

Coversheet: Review of Home-based Early Childhood Education: Proposals for change

Advising agencies	Ministry of Education
Decision sought	Regulatory changes to raise the quality of home-based early childhood education
Proposing Minister	Hon Chris Hipkins

Summary: Problem and Proposed Approach

Problem Definition

What problem or opportunity does this proposal seek to address? Why is Government intervention required?

Home-based early childhood education is the fastest growing part of the early learning sector. It has also changed significantly since it was first regulated in the 1990s. There is a need to ensure the right policy settings are in place so that parents and whānau with children in home-based ECE can be assured their children are receiving quality education and care, and government funding is also supporting quality.

Proposed Approach

How will Government intervention work to bring about the desired change? How is this the best option?

The three tiered regulatory system used in ECE is a key lever for ensuring delivery of home-based ECE is of a high quality because it can provide certainty and clarity of the standard of service and oversight required from home-based providers. Funding is the other key lever. Cabinet decisions are being sought on a mix of funding and regulatory changes.

Section B: Summary Impacts: Benefits and costs

Who are the main expected beneficiaries and what is the nature of the expected benefit?

Monetised and non-monetised benefits

Children

- Variability in the quality of education and care in home-based settings is reduced compared to the status quo, meaning a higher proportion of children in these settings experience quality interactions and positive outcomes, including increased school readiness.

- Developmental delays and learning support needs are picked up earlier, resulting in more timely referrals and support for these children.
- Improved health and safety protections for children.

Parents and whānau

- Greater assurance that their children in home-based services are safe and receiving quality education and care.

Educators

- Qualifications improve employability and transferability to other sectors.
- Improved development and support for the educator role from the service provider.
- Less competition may mean educators can charge higher fees for their services.

Coordinators

- An evenly qualified workforce of educators is likely to improve the coordinator role to have a greater focus on lifting practice and leadership of a community of learning.

Service providers

- Service providers may have less competition for children from other home-based service providers as a result of higher requirements.

Government

- Less variability in quality and more oversight provides greater assurance that children in home-based ECE are safe and receiving quality education and care.
- Children who have attended home-based ECE are well-prepared to engage in learning in their next setting (whether another type of ECE setting or schooling).

Other parts of the ECE sector and schooling

- Improved quality in the pool of non-certificated teachers that can be employed in these settings.
- Children who have attended home-based ECE are well-prepared to engage in learning in their next setting and when they move into school.

Tertiary providers

- Increased qualification requirements for educators provides an additional revenue stream for tertiary providers for the qualifications.

Where do the costs fall?

Monetised and non-monetised costs; for example, to local government, to regulated parties

The costs are dependent on a number of factors and implementation. It is not clear where the costs will land.

Children

- There may be a cost to children if they can no longer learn in their home-language if their educator is unable to study for the level 4 ECE qualification, and has to leave the educator workforce.

Services

- Home-based service providers will be responsible for some of the costs of their educators gaining a level 4 ECE qualification. A level 4 ECE qualification costs in the region of \$944 (Open Polytechnic) to \$2,450 (PORSE In-Home Childcare) depending on the provider.
- Service provider coordinators will need to contribute a greater portion of their working hours towards supporting educators who are studying, and in some cases may have to hire additional coordinators to assist with the workload.
- Some service providers may choose to contribute to the actual cost of the level 4 ECE

qualification for educators.

- There will also be a cost to service providers should some educators decide not to study for the level 4 ECE qualification and leave the sector. Service providers will need to find educators elsewhere, and from a smaller pool.

Parents and whānau

- There may be an increased cost to parents and whānau where educators choose to leave the educator workforce.
- Parents and whānau may have to find alternative ECE arrangements which may be at a higher cost or may impact in other ways, i.e., less available hours or more travel time.
- There is also a time cost for parents and whānau to find alternative ECE arrangements.
- In extreme circumstances some parents and whānau may have to stay at home to look after their children, meaning lost earnings from leaving the workforce.

Educators

- Some educators may need to pay for the cost of the level 4 ECE qualification. A level 4 ECE qualification costs in the region of \$944 (Open Polytechnic) to \$2,450 (PORSE In-Home Childcare) depending on the provider.
- Educators affiliated through their service provider with the Home-based Childcare Association (HBCA) may be able to study through the Open Polytechnic at discounted rate.
- Educators will be required to give up their time to commit to studying the qualification, so this may mean giving up some time spent with family or leisure time for example.
- There may be an impact on educators who choose to leave the sector because they do not want to study for the level 4 ECE qualification. There will be a cost in time spent looking for alternative employment, or they may become unemployed for a period of time.

Government

- Likely cost implications for government include an increase in Student Achievement Component (SAC) funding and increased uptake of student loans, allowances and fees-free study.
- The change could have cost implications for wider government such as the Education Review Office (ERO). We do not know what these costs will be.

Other parts of the ECE sector

- There may be some pressure on other parts of the ECE sector to take in children that have been displaced as a result of the change. Other ECE service types may need to respond by increasing their capacity and licence size to take in children.

What are the likely risks and unintended impacts, how significant are they and how will they be minimised or mitigated?

There may be a number of service providers that will exit the market as result of the proposed level 4 ECE qualification requirement. The providers concerned are most likely to have educators who are au pairs, family members, or the service specialises in short-term education and care arrangements. This is because providers are reliant on educators who are unlikely to invest in such a qualification.

This proposal may also result in increased costs for parents and whānau either; as a share of the increased qualification and coordinator costs may be sought from parents and whānau, or those parents and whānau who need to move their children into other, and in some cases,

more expensive types of ECE.

To mitigate the impact on parents and whānau, and the home-based sector there will be a gradual shift towards raising quality. There will be a delayed implementation of a regulated mandatory qualification to a time when the sector is ready. The changes proposed represent a substantial shift and it is important to minimise disruption to parents and whānau.

During the consultation educators expressed concern that cost may be one of the biggest barriers to obtaining a level 4 ECE qualification. The level 4 ECE qualification requirement is expected to impact on the refugee and migrant communities the most, particularly those unable to meet the English language proficiency requirements for the qualification.

As part of supporting educators through the transition period and minimising disruption to educator's working lives we will be looking at supporting educators to gain a level 4 ECE qualification. Approximately 15% of educators already hold a Level 3 ECE qualification so we will look to grand-parent educators who already hold a Level 3 ECE qualification and recognising it as equivalent to a Level 4 ECE qualification

Identify any significant incompatibility with the Government's 'Expectations for the design of regulatory systems'.

The preferred options appear to be consistent with the government's 'expectations for the design of regulatory systems'.

Section C: Evidence certainty and quality assurance

Agency rating of evidence certainty?

Overall there is mixed or limited evidence to support statements and options in this impact assessment. Research strongly suggests that the benefits of ECE depend on the quality of the service, although the impact of specifically quality components on children's outcomes is not necessarily uniform or even well understood. There is little research that specifically considers quality factors in education and care delivered in a home setting. Therefore this assessment has, in places, relied on evidence from other settings to determine what quality looks like and what impact it has.

There is limited data on the make-up of the home-based ECE sector in New Zealand. We know the size of the home-based sector. In 2017, there were approximately 18,440 children and 7,512 educators of which an estimated 70% of home-based educators were unqualified. However, there is no data collected on who educators and children are and up to date information about where education and care is taking place.

There is also limited information about au pairs working in the sector. The information used in the assessment is sourced from an au pair focused home-based provider.

To be completed by quality assurers:

Quality Assurance Reviewing Agency:
Ministry of Education
Quality Assurance Assessment:
The Ministry of Education review panel has reviewed the regulatory impact assessment and concluded that the information and analysis summarised in it partially meets the quality assurance criteria.
Reviewer Comments and Recommendations:
<p>The Regulatory Impact Assessment describes how the proposed set of changes will address the issues that have been identified and meet the overall objective of increasing the quality of home-based ECE while minimising the impact of any change on families and the wider sector. The Panel notes that further work on a staged implementation approach is critical to ensure that the changes do not result in any unintended consequences. These risks are identified in the regulatory impact assessment.</p> <p>The analysis summarised in the RIA is commensurate with the uncertainties over the impacts on a number of the issues, in particular introducing the enhanced qualifications requirement. This uncertainty appears unlikely to be addressed until further work on implementation is completed.</p>

Impact Statement: Raising the quality of home-based early childhood education

Section 1: General information

Purpose
The Ministry of Education is solely responsible for the analysis and advice set out in this Regulatory Impact Statement. This analysis and advice has been produced for the purpose of informing policy decisions being taken by Cabinet on changes to home-based ECE settings.
Key Limitations or Constraints on Analysis
<p>The majority of evidence used to support proposals is based on other types of ECE settings, such as centre-based ECE. Note there is limited research that specifically focuses on home-based ECE settings. Similarly, the majority of the evidence base is from overseas jurisdictions. This presents some limitations on extrapolating the findings to a home-based ECE context in New Zealand.</p> <p>The Ministry received a high response rate to the survey during consultation. However, it could be argued that the Ministry was more likely to hear from “professional” educators who had a strong stake in the Review, rather than “non-professional” educators, such as grandparents and other whānau. This may have skewed the findings of the survey.</p> <p>The Ministry does not collect a lot of data on home-based ECE. For example, the Ministry does not have regular and up to date information on educators, coordinators and the homes in which education and care is taking place. The Ministry also does not collect information on the cost drivers for service providers within home-based ECE. This means that the Ministry cannot easily quantify costs, and how proposals might impact different groups within the home-based ECE sector.</p>
Responsible Manager (signature and date):
<p>Damian Edwards Associate Deputy Secretary Education System Policy Ministry of Education</p> <p>____/____/____</p>

Section 2: Problem definition and objectives

2.1 What is the context within which action is proposed?

Home-based early childhood education (ECE) is one of six ECE service types for children aged 0-5. Its point of difference is that early learning is delivered in a private home, rather than a centre, by educators who are not required to hold an ECE qualification. The absence of a mandatory qualification is a factor influencing the diversity of the educator workforce, which can include nannies, au pairs and family members such as grandparents. It's more likely that unqualified educators are available to deliver home-based ECE in languages other than English and Māori, making it a popular choice in Pacific, Chinese, migrant and refugee communities.

A registered and certificated ECE teacher, called a coordinator, must oversee the educators and children through monthly home visits and phone calls. They are also required to be immediately available to answer calls and give advice to educators. As educators deliver education without another adult present, the coordinator plays an essential role in providing professional leadership and support to them.

Home-based ECE service providers are the overarching businesses who engage the educators and coordinators. They are responsible to government for ensuring that education and care provided is meeting minimum regulatory standards (see section 2.2). These standards relate to the curriculum, health and safety, premises and facilities, as well as governance, management and administration.

The Ministry checks, through licensing processes, whether service providers meet these standards before they enter the ECE sector. A service provider can apply for and hold multiple licences, but each licence is limited to a network of up to 80 children at any one time, and their educators and coordinators.

Once a service provider is licensed, there are no further mandatory checks by the Ministry to ensure coordinators, educators and homes continue to meet regulatory requirements; however, the Ministry does respond to and investigate complaints. The Education Review Office (ERO) reviews home-based ECE services, on average once every three years. ERO's reviews focus on how well-placed a service provider is to promote positive learning outcomes for children.

The Ministry provides subsidy funding to licensed home-based services, to subsidise the cost to parents and whānau and enable participation. There are six different funding rates for home-based ECE services (three standard rates and three quality rates). The standard rates are applicable for all licensed home-based services. These service providers must meet the requirements of the Education (Early Childhood Services) Regulations 2008. The three quality rates are higher than the standard rates, and are available to services that meet the requirements set out in the Ministry's Funding Handbook in addition to those specified in the Regulations.

In 2017, approximately \$156 million in public funding was spent on home-based ECE, 18,440 children attended a home-based ECE service and 7,512 educators and 736 coordinators delivered services. Māori children made up 17% of enrolments which is lower than the average of 23% across all licensed ECE services and kōhanga reo in 2017. Pacific children

accounted for 14% of enrolments in home-based ECE, compared with an average of just 8% across all licensed ECE services.

2.2 What regulatory system, or systems, are already in place?

The regulatory system governing minimum standards for ECE in New Zealand, including home-based services, is divided into three tiers:

- first tier – the Education Act 1989;
- second tier – regulations for ECE services (including home-based) and playgroups. These are predominantly stated in the Education (Early Childhood Services) Regulations 2008; and,
- third tier – the criteria. These are more detailed standards set under the empowering second tier regulation that services must comply with, and are promulgated by the Ministry of Education. These cover a wide range of areas e.g., expectations around the premises, health and safety, governance and management as well as professional practice.

The Criteria are used by the Ministry in its assessment of service quality compliance against regulated standards.

The government has a duty of care over all citizens and residents. Government regulation of ECE, including home-based, is therefore intended to ensure at least minimum standards of health, safety, wellbeing and education for young children. This particularly extends to situations where parental responsibility is not being directly exercised and where very young children, who are unlikely to be able to completely protect themselves from harm, are involved. Also, parents and whānau may be deterred from using ECE services if they have doubts about their child's potential safety.

Regulation is also used as a mechanism to implement government policies and goals, for example, around diversity and choice or ratios of adults to children.

ERO has a significant role in the sector as the government agency that evaluates and reports on the education and care of students in [schools] and children in ECE.

2.3 What is the policy problem or opportunity?

There have been issues raised about the quality of home-based ECE by stakeholders in recent years. These issues were set out in a discussion document released by the Ministry for public consultation in August 2018 [SWC-18-MIN-0102 refers]. The issues and additional findings from the consultation are described below.

There are concerns about the quality of ECE provision delivered by educators

Seventy percent¹ of educators have no ECE qualification as shown in Table 1 below. This has been raised as a concern since research suggests that qualifications are linked to higher quality adult-child interactions.² Higher quality interactions are more likely to lead to positive educational outcomes, as well as better cognitive, social and emotional outcomes for

¹ Data from the Annual ECE Census 2017

² Mitchell, L. Wylie, C. & Carr, M. (2008). Outcomes of early childhood education: Literature review: Report to the Ministry of Education. Wellington: New Zealand Council of Educational Research.

children over time.³

Table 1: Number of home-based educators by qualification level as at June 2017

Qualification level	Total number of educators	As a % of total educators
No ECE qualification and has not completed credits towards any ECE qualification	5,232	70%
Has a teaching qualification that enables registration with the NZTC (ECE, primary)	472	6%
Does not have a teaching qualification but has completed a level 3 or higher ECE qualification	1,080	14%
Does not have a teaching qualification, but has completed some credits at a minimum of a level 4 qualification	566	8%
Has a secondary school teaching qualification that enables registration with the NZTC	56	1%
Has any other ECE teaching qualification that does not enable registration or holds licensing points	106	1%
Total	7,512	100%

Services can receive the quality funding rate if they have educators who have a completed a level 3 or higher ECE qualification, or at least 5 credits at a minimum of a level 4 ECE qualification.⁴ However, the proportion of services on this rate has declined over time from 37% in 2005 to 26% in 2017. This contrasts with centre-based ECE, where the proportion of services on the 80%+ certificated teachers funding band has increased substantially from 41% to 98% over the same period.⁵

In New Zealand, the coordinator is expected to provide professional development to ECE unqualified educators, but is not required to have any experience coaching or teaching adults. The expectations for the role are also open to interpretation, which may be leading to inconsistent practice. The current regulations also do not prevent coordinators from working across multiple licences, or being assigned to a particular educator for only a short period of time. This means that the same coordinator is not necessarily supporting the same educators and overseeing the same children.

There is less oversight of home-based ECE than other ECE service types

³ Aunio, P., Heiskari, Van Luit, J. & Vuorio, J. (2015) The development of early numeracy skills in kindergarten in low-, average- and high-performance groups. Journal of Early Childhood Research vol 13 no 1. Retrieved from: <http://ecr.sagepub.com/content/13/1/3.short?rss=1&ssource=mfr>

The National Early Literacy Panel (2008) Developing Early Literacy: Report of the National Early Literacy Panel. National Institute for Literacy: USA. Retrieved from: <https://lincs.ed.gov/publications/pdf/NELPReport09.pdf>

Moffitt, T., Arseneault, L., Belsky, D., Dickson, N., Hancox, R., Harrington, H., Houts, R., Poulton, R., Roberts, B., Ross, S., Sears, M., Thomson, W. & Caspi, A. (2010) A gradient of childhood self-control predicts health, wealth, and public safety. Proceedings of the National Academy of Sciences of the United States of America vol 107 no, 7.

Roberts, R., Martin, J. & Olaru, G. (2015) A Rosetta Stone for Non-cognitive Skills Understanding, Assessing, and Enhancing Non-cognitive Skills in Primary and Secondary Education. Asia Society. Retrieved from: http://asiasociety.org/files/A_Rosetta_Stone_for_Noncognitive_Skills.pdf

Garcia, E. (2014) The need to address non-cognitive skills in the education policy agenda. Economic Policy Institute: USA. Retrieved from: <http://www.epi.org/publication/the-need-to-address-noncognitive-skills-in-the-education-policy-agenda/>

⁴ The qualification has to be listed on the New Zealand Register of Quality Assured Qualifications.

⁵ Teacher-led, centre-based services must have a minimum of 50% qualified teachers. The higher funding rate to incentivise quality is the 80%+ registered teacher funding band.

There is less oversight of home-based ECE, compared to other ECE service types. This is because:

- The Ministry does not visit every home in a home-based network during the licensing process.
- ERO do not have right of entry into private homes to conduct reviews.
- The Ministry does not always have an up to date list of homes in a home-based network, and does not regularly collect information on educators or coordinators.

For centre-based services, Ministry officials visit the centre to determine whether the service meets the required standards. For home-based ECE services, it is not possible to visit every home in the network. Instead, the Ministry randomly selects two homes to visit during the licensing process, which means there are homes that are not checked by the Ministry.

Under the Education Act, ERO does not have a right of entry into private homes, and because of this cannot verify curriculum implementation and health and safety monitoring in person. ERO relies on internal evaluation and other documentation and discussions with coordinators and the service provider to complete their reviews of home-based services.

While the Ministry holds a record of the addresses of homes in which home-based ECE is taking place, these relate to the homes associated with the service when it was first licensed. This list of homes can change multiple times after this point, without the updated information being provided to the Ministry. This contrasts with ECE centres, where the address must remain the same, or formally apply to change as part of a licensing amendment. The Ministry also does not collect regular information on educators and coordinators apart from the annual ECE census that counts how many educators and coordinators there are.

Service providers sometimes interpret their legislated role of 'arranging' education and care, as not being responsible for its delivery

The Education Act definition of service provider is problematic. It states the service provider as being responsible for the 'arrangement' of education and care, not explicitly its provision or delivery. The definition does not appear to compel service providers to oversee and support the work of educators, or be directly responsible to government for meeting minimum regulatory standards.

This is a concern, as Ministry data suggests, that home-based services are less likely to maintain minimum licensing standards, across all types of licensing standard – whether it relates to the curriculum, health and safety or specific regulated standards like adult to child ratios. This is reflected in the higher percentage of home-based services that have interventions in place. As at 23 July 2018, 13% of home-based services had provisional or suspended licences requiring action, compared with approximately 3% for other ECE service types.

2.4 Are there any constraints on the scope for decision making?

The options, considered in this RIA, work within the current three tier regulatory system we have in place currently

The Minister has ruled out some other options because they either, need further work, or will be considered as part of the wider Strategic Plan for Early Learning.

An option to improve transparency of funding regarding the use of government subsidies was considered. The current disclosure and reporting requirements are not sufficient for services to be clear and transparent about the level of government funding received or how it is spent. It is proposed that new requirements be introduced to strengthen the transparency of funding and oversight of licences to disclose subsidies to parents and whānau, and report on income and expenditure per licence to the Ministry.

To ensure consistent reporting requirements it is proposed that any changes to improve the transparency of funding are applied to other ECE service types. Changes to improve the transparency of funding will be considered in the context of the Strategic Plan for Early Learning.

Currently the Ministry does not safety check or Police vet young teenagers (aged 14-16) in an educator's home. In some circumstances this may pose a risk to ECE-aged children. We are looking to explore using Oranga Tamariki data to conduct background checks on young teenagers (aged 14-16) in an educator's home to identify potential risks and look at the privacy implications of sharing this information.

The Ministry also plans to explore providing ERO with an increased role to an external evaluation before a full licence is granted. This would provide greater assurance on the curriculum standard in particular. This proposal is subject to the outcome of the Tomorrow's Schools Review.

As part of the home-based ECE review the Ministry proposed options that looked at improving educator working conditions. However, the Ministry is seeking to complete further work that will explore requiring services to pass a certain proportion of government funding to educators.

The terms of reference for the home-based ECE review considered the following as out of scope:

- non home-based ECE
- private education or care provided in the home which is not licensed by the Ministry of Education and does not meet the definition of an education and care centre in section 310 of the Education Act 1989

For more information on the Home-based ECE review see: <https://conversation.education.govt.nz/conversations/review-of-home-based-early-childhood-education/review-of-home-based-ece-discussion-document/>

2.5 What do stakeholders think?

Relevant stakeholder views are mainly included as part of the options analysis later in the regulatory impact assessment.

The analysis was informed by considerable consultation. The Ministry conducted initial engagement on the areas for review with home-based ECE provider peak bodies and the larger individual home-based providers including:

- Home-based Care Association (HBCA)
- Home Early Learning Organisation (HELO)
- Barnardos NZ
- PORSE In-home Childcare
- Au Pair Link
- Paua Early Childhood Home Based Care

The home-based provider peak bodies fully supported the review of home-based ECE and agreed that work needed to be done to lift the quality of home-based ECE. However, not all agreed on what constituted quality in home-based ECE.

The Ministry released a discussion document on 21 August 2018 to begin public consultation. The discussion document outlined two broad aims of the review with proposals grouped within these aims:

- Supporting quality in home-based ECE;
- Ensuring government investment is directed towards education and care.

The Ministry conducted two surveys (a short survey and a more detailed survey) on the home-based ECE review. The surveys asked whether respondents agreed or disagreed with the proposals and why. Seventeen hundred responses to the short survey and 250 detailed survey submissions were received.

The Ministry held 15 hui in six centres across New Zealand, including Auckland (Central and South), Tauranga, Hamilton, Wellington, Christchurch, and Dunedin. Approximately 450 service providers attended the seven hui and 300 educators and visiting teachers attended evening targeted meetings. The concerns identified about quality, educator working conditions and the role of the service provider were confirmed.

The Ministry engaged with two Māori service providers and educators in Tauranga and Kaitiāia. Promoting and supporting te reo Māori was integral to these services, and both had high proportions of teacher-qualified educators. Recognition of kōhanga reo qualifications was identified as important.

Te Kōhanga Reo National Trust (TKRNT) expressed interest in providing home-based early learning. TKRNT also submitted that Tohu Whakapakari holders should be able to act as coordinators in home-based ECE.

Section 3: Options identification

3.1 What options are available to address the problem?

There are a range of problems identified, and so a package of regulatory interventions is proposed to address these problems.

The package is to be tested against the following criteria:

- Impact on the quality of education and care for children, and the health and safety of children;
- Impact on parents and whānau (including cost and maintaining the ability to access ECE);
- Impact on educator workforce;
- Compliance costs for ECE providers; and,
- Costs to government and ease of implementation.

The range of potential regulatory options to address the identified issues includes:

- Increasing quality ECE provision via requiring a minimum qualification level for home-based ECE educators.
- Strengthening the role and responsibilities of home-based ECE coordinators and service providers.
- Gathering more information about the home-based ECE sector.
- Strengthening the definition of a home-based ECE service provider in the Education Act and enabling ERO right of entry into private homes where home-based ECE is being delivered.

3.2 What other options have been ruled out of scope, or not considered, and why?

The following options relating to improving pay and conditions for educators have not been considered further in the following analysis:

- Requiring home-based ECE service providers, through legislation, to engage educators as employees and not contractors. This was discounted since a large majority (71%) of educators who responded to the survey wanted to remain independent contractors. Service providers also expressed a strong preference for educators to remain contractors.
- Attaching conditions to government funding to ensure subsidy funding is passed on to educators. Such an approach may be explored at a later date.

Section 4: Impact Analysis

Marginal impact: How does each of the options identified at section 3.1 compare with the counterfactual, under each of the criteria set out in section 3.2?

Section 1: Increasing the quality of ECE provision and the role of the coordinator

Option 1 involves:

- a requirement that educators have, or are in training towards, a minimum level 4 ECE qualification;
- a requirement that coordinators are fully registered teachers and setting clearer expectations of the coordinator role; and,
- a requirement that service providers provide relevant professional development and health and safety training for both educators and coordinators.

	No action	Option 1: Increasing the quality of ECE provision and the role of the coordinator	
Impact on the quality of education and care for children, and the health and safety of children	0	+	<p>This option provides an increase in the quality of education and care for children. A level 4 ECE qualification prepares graduates to work in early learning environments and has a focus on effective communication with children. Evidence suggests that teacher qualification requirements are linked to quality interactions with children.</p> <p>This option enables better protections for children because it requires service providers to provide regular professional development and health and safety training for both educators and coordinators. Educators and coordinators will be up to date with the latest pedagogy, health and safety requirements.</p> <p>There may be an impact on children if they can no longer learn in their home-language if their educator is unable to study for the level 4 ECE qualification, and has to leave the educator workforce.</p>
Impact on parents and whānau (including cost and maintaining the ability to access ECE)	0	0	<p>There may be an increased cost to parents and whānau but as there are a number of different types of services and family circumstances, it is difficult to say for sure.</p> <p>Educators could continue to work while studying for the qualification, so this is likely to reduce to the potential disruption to parents and whānau.</p> <p>However, some educators may choose to no longer work as educators which will affect the availability of provision in some areas. Some parents and whānau may have to find alternative ECE arrangements, and in some extreme cases they may have to stay at home to look after their children. This option is expected to impact on parents and whānau who use bilingual and immersion services, and some parents and whānau that</p>

	No action	Option 1: Increasing the quality of ECE provision and the role of the coordinator	
			use grandparents and whānau, or older educators who might not wish to undertake study.
Impact on educator workforce	0	+	<p>Educators could gain the level 4 ECE qualification while continuing to work because of the practicum component of the qualification. There is some opportunity cost of undertaking the level 4 ECE qualification if educators are not able to work full-time as well as complete the training.</p> <p>A level 4 ECE qualification costs approximately \$944 (Open Polytechnic) to \$2,450 (PORSE In-Home Childcare) depending on the provider. Some educators will need to pay for the qualification. Some educators may be able to do the qualification through the fees free policy, or free of charge via support from their service provider (see costs to government and ease of implementation below). We are uncertain where the costs will lie as it depends on the individual educator and service provider circumstances. During consultation educators identified the cost of study as a barrier to enrolling in the qualification. This was particularly so for educators in low-socio economic communities.</p> <p>The majority of educators spoken to in consultation supported the introduction of a level 4 ECE qualification.</p> <p>The main barriers for educators completing a qualification were language, cost, and time. The short survey shows 49% of educators supported introducing the level 4 ECE qualification as a mandatory requirement and 46% disagreed with the proposal. Those who agreed considered it would improve the quality of care and reduce variability in the sector. Those who disagreed considered the qualifications as poor predictors of quality and would exclude quality educators, particularly older women with English as a second language.</p> <p>The qualification requirement is likely to disproportionately impact on the refugee and migrant communities, mainly because educators in these communities are less likely to meet the English language proficiency requirements for the qualification.</p> <p>At present of the 476 home-based services in 2017, 45 were in bilingual instruction, and 18 were full immersion. The most common bilingual services were Tongan (24), followed by Northern Chinese (16). The majority of immersion services delivered were Northern Chinese (13). There are a total of 1236 educators across these bilingual and immersion services. Northern Chinese educators make up over half (607) in bilingual and (212) in immersion services. Tongan educators mostly taught in bilingual services</p>

	No action	Option 1: Increasing the quality of ECE provision and the role of the coordinator	
			<p>(243) compared to just 12 teaching in immersion.</p> <p>This option would also exclude the au pair section of the home-based ECE sector because most au pairs would no longer qualify for funding as home-based educators, unless they have an overseas qualification that NZQA recognises as equivalent to the level 4 ECE qualification. It is estimated that there are approximately 630 au pairs working in New Zealand who are responsible for delivering education and care to around 850 children which accounts for 5% of enrolments in home-based ECE.⁶ This figure is an estimate as the Ministry does not collect information on au pairs.</p> <p>There was general support for strengthening the role of the coordinator, but a strong preference for visits to remain the same. Most educators said they saw their coordinator more than once per month through playgroups in addition to visits. During the consultation most people supported changing the name from 'coordinator' to 'visiting teacher'.</p>
Compliance costs for ECE providers	0	+	<p>There may be an increase in compliance costs for service providers depending on whether they take on responsibility for their educators gaining the level 4 ECE qualification. Some service providers may wish to support their educators so they can maintain their workforce.</p> <p>During the consultation coordinators emphasised the additional hours required from them to help support educators who are studying.</p> <p>There will also be an increased cost for some service providers to provide professional development and health and safety training. Some service providers will likely already do this, but it will now be a requirement.</p> <p>Some service providers may leave the home-based sector if they are unable to meet the new quality requirements.</p>
Costs to government and ease	0	+	The costs for government for this option would be high. The costs to Government over

⁶ This estimate is based on:

- The number of unique addresses in ELI attributed to the two largest home-based ECE services specialising exclusively in au pairs – Au Pair Link and Dream Au Pair.
- Information on the number of au pairs engaged with PORSE which was included in their submission for the Review of home-based ECE consultation.
- Data on enrolments and attendance addresses for Playschool which offers a mix of au pairs and other home-based educators. We assume au pairs make up 30% of unique addresses.

	No action	Option 1: Increasing the quality of ECE provision and the role of the coordinator	
of implementation			<p>five years is estimated be between \$20 and \$30 million. Government supports New Zealand students through Student Achievement Component (SAC) funding, student loans and allowances, and fees-free study or training.</p> <p>Costs have been estimated based on the assumption that the 70% of currently unqualified educators would choose to undertake the qualification. Of this group of unqualified educators we estimate around 50% would be eligible for fees free based on data collected through consultation. It is estimated that 10% of the group of unqualified educators would be eligible for fees-free training through their affiliation with the New Zealand Home-based Early Childhood Education Association (NZHBCA). Likely implications of transitioning the unqualified educator workforce to a level 4 ECE qualification include an increase in SAC funding, and increased uptake of student loans, allowances and fees-free study.</p>
Overall assessment		4	

Option 2 involves regulating a requirement for:

- a minimum level 7 ECE teaching qualification requirement for educators, with less responsibility for oversight from a coordinator.

	No action	Option 2: Set a minimum level 7 ECE teaching qualification requirement for educators, with less responsibility for oversight from a coordinator	
Impact on the quality of education and care for children, and the health and safety of children	0	++	<p>This option would significantly increase the quality of education because there is a positive relationship between the qualification levels of staff and quality. The higher qualification levels of staff, the higher scores children receive on measures of literacy and social and emotional development.^{7 8}</p> <p>Coordinators would be responsible for fostering communities of practice which would strengthen home-based ECE practice.</p> <p>It would enable better protections around the health and safety of children in homes.</p>

⁷ Sylva, K., Meluish, E., Sammons, P., Siraj-Blatchford, I., and Taggart, B. (2004). The Effective Provision of Pre-School Education (EPPE) Project: Final Report. London: University of London.

⁸ Slot, P. L., Leseman, P. P. M., Verhagen, J., & Mulder, H. (2015). Associations between structural quality aspects and process quality in Dutch early childhood education and care settings. *Early Childhood Research Quarterly*. 33, 64–76.

	No action	Option 2: Set a minimum level 7 ECE teaching qualification requirement for educators, with less responsibility for oversight from a coordinator	
			Educators would also be held to higher standard and be accountable to the Teaching Council in order to maintain registration.
Impact on parents and whānau (including cost and maintaining the ability to access ECE)	0	--	<p>This option would result in much higher costs for parents and whānau and would substantially affect the availability of provision by driving up the cost of fees.</p> <p>Up to 70% of the educator workforce do not currently hold a qualification. An ECE initial teacher qualification is three years full-time study. Should some educators wish to complete the qualification, it may affect their ability to continue work as an educator while studying.</p> <p>If half of all unqualified educators decided not to undertake a level 7 ECE qualification, we estimate approximately 2,377 educators would leave the educator workforce. Based on the number of children in home-based ECE in 2017, up to 6,500 children could be displaced and have to attend another form of ECE.</p> <p>Parents and whānau would have to find other home-based arrangements, private arrangements or move their children into centre-based services. Demand is very likely to outstrip supply of ECE with this option, at least in the short term, meaning some parents and whānau may need to leave paid employment to be at home with their children.</p>
Impact on educator workforce	0	--	A level 7 ECE teaching qualification can be completed part-time while still working as an educator and would cost approximately \$14,940 for the full qualification based on 2018 fee information. ⁹ Some educators may be eligible for the first year free if they qualify for fees free.
Compliance costs for ECE providers	0	--	Compliance costs for service providers would be high should they wish to financially support their educators to gain a level 7 ECE teaching qualification.
Costs to government and ease of implementation	0	--	Except for capital and maintenance costs, the cost of paying for ECE teachers to be educators may be on a par with centre-based services because government would therefore have to consider increasing subsidy funding for home-based services. Educators would have to be remunerated on a par with centre-based services for there

⁹ <https://www.openpolytechnic.ac.nz/qualifications-and-courses/op7030-bachelor-of-teaching-early-childhood-education/>

	No action	Option 2: Set a minimum level 7 ECE teaching qualification requirement for educators, with less responsibility for oversight from a coordinator	
			<p>to be an incentive to study.</p> <p>If there was an increased demand for ECE teachers, it may cause teachers to leave some centre-based services to work for home-based providers. This may impact on centre-based services by reducing their ability to maintain their level of funding because the percentage of certificated ECE teachers is linked to funding.¹⁰</p> <p>There would also be an impact for government from educators not wishing to study and becoming unemployed. The costs to government would include the payment of benefits and supplementary assistance for those educators unable to find alternative employment straight away.</p> <p>This option would be difficult to implement because it would have twice the lead in time of option 1.</p>
Overall assessment		-6	

Preferred option

Option 1 is preferred because it provides an increase in the quality of ECE for children, with the least cost to parents and whānau, the educator workforce, service providers and government. It also allows for change whilst minimising disruption to the sector. Educators will still be able to work because of the nature of the level 4 ECE qualification.

¹⁰ <https://www.education.govt.nz/early-childhood/funding-and-data/funding-handbooks/ece-funding-handbook/how-the-ministry-funds-services/2-6-funding-rates/>

Section 2: Oversight of home-based ECE providers and staff

Option 1 involves:

- Changing regulations to require regular and up to date information on the addresses of homes in which educators work.

	No action	Option 1: Regulatory change requiring regular and up to date information on the homes only. No systems for collecting detailed information on coordinators or educators.	
Impact on the quality of education and care for children, and maintains the health and safety of children	0	0	This option is unlikely to increase the quality of education and care (including health and safety) for children. It would allow the Ministry to do spot checks on educators' homes, which may marginally increase oversight.
Impact on parents and whānau (including cost and maintaining the ability to access ECE)	0	0	This option would have no impact on parents and whānau. However, there is implied oversight by the Ministry knowing where the homes would be located.
Impact on educator workforce	0	0	This option would not impact on the educator workforce. However, the Ministry may increase monitoring if it knows where homes are.
Compliance costs for ECE providers	0	-	Compliance costs for home-based service providers would be relatively low. Service providers would be required to provide the addresses for educators initially and resubmit the addresses once per month to monitor any changes of address.
Costs to government and ease of implementation	0	+	This is a low cost option for government. It would not require any new systems to collect addresses as it could be managed using existing data collection tools. There may some minor data entry impacts from the data coming in as addresses change.
Overall assessment		0	

Option 2 involves:

- changing regulations to require home-based ECE providers to give the Ministry addresses of homes where home-based ECE is being provided, and identifying information on educators and coordinators.

	No action	Option 2: Require home-based ECE service providers to give us information on the addresses of homes where home-based ECE is being provided, and information on educators and coordinators.	
Impact on the quality of education and care for children, and maintains the health and safety of children	0	+	This would facilitate better Ministry checking of the quality of education and care provision by providing up to date information on where education and care is taking place, and who is delivering it. The health and safety of children would be better protected through the increased likelihood of Ministry inspections. The information could also be used for other purposes, such as ensuring sex offenders are not released to homes nearby.
Impact on parents and whānau (including cost and maintaining the ability to access ECE)	0	+	This option would provide greater assurance to parents and whānau of the quality of care because of the enhanced Ministry oversight of where education and care is taking place.
Impact on educator workforce	0	0	This option would have no impact on the educator workforce.
Compliance costs for ECE providers	0	+	The cost to service providers would be low because service providers already collect the information using Early Learning Information web, a spreadsheet or via their student management system.
Costs to government and ease of implementation	0	-	There would be a minor cost to government to enable its systems to receive the information. Any IT changes would be estimated to cost between \$1 and \$2 million. The approach would, however, limit service providers from switching homes between licences to avoid licensing or ERO checks and for funding purposes.
Overall assessment		2	

Preferred option

Option 2 is preferred because it facilitates better Ministry checking of the quality of ECE by providing up to date information on where ECE is taking place, and who is delivering it. It also provides better health and safety protection for children.

Section: Ensuring clarity about the responsibilities of service providers

Option 1 involves:

- amending the definition of Service Provider, in relation to a home-based education and care service, in Section 309 of the Education Act 1989, from 'arranges' to 'provides'.

	No action	Option 1: Change the definition of Service Provider, in relation to a home-based education and care service, in Section 309 of the Education Act 1989, from 'arranges' to 'provides'.	
Impacts the quality of education and care for children, and maintains the health and safety of children	0	+	The option is likely to increase the quality of education and care for children. Changing the definition of a service provider to replace the term 'arranges' with 'provides' would clarify that service providers are responsible for overseeing and supporting the work of educators. The change would support government expectations that services are ultimately responsible for the delivery of education and care to children. This change maintains the health and safety of children. It would also remove any room for misinterpretation as to who is ultimately responsible for the health and safety of children.
Impact on parents and whānau (including cost and maintaining the ability to access ECE)	0	+	Parents and whānau would be clearer about where responsibility for aspects of their child's education and care lie.
Impact on educator workforce	0	0	There would be little impact on educators. In some instances, where educators were previously unsure about the line of accountability, this change may mean educators feel more confident in their role.
Compliance costs for ECE providers	0	0	The compliance cost for home-based ECE service providers is expected to be low in most cases. Some service providers may need to become more active in their role as providers of education and care because they have adopted a more 'hands off' approach to date.
Costs to government and ease of implementation	0	-	The costs to government would be low.
Overall assessment		1	

Preferred option

Option 1 is the only, and the preferred option because it ensures clarity about the responsibilities of service providers. It ensures service providers are ultimately responsible for the education and care of children.

Section: Strengthening ERO oversight and child safety

Option 1 involves:

- Amending the Education Act so that ERO has right of entry into homes and clarification of the Education Act 1989 that police vets are required on all adults who may live and/or be present in the home.

	No action	Option 1: Change the Education Act so that ERO has right of entry into homes. Clarify the Education Act 1989 that police vets are required on all adults who may live and/or be present in the home.	
Improves the quality of education and care for children, and maintains the health and safety of children	0	++	<p>Enabling ERO powers of entry and inspection would increase oversight of curriculum delivery and health and safety. It means that ERO can enter unannounced which removes the opportunity for service providers to pre-select homes for inspection.</p> <p>Clarifying the police vet legislation would remove the risk that some adults may not be subject to a police vet, for example adults that are at all work all day, but may be at home sick when children are present. It also increases the chances of screening adults that may pose a risk to children.</p> <p>These changes would increase the health and safety of children by increasing oversight of health and safety by ERO. It also ensures that all adults that are living and/or may be present are subjected to a police vet.</p>
Impact on parents and whānau (including cost and maintaining the ability to access ECE)	0	0	Parents and whānau would have greater assurance of the quality of education and care being provided.
Impact on educator workforce	0	+	Working conditions for educators would remain the same. Educators would have the opportunity to receive feedback about curriculum implementation and health and safety from ERO, which may help to improve educator practice.
Compliance costs for ECE providers	0	0	Additional compliance costs for home-based ECE service providers are expected to be low. However, some service providers may have to cover the cost of obtaining additional

	No action	Option 1: Change the Education Act so that ERO has right of entry into homes. Clarify the Education Act 1989 that police vets are required on all adults who may live and/or be present in the home.	
			police vets for any adults that are not currently captured by the Education Act.
Costs to government and ease of implementation	0	+	The costs to the Ministry are expected to be low. More resource would likely be needed to be provided to enable ERO to carry out home checks in light of additional legislative powers. There would also be a small resourcing impact on Police from additional vetting work.
Overall assessment		4	

Changing the Education Act 1989 to allow ERO to enter homes and clarify when a Police vet is required: Preferred option

Option 1 is the only, and the preferred option because it increases the oversight of curriculum delivery and health and safety for children. It also ensures better protections for children by removing any chance for misinterpretation by clarifying the police vet legislation in the Education Act 1989.

Key:

- ++ much better than doing nothing/the status quo
- + better than doing nothing/the status quo
- 0 about the same as doing nothing/the status quo
- worse than doing nothing/the status quo
- much worse than doing nothing/the status quo

Section 5: Conclusions

5.1 What option, or combination of options, is likely best to address the problem, meet the policy objectives and deliver the highest net benefits?

Given the analysis in the preceding sections, the Government is considering adopting the following regulatory changes:

- A requirement that educators have, or are in training towards, a minimum level 4 ECE qualification;
- A requirement that coordinators are fully registered teachers and setting clearer expectations of the coordinator role;
- A requirement that service providers provide relevant professional development and health and safety training for both educators and coordinators;
- Requiring service providers to provide the Ministry with information on homes, educators and coordinators;
- Changes to the Education Act 1989 to clarify that service providers are responsible for delivery of education and care, and that a police vet is required for all adults likely to be present in the home; and,
- Enabling ERO to enter homes as part of their regular reviews. The Tomorrow's Schools report makes a number of significant recommendations for changes to the current education system. Recommendations include changes to ERO with their functions being transferred to other entities. The government's intention is to align the various initiatives within a programme of change.

This package of changes is preferred because it is most likely to improve the quality of home-based ECE while minimising impacts on families using home-based ECE and educators.

Adopting a level 4 ECE qualification standard will mean a stronger focus on child development than lower level ECE qualifications, which is important in providing greater assurance on the quality of interactions between educators and children. The level 4 is less costly (in terms of both time and money) than higher level qualifications and does not require practicums in an ECE centre. This means educators can continue to work while studying. For these reasons, the level 4 qualification is likely to have greater uptake among existing and future educators than higher level qualifications. This minimises the risk of educator and provider exit, therefore minimising the risk on families.

From consultation, providers are generally meeting the additional requirements of providing professional development and health and safety training for coordinators, as well as providing the appropriate level of police vetting and oversight of education and care. Formalising these requirements in the regulatory framework provides clarity on expectations and limits the risk of variability across the sector. These proposals are expected to have minimal impact on families or on the level of home-based provision.

Enabling ERO right of entry into homes and requiring providers to give information to the Ministry, on the locations where home-based is provided and their workforce, significantly improves oversight of the sector. These proposals are likely to have minimal impact on families or on the level of provision in the sector.

The Ministry lacks data on the different types of educators (for example, how many au pairs

there are, how many educators are grandparents and whānau only providing education and care to their own grandchildren). This severely limits the Ministry's ability to estimate how many educators will choose not to continue as educators within the home-based ECE sector, and how many services will no longer be viable. This in turn limits the ability to assess how these changes will affect families. From consultation, 49% of educators supported the introduction of qualifications, 46% did not support it, and 5% had no opinion. PORSE, the largest home-based ECE provider, surveyed their educators and 71% indicated they would continue to work as educators if level 4 became a requirement.

5.2 Summary table of costs and benefits of the preferred approach

Affected parties (identify)	Comment: <i>nature of cost or benefit (e.g. ongoing, one-off), evidence and assumption (e.g. compliance rates), risks</i>	Impact \$m present value, for monetised impacts; high, medium or low for non-monetised impacts	Evidence certainty (High, medium or low)
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Additional costs of proposed approach, compared to taking no action

Regulated parties – home-based ECE service providers, home- based educators	<p>Ongoing cost to home-based service providers to support educators while they study for the level 4 ECE qualification.</p> <p>One-off training cost for educators to study for the level 4 ECE qualification.</p>	<p>Low-medium</p> <p>A range of \$944 to \$2,450</p>	Low-medium
Regulators	A transition cost for the Ministry including increased SAC and fees-free study. The costs to regulators over five years is estimated to be between \$20 and \$30 million.	Low-medium	Low-medium
Wider government	<p>A cost to the Ministry of Social Development from increased uptake of student loans and allowances.</p> <p>Ongoing costs for ERO to provide additional resource to enter private homes.</p> <p>A small cost to Police to provide additional vetting resource.</p>	Low-medium	Low-medium
Parents and whānau	There may be increased costs for parents and whānau. Either, through parents and whānau placing their children in alternative provision or through home-based	Low-medium	Low-medium

	ECE increasing its fees, which may lead to parents and whānau leaving the workforce.		
Total Monetised Cost	Low-medium	Low-medium	Low-medium
Non-monetised costs	Low-medium	Low-medium	Low-medium

Expected benefits of proposed approach, compared to taking no action			
Regulated parties	<p>Qualifications may improve employability and transferability to other parts of the ECE sector.</p> <p>Improved development and support for the educator role from the service provider.</p> <p>Less competition may mean educators can charge higher fees for their services.</p>	Medium	Low
Regulators	Improved outcomes for children, increased readiness for school and greater health and safety protections for children. More data about the home-based ECE sector.	Medium	Medium
Wider government	More data about the home-based ECE sector from additional data collection, i.e., educator's home addresses, and being able to enter homes.	Medium	Medium
Other parties	Improved educational outcomes for children. Greater assurance to parents and whānau that their children are healthy and safe and receiving quality ECE.	Medium	Medium
Total Monetised Benefit	Medium	Medium	Medium
Non-monetised benefits	Medium	Medium	Medium

5.3 What other impacts is this approach likely to have?

A key impact of the proposed regulatory package is that requiring minimum qualifications is likely to increase the number of people studying level 4 ECE qualifications at tertiary institutions. Implementation will need to be phased to ensure there is sufficient capacity in the tertiary sector to provide places to educators wishing to study.

There will also be small cost to Police to provide additional vetting resource.

5.4 Is the preferred option compatible with the Government's 'expectations for the design of regulatory systems'?

The proposed package of changes is consistent with the Government's 'expectations for the design of regulatory systems'. It proposes to amend existing ECE regulations in order to support higher quality home-based ECE, which will deliver net benefits for New Zealanders. The preferred approach seeks to achieve this objective in a cost effective way with minimal impacts on the regulated individuals.

Section 6: Implementation and operation

6.1 How will the new arrangements work in practice?

Changes to the Education Act will be included in the Education and Training Bill, which is expected to be passed in 2020.

Changes to the Regulations will be made in 2019, but will come into effect at different times. Changes to require services to give the Ministry information on homes, educators and coordinators will come into effect in late 2019 or in 2020. The timing is contingent on an IT interface that enables automatic collection of this information as well as the completion of a privacy impact assessment. Information will be collected during the implementation phase, which will enable adjustments to the implementation timeframe if necessary.

Changes to educator and coordinator requirements will be fully implemented last. Over the transition period, changes to funding criteria and funding rates will be used to incentivise providers to move to the new requirements.

A number of communication channels will be used to communicate the implementation of the changes. Print, social media, professional learning and development, and workshops are just some of the models that will be considered.

6.2 What are the implementation risks?

The main issues around implementation that were raised during consultation relate to the requirement for educators to gain a level 4 ECE qualification. These were (from most frequently raised, to least frequently raised):

- Educators raised the cost and time to study a level 4 qualification as barriers to embarking on study.
- Some educators from new migrant communities have little or no English, which would prevent them from undertaking the qualification under current settings.
- Coordinators who work with educators who were studying talked about the additional effort required from them to support educators through the qualification, which was over and above their role. Service providers also raised this issue as a cost to them.
- A very small number of service providers have mainly educators who do not have permanent residence in New Zealand, which would prevent their educators from enrolling in a level 4 qualification.

Other issues relating to implementation that were raised included:

- Additional funding to meet increased requirements;
- The availability of qualified teachers with experience coaching adults to meet new requirements for the coordinator role; and,
- A small number of service providers mentioned requiring educators to attend

professional development in addition to the requirement for service providers to provide it.

Ways to address these issues will be considered as part of the implementation phase.

Section 7: Monitoring, evaluation and review

7.1 How will the impact of the new arrangements be monitored?

The Ministry collects data on which children are participating in ECE. Changes in participation by age and ethnic group in home-based ECE will highlight if particular groups are affected by the regulatory and funding changes to home-based ECE.

The Ministry will monitor how many services move to the quality funding band over the implementation period. This gives an indication of how fast the sector is shifting towards the new settings.

The Ministry collects aggregate data on the educator and coordinator workforce once a year in June. The qualification codes for educators have been changed for the June 2019 collection so the Ministry will have data on how many educators have level 4.

The regulatory change to require service providers to give the Ministry information on educators will also aid the ability to monitor implementation, once that is operational.

The Ministry can also monitor the number of complaints, interventions, provisional licences, changes in the proportion of qualifications to evaluate whether the evidence around qualifications supporting quality is consistent.

ERO reviews are the only current measure of the quality of teaching and learning in ECE. Enabling ERO right of entry into homes as part of their regular reviews will provide some information on the quality of curriculum implementation and pedagogy in home-based ECE. However, it will not be possible to measure lifts in quality using ERO's reviews from before and after this change due to the change in methodology.

Work as part of the Strategic Plan for Early Learning is also being undertaken to understand outcomes in the early learning sector.

7.2 When and how will the new arrangements be reviewed?

The 2018 Review of Home-based ECE is the first time this part of the sector has been reviewed. Changes to the regulatory and funding framework for home-based ECE have been made at various times, such as when integrated ECE regulations were created in 2008. Regular monitoring and feedback from the sector will provide information about whether and when to review home-based ECE again.