
	Scenario:	50th percentile (median)				
	Age:	Total people, age and 0-4 years				
	Year:	2033				
Population Projection Dataset for Education Regions:	Statistical area 2 population projections, by age and sex, 2018(base)-2048					
	Accessed from:	https://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE7991				
	Note:	2022(base) projection data is only available at National level, and therefore Education Region projected population data has been provided from Census 2018				
	Area:	Territorial Authority				
	Projection:	Medium				
	Year at 30 June:	2033				
	Age:	Total people, age and 0-4 years				
Notes:						
5 year olds can participate in Early Childhood Education up until their 6th birthday however, as the majority of 5 year olds in New Zealand go to school, we have not included 5 year olds in our projections.						
Data exported at Territorial Authority level is grouped into Education Regions. Waikato Education Region excludes Taupo District and Rotorua District, and includes the Ruapehu District (which crosses across Education Regions). Taranaki/Whanganui/Manawatu Education Region excludes Ruapehu District. Bay of Plenty/Waiariki Education Region includes Taupo District and Rotorua District. Wellington Education Region includes Taranua and Horowhenua. Nelson, Marlborough, West Coast Education Region includes Kaikoura District. Canterbury and Chathams Education Region excludes Kaikoura.						
Where a person reported more than one ethnic group, they have been counted in each applicable group. Population outside of Territorial Authorities is excluded from Education Region breakdowns.						

Table Four: Population and projected population growth by ethnicity

Area	Ethnicity	Population (2018 Census)	Population 0-4 (2018 Census)	Projected population by 2033	Projected 0-4 population by 2033		
New Zealand	Māori	775,836	81,207	1,068,900	94,400		
	European or Other Ethnicity (including New Zealander)	3,355,917	197,556	3,759,700	196,100		
	Pacific	381,642	42,255	563,600	53,800		
	Asian	707,598	53,832	1,143,700	63,700		
Education Region	Ethnicity	Population (2018 Census)	Population 0-4 (2018 Census)	Projected population by 2033	Projected 0-4 population by 2033	Projected population growth by 2033 (%)	Projected 0-4 population growth by 2033 (%)
Tai Tokerau	Māori	64,461	6,585	85,810	7,340	33.1%	11.5%
	European or Other Ethnicity (including New Zealander)	133,095	8,028	161,400	8,960	21.3%	11.6%
	Pacific	7,542	1,080	12,860	1,485	70.5%	37.5%
	Asian	7,038	654	13,730	995	95.1%	52.1%
Auckland	Māori	181,194	18,990	246,400	20,950	36.0%	10.3%
	European or Other Ethnicity (including New Zealander)	858,132	51,573	933,300	48,580	8.8%	-5.8%
	Pacific	243,966	25,620	339,900	30,110	39.3%	17.5%
	Asian	442,674	32,214	774,100	40,220	74.9%	24.9%
Waikato	Māori	102,828	11,103	140,920	12,890	37.0%	16.1%
	European or Other Ethnicity (including New Zealander)	323,166	20,883	380,880	21,750	17.9%	4.2%
	Pacific	19,815	2,619	33,090	3,665	67.0%	39.9%
	Asian	42,240	3,645	78,760	5,360	86.5%	47.1%
Bay Of Plenty, Waairiki	Māori	101,784	10,425	135,350	11,740	33.0%	12.6%
	European or Other Ethnicity (including New Zealander)	262,287	16,002	315,230	16,310	20.2%	1.9%
	Pacific	12,201	1,593	19,970	2,400	63.7%	50.7%
	Asian	24,072	2,103	45,660	3,580	89.7%	70.2%
Hawkes Bay, Tairāwhiti	Māori	70,047	7,278	95,220	8,310	35.9%	14.2%
	European or Other Ethnicity (including New Zealander)	154,638	9,411	170,920	9,100	10.5%	-3.3%
	Pacific	11,481	1,509	18,090	1,970	57.6%	30.6%
	Asian	9,570	816	19,490	1,520	103.7%	86.3%
Taranaki, Whanganui, Manawatu	Māori	59,955	6,525	85,520	7,800	42.6%	19.5%
	European or Other Ethnicity (including New Zealander)	242,991	15,219	265,920	14,550	9.4%	-4.4%
	Pacific	10,071	1,386	16,670	1,855	65.5%	33.8%
	Asian	18,456	1,764	34,230	2,500	85.5%	41.7%
Wellington	Māori	84,813	8,469	115,850	9,880	36.6%	16.7%
	European or Other Ethnicity (including New Zealander)	428,211	24,231	474,350	23,630	10.8%	-2.5%
	Pacific	45,015	4,674	59,010	5,375	31.1%	15.0%
	Asian	67,428	5,265	114,340	7,140	69.6%	35.6%
Nelson, Marlborough, West Coast	Māori	20,718	2,232	28,910	2,660	39.5%	19.2%
	European or Other Ethnicity (including New Zealander)	169,125	8,781	188,200	8,270	11.3%	-5.8%
	Pacific	4,026	444	6,600	600	63.9%	35.1%
	Asian	8,199	720	15,560	1,035	89.8%	43.8%
Canterbury and Chatham Islands	Māori	55,884	6,096	83,660	7,685	49.7%	26.1%
	European or Other Ethnicity (including New Zealander)	498,171	27,960	568,750	27,735	14.2%	-0.8%
	Pacific	18,894	2,358	30,130	3,040	59.5%	28.9%
	Asian	66,369	5,184	116,880	6,880	76.1%	32.7%
Otago, Southland	Māori	34,134	3,495	50,460	4,230	47.8%	21.0%
	European or Other Ethnicity (including New Zealander)	286,080	15,456	319,100	14,740	11.5%	-4.6%
	Pacific	8,631	975	13,510	1,240	56.5%	27.2%
	Asian	21,543	1,470	41,520	2,435	92.7%	65.6%
Total:		5,220,945	374,835	6,650,250	410,515		
Source:	Statistics New Zealand						
Population Dataset:	Age and sex by ethnic group (grouped total responses), for census usually resident population counts, 2006, 2013, and 2018 Censuses (RC, TA, SA2, DHB)						
Accessed from:	https://nzdotstat.stats.govt.nz/WBOS/index.aspx?DataSetCode=TABLECODE8277						
Area:	Territorial Authority						
Age group:	Total people - age group and 0-4 years						
Year:	2018						
Ethnic group:	European, Other, Maori, Pacific Peoples, Asian						
Projected Population Dataset for New Zealand:	National ethnic population projections, by age and sex, 2018(base)-2043 update						
Accessed from:	https://nzdotstat.stats.govt.nz/WBOS/index.aspx?DataSetCode=TABLECODE8613						
Note:	Released September 2022						
Year at 30 June:	2033						
Scenario:	50th [percentile] (Median)						
Age:	Total people, age and 0-4 years						
Projected Population Dataset for Education Regions:	Subnational ethnic population projections, by age and sex, 2018(base)-2043						
Accessed from:	https://nzdotstat.stats.govt.nz/wbos/index.aspx?DataSetCode=TABLECODE8606						
Year at 30 June:	2033						
Scenario:	50th percentile (median)						
Age:	Total people, age and 0-4 years						
Notes:	<p>5 year olds can participate in Early Childhood Education up until their 6th birthday however, as the majority of 5 year olds in New Zealand go to school, we have not included 5 year olds in our projections.</p> <p>Data exported at Territorial Authority level is grouped into Education Regions. Waikato Education Region excludes Taupo District and Rotorua District, and includes the Ruapehu District (which crosses across Education Regions). Taranaki/Whanganui/Manawatu Education Region excludes Ruapehu District. Bay of Plenty/Waikato Education Region includes Taupo District and Rotorua District. Wellington Education Region includes Taranaki District and Horowhenua District. Nelson, Marlborough, West Coast Education Region includes Kaikoura District. Canterbury and Chathams Education Region excludes Kaikoura District.</p> <p>Population figures for Other Ethnicity (including New Zealander) have been added to European to compare with population projections.</p> <p>Where a person reported more than one ethnic group, they have been counted in each applicable group. Population outside of Territorial Authorities is excluded from Education Region breakdowns.</p>						

Appendix Two: Changes to the text of the draft National Statement

Table one below outlines the changes we have made to the Statement. The changed text is bolded in the 'changed to' column.

Table one: Changes between draft Statement and revised version in Appendix One.

Place	Changed from	Changed to	Reason
Title	Removed draft	Removed draft	Finalising words for gazette version
Paragraph 9	9. Meeting a priority is not a prerequisite for receiving network approval. However, as set out below, an application that seeks approval to apply for a licence to operate a priority service will be considered more favourably when the Minister takes into account whether the service will meet a need in the area to be served, as well as other relevant information about supply, demand and need. For example if two similar services apply for network approval in the same area, the one that more closely meets a priority is more likely to be approved.	9. Meeting a priority is not a prerequisite for receiving network approval. However, as set out below, the extent to which a proposed service will meet a priority will be considered when the Minister takes into account whether the service will meet a need in the area to be served, as well as other relevant information about supply, demand and need. If a proposed service will meet a priority, it will be considered more favourably in these assessments. For example if two similar services apply for network approval in the same area, the one that meets a priority to the greater extent is more likely to be approved.	Clarifies how meeting a priority will be taken into account. Clarifies that an application may meet a priority to a greater or lesser degree.
Paragraph 15 and new paragraph 16	15. The high-level assessment of the relevant attributes of the area to be served will include considering the relevant information relating to supply, forecast growth, demand, and need for licensed early childhood services in the area to be served, as set out below. This includes an assessment of the availability of licensed early childhood services in the area with different offerings.	15. The Minister will take into account a high-level assessment of the relevant attributes of the area to be served, including the demography of the area, the needs of the communities in the area, the needs of the children in the area, and the availability of licensed early childhood services in the area with different offerings (for example, the provision of te reo Māori). 16. This assessment may take into account relevant information relating to supply,	Clarifies that the Minister will consider the high-level attributes of the area as defined in the Act. Clarifies that this may also include relevant information on supply, forecast growth, demand and need for licensed early childhood services in the area as

		forecast growth, demand, and need for licensed early childhood services in the area to be served, as set out below.	discussed in the rest of the Statement.
22 b (23b in revised version)	22b. An application is more likely to be granted if the applicant has established there will be need for the service in an area to be served (particularly if the need reflects a strategic priority) and/or there are reasonable grounds to believe that granting approval could help address an undersupply of services in an area to be served.	23b. An application is more likely to be granted if the applicant has established that the proposed service will meet a need in the area to be served (particularly if the need reflects a strategic priority) and/or there are reasonable grounds to believe that granting approval could help address an undersupply of services in an area to be served.	Clarifies that an application must not only identify a need in the area but that the proposed service must meet that need.
23 (24 in revised version)	23. Applicants are expected to identify the need the proposed service will meet, and assess the relevant available information about supply and demand, in relation to the area to be served.	24. Applicants are expected to identify the need the proposed service will meet and how the proposed service will meet that need , as well as assess the relevant available information about supply and demand in relation to the area to be served.	Clarifies that an application must not only identify a need in the area but that the proposed service must meet that need.
28b (29b in revised version)	<p>28b. Standard information about supply and forecast supply of licensed services within the relevant area:</p> <ul style="list-style-type: none"> i. <i>Current licensed services in the area:</i> including location, number of licensed places (2 and over, under 2 and total), enrolments, attendance, licensed opening hours, and service type.³ ii. <i>Forecast licensed services in the area (being services that have received network approval and proposed excluded services that are formally recognised as having reached an equivalent stage):</i> including location, forecast licensed places (2 and over, 	<p>29b. Standard information about supply and forecast supply of licensed services within the relevant area:</p> <ul style="list-style-type: none"> i. <i>Current licensed services in the area:</i> including location, number of licensed places (2 and over, under 2 and total), enrolments, licensed opening hours, and service type;¹ and ii. <i>Forecast licensed services in the area (being services that have received network approval and any proposed excluded services recognised by the Ministry as having reached an equivalent stage where that</i> 	<p>Simplifies the text by removing iii and adding an and between i and ii</p> <p>Clarifies that excluded services will only be counted where that information is available.</p>

¹ Service type categories are defined in Appendix A.

	<p>under 2 and total), forecast opening hours, and service type.</p> <p>iii. Combined licensed services expected in the area: including the combined number of current and forecast licensed places in the area (total and for the relevant service type(s)).</p>	<p>information is available⁴): including location, forecast licensed places (2 and over, under 2 and total), forecast opening hours, and service type.</p>	
32d (33d in revised version)	<p>32d. Service type is relevant to demand and need (for example, demand for parent-led early childhood education and care centres, teacher-led early childhood education and care centres, and the service type categories of excluded early childhood services are likely to be somewhat distinct). This means that the existence of licensed services and forecast services of the same service type will be given more weight in the assessment of supply and whether the proposed service meets a need.</p>	<p>33d. Service type is relevant to demand and need, which means the existence of services (licensed or forecast) that are the same service type as the proposed service will be given more weight in the assessment of supply, demand and need. For example, if an applicant proposes to establish a parent-led early childhood education and care centre, the existence of services nearby of that same type will be more relevant to the expected demand for the proposed service than those of a different type (such as teacher-led early childhood education and care centres).</p>	<p>Clarifies how this factor will be weighted.</p> <p>Clarifies the example.</p>
32e (33e in revised version)	<p>32e. The following other factors may be relevant to demand, need and parent choice in a particular case:</p> <ul style="list-style-type: none"> i. opening hours, flexibility and convenience; ii. fees and affordability; iii. particular service offerings (such as culturally appropriate services). 	<p>33e. The following other factors may be relevant to demand, need and parent choice in a particular case:</p> <ul style="list-style-type: none"> i. opening hours, flexibility and convenience; ii. fees and affordability; <p>particular service offerings (such as culturally appropriate services or services with a special character or philosophy).</p>	<p>Adds a further example to clarify what might define a particular service offering.</p>

⁴ The Ministry may develop a process for determining whether a proposed excluded service is recognised as having reached a stage equivalent to network approval.

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