



# Review of Home-based ECE

## Discussion document



**Kōrero Mātauranga**  
Me kōrero tātou

**Have your say about  
the future of education.**



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# Minister's foreword



As Minister of Education, I am pleased to launch this conversation on home-based early childhood education.

There's an increasing body of evidence to show that quality early learning has an important role in providing children with a strong foundation for their future.

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.

This is why I asked the Ministry of Education to assess home-based early childhood education. I want to ensure we have the right policy settings in place, so that all children benefit from quality education.

This discussion document sets out a wide range of proposed changes, including introducing a minimum qualification requirement for educators. The changes aim to lift quality, and help make sure Government funding is used as intended – to support education and care.

Any changes in the sector are likely to have a direct impact on parents and whānau, as well as educators and service providers. So I encourage everyone involved to think about what's being suggested, and provide feedback, which will be carefully considered before any final decisions are made.

The interests of children and their families are paramount in this process. In making and implementing any changes, every effort will be made to minimise disruption to them.

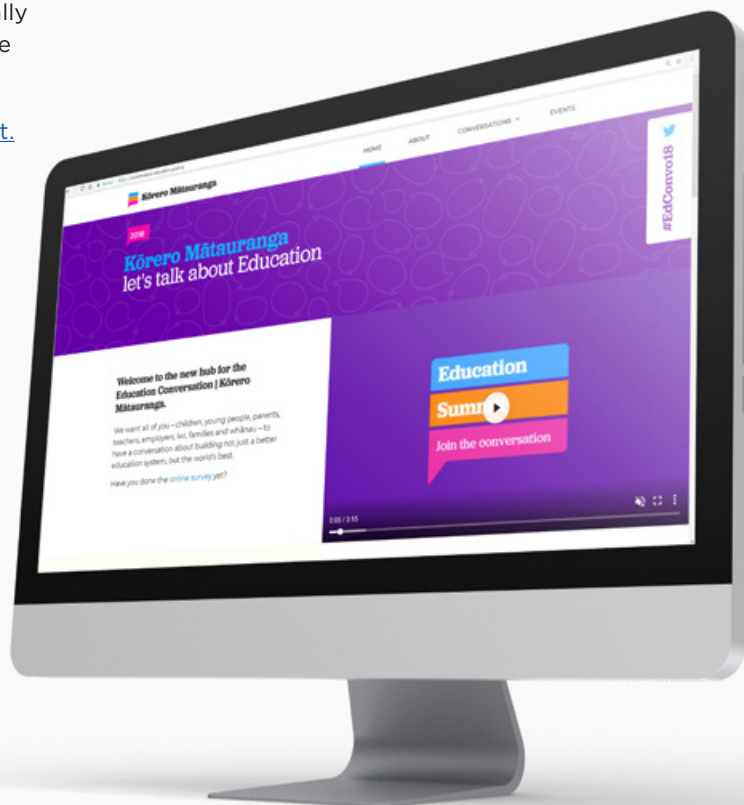
A new Early Learning Strategic Plan is also being developed at the same time as this Review. The Early Learning Strategic Plan covers the whole early learning sector, including home-based early childhood education. Any changes arising from this Review will be incorporated into the Early Learning Strategic Plan.

Hon Chris Hipkins  
**Minister of Education**

# How you can provide feedback

You can provide feedback on the Review of Home-based ECE generally and this discussion document online at Kōrero Mātauranga:

<https://conversation.education.govt.nz/conversations/review-of-home-based-early-childhood-education/>









## Section A

# **What is home-based ECE and why are we doing the review?**

## What is home-based ECE?

Home-based early childhood education (ECE) is provided by an educator to groups of up to four children aged from birth to five years in either an educator's home or the child's home. Each educator must belong to a licensed home-based service, which provides support through a coordinator who is a qualified and registered ECE teacher with a current practicing certificate. Educators are not required to hold qualifications.

Educators can include nannies, au pairs, grandparents and other relatives. Coordinators provide professional leadership and support to educators and oversee the children's education and care. Coordinators must provide supervision at all times while children attend the service. They are responsible for overseeing the education and care of up to 50 children at a time. Coordinators can also be called visiting teachers.

Home-based ECE offers a number of benefits, including low adult to child ratios and small group sizes. It also allows parents to choose an educator who shares their first language and culture.

The Ministry of Education subsidises the cost of ECE by providing funding to licensed home-based ECE services. There are two different subsidy rates for home-based ECE services (a standard and a quality rate). The standard rate is the minimum funding rate home-based services can receive. These services must meet the requirements of the Education (Early Childhood Services) Regulations 2008<sup>1</sup>. The quality rate is a higher funding rate available to services that meet additional requirements to those set out in the Regulations.

Home-based services' funding also depends on whether the children are under or over two, and if the service offers 20 Hours ECE for three-, four- and five-year-olds. Home-based services can claim up to 30 hours of subsidy funding per child, per week.

In 2017 approximately \$156 million was spent on home-based ECE and 18,440 children attended a home-based ECE service.

**Table 1:** Current funding rates for home-based ECE services (GST inclusive)

Rates from 1 July 2014			
\$ per funded child hour	Under 2	2 and over	20 Hours ECE
Quality rate	\$8.31	\$4.45	\$9.27
Standard rate	\$7.28	\$3.94	\$8.76

## Out-of-school care

Home-based educators can also provide out-of-school care for school aged children at the same time as home-based ECE, as long as certain conditions<sup>2</sup> are met. The Ministry of Social Development subsidises out of school care for some families through the out-of-school care (OSCAR) subsidy. Home-based out-of-school care providers must also be licensed home-based ECE services to receive the OSCAR subsidy.

Out-of-school care provided by home-based ECE is also being looked at as part of the review.



<sup>1</sup> <http://www.legislation.govt.nz/regulation/public/2008/0204/latest/DLM1412501.html>

<sup>2</sup> If you want more information about these conditions they are outlined here: <https://www.education.govt.nz/early-childhood/child-wellbeing-and-participation/providing-a-licensed-home-based-early-childhood-education-service-and-out-of-school-care-at-the-same-time/>



## Why are we doing the review?

The purpose of the Review of Home-based ECE is to consider what is and is not working in home-based ECE. The Review is evaluating the current rules and guidelines to determine what might need to change. The aim is to better support quality education outcomes for children and to assure parents with children in home-based ECE that their children are receiving quality education and care.

This discussion document outlines two broad goals of the Review, with proposed options for change grouped under each goal:

1. supporting quality in home-based ECE
2. ensuring Government investment is directed towards education and care.

The home-based ECE sector has changed significantly since it was first regulated in the early 1990s. At that time it was small and community-based. Home-based ECE is the fastest growing part of the early learning sector, and there are now a number of large home-based ECE providers with a variety of operating models. Many of the regulatory settings have remained unchanged since this time, despite the sector now looking very different. So now is the right time to consider whether funding and regulations are still fit for purpose.

Research strongly suggests that the benefits of ECE depend on the quality of the service. Not much is known about how effective home-based ECE is in delivering quality education outcomes for children. And there also isn't a lot of research that specifically looks at education and care delivered in a home setting.

This discussion paper explores some of the changes we are considering to improve the quality of home-based ECE. The Government wants to understand the views of all those with an interest in home-based ECE and get feedback on the proposed changes. Nothing has been decided yet.

We are particularly interested in hearing from educators in the home-based ECE sector, and would like to know how the proposed changes might affect them.

## How does the Review link in with the Early Learning Strategic Plan?

The Government is also developing a ten year strategic plan for early learning (the Strategic Plan) that will set the high level direction and vision for the next ten years. The Strategic Plan will set the direction for the whole early learning sector, including home-based ECE.

Strengthening quality of early learning is a key theme in the terms of reference for the Strategic Plan. The Review is considering a range of proposals specific to home-based ECE to strengthen quality. The Review provides the opportunity to take a detailed look at this part of the early learning sector. Any changes arising from this Review will be sequenced and incorporated with the changes arising from the Strategic Plan.



For more information see the Early Learning Strategic Plan on Kōrero Mātauranga:

<https://conversation.education.govt.nz/conversations/early-learning-strategic-plan/>





## Section B

# **The problems we are trying to solve and how we propose to do this**

This section sets out what is happening now in home-based ECE, what the problems are in home-based ECE and the proposed changes we are considering. We are seeking your views on the proposed changes and their impacts on you.

# 1: Supporting quality in home-based ECE

## Qualifications

Home-based early childhood education (ECE) is provided by an educator to groups of up to four children aged from birth to five years in either an educator's home or the child's home. Each educator must belong.

### What is happening now?

Home-based ECE is delivered by educators every day without the presence of another adult. There are no minimum ECE qualification requirements for educators, although they must hold a current first aid certificate. In 2017, 70% of home-based educators had no ECE qualification<sup>3</sup>.

Home-based services can receive a higher rate of subsidy funding if all of their educators hold at least 5 credits of a level 4<sup>4</sup> ECE qualification, or completed level 3 or higher qualification.

### What is the problem?

Evidence suggests that teacher qualification requirements are linked to quality interactions and better educational outcomes for children. Because educators deliver education and care without another adult present, without qualifications they may not be able to provide a quality learning environment.

The quality rate was intended to encourage home-based services to increase the number of qualified educators, but this has not happened. In fact, the proportion of home-based services on the quality rate has dropped from 37% in 2005 to 26% in 2017.

## What changes are we proposing and why?

- » Introduce a level 4 ECE qualification as the minimum requirement for educators.

Level 3 and level 4 certificates prepare graduates to work in early learning environments. Level 4 and level 3 certificates can be completed in the same timeframe, but level 4 has a stronger focus on effective communication with children. It is expected that this will improve the quality of interactions between educators and children.

If this change were introduced, we would allow a transition period of two to three years for all educators to obtain a level 4 ECE qualification. After the transition period, those who haven't achieved a level 4 ECE qualification could no longer work as educators, and all new educators would be required to hold a level 4 ECE qualification before they start working as educators.

A level 4 qualification can be completed online and costs in the region of \$950 for an online course to \$3000 for an attend-in-person course.

- » Introduce a quality rate for children attending a home-based service where educators have a level 5 ECE qualification or higher.

The level 5 ECE qualification requirement would mean educators on the quality rate would have specialised and technical ECE knowledge that would better support quality and improved outcomes for children.

<sup>3</sup> Data from the Annual ECE Census 2017.

<sup>4</sup> Certificate levels 1 to 6 explained: <https://www.nzqa.govt.nz/studying-in-new-zealand/understand-nz-quals/certificate/>



- » Introduce a separate, lower funding rate for au pairs as they will not be able to meet the qualification requirement.

Au pairs are not likely to be able to meet the qualification requirements. The majority of au pairs are only in New Zealand temporarily, usually one year or less, and completing a level 4 certificate takes at least six months.

- » Require service providers to provide ongoing professional development to educators.

In centre-based ECE services, participation in professional development is linked to greater quality. This suggests that similar effects would likely be seen in home-based ECE services.

- » Create a register of home-based educators.

Currently, the Government does not collect information about educators. A register of educators will give the Government greater oversight, and provide information about educator qualifications. The Ministry of Education would keep and maintain the register.

## What we would like from you

We would like your views on whether qualification requirements should be introduced. In particular, we are interested in finding out:

### Parents

What sort of qualifications would you like your child's educator to have?

What do you see as important when you are choosing education and care for your child?

### Educators

Would you still continue to work as an educator and provide home-based ECE if you needed to hold a level 4 ECE qualification?

What might prevent you from completing a level 4 qualification?

### Service providers

How would your service adapt to the proposed changes to qualification requirements?

## Role of the coordinator

### What is happening now?

Home-based ECE is classed as a teacher-led service. The person responsible (the coordinator) must be a certificated teacher who is an ECE qualified and registered teacher. The coordinator is the only qualified person required to be in an educator's home on a regular basis under the current regulations. Coordinators provide an important role in ensuring the quality of home-based ECE.

The coordinator has three main responsibilities:

- » Primary responsibility for overseeing the education and care, comfort, and health and safety of the children
- » Primary responsibility for providing professional leadership and support to educators within the home-based service
- » Supervising children and educators at all times while children attend the home-based service. Coordinators cannot supervise more than 50 children and their educators at any one time.

To meet these responsibilities, the coordinator must contact each educator once per fortnight, and visit the educator at least once a month. During these visits, they must take all reasonable steps to observe the child while the child is receiving education and care.

### What is the problem?

The coordinator is expected to provide professional leadership and support to educators, but is not required to have any experience coaching or teaching adults. The expectations for the coordinator's role are open to interpretation, which could be leading to inconsistent practice.

Coordinators also have health and safety responsibilities, but are only required to visit educators once a month to cover both their health and safety and curriculum and teaching oversight responsibilities.

Research indicates that more frequent visits (between once a week to once every 2.5 weeks) are significantly associated with higher quality education and care<sup>5</sup>.

5 Mooney, A., & Statham, J. (2003). *Family Day Care: International Perspectives on Policy, Practice and Quality*. London: Jessica Kingsley Publishers. McCabe, L., & Cochran, M. (2008). *Can home visiting increase the quality of home-based child care? Findings from the Caring for Quality Project*. Ithaca, NY: Cornell University. Bromer, J., Van Haitsma, M., Daley, K., & Modigliani, K. (2009). *Staffed Support Networks and Quality in Family Child Care: The Family Child Care Network Impact Study*. Chicago: Erikson Institute, Herr Research Center for Children and Social Policy.

Some larger service providers with multiple licences operate a roster system where the coordinator is moved between licences, leading to situations where an educator may have contact with a variety of coordinators. This means that the same coordinator may not be consistently supporting the same educators and overseeing the same children. This is a problem because research suggests that, in conjunction with more frequent visits, quality increased further with continuity of support by one educator, amongst other factors.

### What changes are we proposing and why?

- » Change the title of coordinator to visiting teacher to better reflect the role.

Coordinators must be certificated teachers that are ECE qualified. Renaming the role should help to strengthen their role as teachers.

- » Better articulate the role of the coordinator to include:
  - An explicit emphasis and guidance on providing training to educators.
  - A requirement to have experience assisting educators/teachers to work with young children and families before taking up the role of coordinator.
  - A requirement to provide regular networking/training meetings for educators and to provide ongoing telephone support to educators.

This would strengthen the role of the coordinator and provide assurance to both coordinators and educators on what coordinators are responsible for.

- » More visits per month, with one visit involving a health and safety check. Options are: weekly visits, fortnightly visits and visits every two and a half weeks.

More frequent visits are likely to lead to better support and oversight of educators' teaching, leading to better outcomes for children.

- » Require the same coordinator to provide supervision and support to the same educator.

This would provide continuity for educators and help to strengthen the relationships between coordinators and their educators.



- » Clarify that coordinators are not permitted to act as a person responsible across multiple licences at the same time.

This means a coordinator would not be able to work across multiple licences at the same time. It would give the Ministry greater oversight about which coordinator is responsible for which educators.

### What we would like from you

We are seeking your views about the proposed changes to the role of coordinators. In particular, we are interested in finding out:

#### Educators

How would these changes to the coordinator role affect you?

#### Coordinators

What are the main changes (if any) you would like to see to your role?

#### Service providers

What impact would these proposals have on your service and the families who use your service?



## Health and safety

### What is happening now?

When a home-based ECE service is first licensed, the Ministry will check at least two homes for compliance with health and safety. The Ministry also checks homes when there has been a complaint about a service or if a service has received an ERO category 1 or 2 report<sup>6</sup>.

Home-based services can switch homes between licences. They can also take homes on and off a licence without checks from the Ministry. There is no requirement for services to inform the Ministry when homes are added or removed from a licence. The only requirement is to provide the Ministry with a list of homes at the initial licensing of a home-based service and when the Ministry requests it.

As part of licensing, a home-based ECE service must also obtain safety checks, which includes police vetting. The Education Act requires police vets for all adults (a person aged 17 years and over) who are, or may be in the educator's home when home-based ECE is being provided.

Home-based services must meet a number of health and safety requirements while operating. The coordinator is responsible for overseeing the health and safety of the children, as well as providing professional leadership and support to educators. Educators are directly responsible for the health and safety of children in their care, whether they are in the home of the educator, or in the home of the child.

A recent analysis of ERO reports for 62 home-based services reviewed in 2017/18 identified compliance concerns in 22 of these services. Areas of non-compliance related to health and safety included:

- » risk management for excursions
- » ensuring consistent implementation of systems to monitor educators' health and safety records
- » notifying a specific agency and the Ministry of Education when there is a serious injury or illness or incident involving a child while at the service
- » meeting police vetting requirements
- » administering medicines
- » ensuring educators have first aid certificates prior to commencing educator responsibilities.

<sup>6</sup> ERO has four differentiated ratings for early learning services. ERO category 1 and category 2 reports correspond to judgements of 'not well placed' and 'requires further development' respectively. Category 3 and 4 reports correspond to judgements of 'well placed' and 'very well placed'.



## Why is it a problem?

The Government has limited oversight of health and safety in home-based ECE. The large number of homes within home-based networks means it is not practical for every home to be checked. This means it is important to have strong systems and processes to ensure children's safety in home-based networks.

Educators and coordinators may lack understanding of the regulations and licensing criteria and how it relates to their role. It has been reported that educators are not always aware of their health and safety responsibilities.

The Education Act requires police vets for adults who are, or may be, in the home where home-based ECE is being provided. The Education Act is also being interpreted as excluding adults who live at the educator's home but are not likely to be present when ECE is being provided.

## What changes are we proposing and why?

- » Require each licence to list the homes on that licence.

Service providers would be required to change their licence to add or remove homes in a service. This would give the Ministry more oversight of each licence and prevent service providers from swapping homes between licences to avoid licensing checks or ERO visits.

- » Clarify in the Education Act 1989 that police vets are required on all adults who may live and/or be present in the home.

This means all adults who come into contact, or may come into contact, with children need to be police vetted. This will give services greater oversight of all adults who may come into contact with children in a service.

- » Include health and safety training as part of the requirements for coordinators and educators

Service providers would need to provide training for coordinators and educators on how to understand and apply the health and safety regulations and criteria.

- » Include health and safety training as part of the minimum qualification requirements for becoming an educator.

This change would provide educators with a base knowledge of health and safety requirements.

## What we would like from you

We are seeking your views about the proposed changes to health and safety in home-based ECE.

### Parents

What changes or improvements would you like to see made to health and safety in your child's home-based service?

### Educators

What do you think about the current health and safety requirements?

How would the proposed changes to health and safety support you in your role?

### Service providers

How would the proposed changes to health and safety affect you?





## Limiting the number of school-aged children present

### What is happening now?

In 2016, the Education Act was changed to allow home-based ECE and out-of-school care to occur in an educator's home at the same time.

Up to six children (aged 13 or younger) can be present in a home. Of these six children, up to four can be present in the home to receive licensed home-based ECE. An educator's own child under the age of six is counted as part of the maximum number of children allowed to receive home-based ECE. An educator's child who is enrolled in school is not counted as part of the maximum.

### Why is it a problem?

There is limited information about how out-of-school care is currently operating. School-aged children are only likely to be present before 9 am and 3 pm during term time and full-time during school holidays.

Allowing home-based ECE and school-aged children to be present at the same time increases the number of children an educator is responsible for at any one time. Because only one adult is normally present, a higher number of children may impact on the educator's ability to provide education and care and to maintain health and safety.

### What changes are we proposing and why?

- » Include the educator's school aged children (aged 6-13) in the maximum number of children who can be present in the home while home-based ECE is being delivered.

This limit would apply to all educators who have school-aged children present. It may mean that some educators can no longer provide home-based ECE to children. This is because ECE may be limited to the hours their school-aged children are at school, or it may reduce the number of ECE-aged children able to be in the home.

The Ministry does not currently hold information about educators or their children, so we are unable to estimate the impacts of this proposal.

### What we would like from you

We are seeking your views on the proposed change to include educators' school-aged children in the maximum limit.

#### Parents

If you are a parent with children receiving home-based ECE and out-of-school care at the same time, how might these changes affect you?

#### Educators

How would this change affect you?

#### Service Providers

How would setting limits on the number of children in the home affect your service and the families who use it?

## 2: Ensuring Government investment is directed towards education and care

### Working conditions for educators

#### What is happening now?

Conversations with a number of home-based ECE service providers indicate that educators are typically treated as self-employed contractors. This means many educators are excluded from receiving minimum entitlements such as the minimum wage, paid annual leave, and sick leave. It also means that educators cannot enter into collective bargaining.

As contractors, educators are responsible for their own tax. The use of their home and other associated costs like electricity and heating are able to be claimed as a tax deduction. This is done through Inland Revenue.

In situations where educators are being paid directly by the parent, some service providers are not passing on any of the Government ECE subsidy they receive to educators.

#### Why is it a problem?

The definition of home-based ECE in the Education Act could be a barrier to adequate working conditions for educators. A 'home-based education and care service' is defined in section 309 of the Act as the provision of home-based care for 'gain or reward' in the home. How 'gain or reward' is interpreted may contribute to the minimal payments educators receive.

The Education Act's definition of a 'service provider' may also be a problem. The Act defines a service provider as 'the body, agency, or person who (or that) arranges, or offers to arrange (that) education or care.' The word 'arranges' suggests that the service provider is quite removed from the education and care being delivered by an educator. It does not frame service providers as overseeing and supporting the work of educators.

Educator wages and working conditions are structural factors that influence quality<sup>7</sup>. Poor working conditions can increase stress and educator turnover. This can limit an educator's ability to form quality relationships with children. The current rules in home-based ECE do not appear to be supporting good working conditions for educators, which may impact on the quality of ECE.

#### What changes are we proposing and why?

- » Change the definition of 'service provider' in the Education Act 1989 to better align with the Government's expectations that service providers are responsible for the delivery of education and care.

This change would better align with the Government's expectations that service providers are responsible for the delivery of education and care and that educators are fairly paid for their work.

- » Change the definition of 'home-based education and care service' in relation to the phrase 'gain and reward' to better align with Government's expectations that educators are fairly paid for their work.

This change would better align with the Government's expectations that home-based educators are fairly paid for their work.

- » Improve pay and conditions for educators:
  - Require home-based ECE service providers, through legislation, to engage educators as employees and not contractors

OR

- Put conditions on Government funding to ensure subsidy funding is passed on to educators. This may include requiring service providers to directly contract educators.

7 OECD (2012) *Starting Strong III – A Quality Tool Box for Early Childhood Education and Care*. Paris: OECD.

Home-based educators are a low-skilled workforce. This means that they are unlikely to gain significant benefits from being self-employed contractors. Improving the pay and the working conditions of those directly in contact with children is important for the quality of education and care.

The Ministry does not have enough information to understand the impact on service providers if they are required to employ educators. For example, it may mean that educators must look after three or four ECE-aged children for this option to work. This could mean educators who have two ECE-aged children of their own could no longer provide home-based ECE.

### What we would like from you

We would like to know what you think about working conditions for educators in home-based services.

#### Educators

What are the most important working conditions for you? (i.e. pay, flexibility)

What are the benefits and downsides of your current working arrangements as an educator?

How would an employment, rather than contractual, relationship affect you?

#### Service Providers

How does your employment model currently work? Why do you opt for this employment model?

How would the proposed changes affect your service?



## Transparency of funding – home-based services showing how much Government funding they receive and how it is spent

### What is happening now?

The Ministry of Education subsidises ECE through two main subsidies: the ECE Subsidy and the 20 Hours ECE subsidy. Both subsidies are intended to reduce the cost of ECE for parents and to support the delivery of quality education and care. The ECE Subsidy is a partial subsidy for all children aged 0-5, while the 20 Hours ECE subsidy covers the full average cost for children aged 3-5.

Information from 2013 indicates that Government covers approximately 80% of the cost of ECE across all service types and parents cover 20% of the cost. However, in home-based services parents are covering around 40% of the cost<sup>8</sup>.

Following discussion with parts of the sector, we have found that some home-based providers retain the ECE subsidy in full, with no part of it passed on to the educator. Where this is the case, the educator's income only comes from parent fees. Services generally pass on a portion of the 20 Hours ECE funding to the educator. However, the amount passed on is sometimes lower than the hourly rate that educators usually charge parents. Where this is the case, educators often request a parent 'top up'.

All services that have been in operation for a full financial year are required to provide the Ministry of Education with copies of their audited financial reports. Community-based services are required to provide a relatively detailed report. Privately-owned services can choose to submit a report that provides a high level breakdown on how they have spent funding from the Ministry of Education, with no information on income from other sources.

8 This information is drawn from the 2013 Survey of Income, Expenditure and Fees.

### Why is it a problem?

In some cases, parents may be bearing most of the cost of home-based ECE for their children under the age of three, and may be being charged for 20 Hours ECE. This situation may occur because parents are unaware of the government funding providers are receiving for their children.

Government lacks oversight on how much parents are contributing and how service providers are using funding. This limits the ability of Government to monitor whether government funding is being used as intended. For example, the annual financial reports for private services have broad categories that do not provide oversight of educator wages or coordinator salaries. Because the annual financial reports exclude parent contributions, the Ministry lacks information on the extent to which government funding covers the cost of ECE.

### What changes are we proposing and why?

- » Make funding conditional on services disclosing to parents the level of government subsidy funding each child attracts as part of invoicing, including the Childcare Subsidy and OSCAR subsidies paid in addition to Ministry of Education ECE funding.

This would ensure that services are providing full and correct information to parents about how much subsidy funding their child attracts. This may help parents make informed decisions about their child's ECE.

- » Require services to publish information on government subsidies based on examples of an average child.

This would help potential users of home-based ECE make informed decisions about their child's ECE.

- » Require all services (whether community-based or private) to report on income and expenditure per licence, with additional prescribed categories on expenditure and income.

This would give the Ministry more information about the costs faced by home-based ECE services. It would also will give more information, for example, about the proportion of income spent on educator wages and professional development.

### What we would like from you

We are seeking your views on the proposed options to increase transparency of funding. In particular, we are interested in hearing from:

#### Parents

What is your experience with fees charged by home-based ECE providers? Does your home-based ECE provider give you information about the Government funding it receives?

#### Service Providers

How do you currently inform parents of ECE subsidies?

How would your service adapt to meet additional financial reporting requirements?





## Changing the current licensing regulations

### What is happening now?

Some home-based ECE providers have grown rapidly and hold multiple licences across the country. One of the larger providers has more than 60 licences. Each of these licences can have up to 80 children, plus their educators, coordinators and the educators' or children's homes.

### Why is it a problem?

At present there is no limit on the number of educators that a coordinator can have oversight of. If each educator in a home-based service had only one child attending, there could be between 60 and 80 educators in a service. This means some coordinators may have a large workload, and in some cases might struggle to meet their requirements.

There is an inconsistency between the licence maximum number of children (80) for home-based services (and 60 for those services with the quality funding rate) and the ratio of one coordinator to 50 children. Due to this discrepancy, a provider holding one standard licence at maximum capacity would need two coordinators. This makes the ratio one coordinator to 40 children. This inconsistency has caused confusion in the home-based sector.

### What changes are we proposing and why?

- » Set a maximum ratio of one coordinator to 15 educators, and a licence maximum of 60 children.

OR

- » Set a maximum ratio of one coordinator to 50 children, and a licence maximum of 50 children.

A coordinator to educator ratio would allow for less variability between the number of educators a coordinator is responsible for. It may also strengthen the expectation of providing leadership to educators and help achieve quality learning outcomes for children.

One coordinator would be also responsible for a licence of up to 60 children. A service could therefore have up to 15 educators and 60 children. Even though there could be more children, there would be a fixed number of educators, which would enable greater planning of coordinator visits.

The alternative of one coordinator to 50 children, and a licence maximum of 50 children, would align the licence maximum with the current coordinator to 50 children ratio. It would remove the confusion that currently exists with the current licence maximums of 60 children and 80 children.

- » Require services to list the educators on each licence.

This means service providers must apply to amend their licence to add or remove educators from a licence. The Ministry does not currently hold information on educators, or which licences educators are attached to. Because educators are the people delivering ECE on a daily basis, it is important that we collect this information.

- » Require services to list the coordinators on each licence.

Listing coordinators on licences would provide the Ministry with information about coordinators and the licences they are responsible for. This information would also help us to better understand the coordinator workforce.

### What we would like from you

We are seeking your views about the proposed changes to ratios and the licence or service size, as well as the proposals to list educators and coordinators on the licence.

#### Service providers

How would the proposed ratio change from educators to coordinator, rather than children, impact on your service?



## Increasing the role of the Education Review Office

### What is happening now?

The Ministry relies on the licence application process and ERO reports to monitor curriculum implementation. Under the Education Act, ERO does not have right of entry to private homes, and because of this they 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 ECE services.

For new licences, the Ministry approves probationary licences based on the likelihood of a service meeting licensing requirements. To move from a probationary to a full licence, services must show the Ministry that they meet the curriculum standard. This assessment is based on the evidence of curriculum planning, assessment and implementation over the 12 month duration of the probationary licence.

### Why is it a problem?

ERO cannot verify curriculum implementation and health and safety monitoring. This is a problem because educators are responsible for the direct implementation of education and care to children.

The Ministry approves probationary licences based on the likelihood of a service meeting licensing requirements. However, this does not guarantee that a service will reach a certain level of quality. New services can become poorly performing services, and may not be identified as such in a timely way.

### What changes are we proposing and why?

- » Change the Education Act so that ERO has the power to enter homes to observe educators providing education and care.

This would allow ERO to verify curriculum implementation and health and safety monitoring. This would give greater oversight of curriculum implementation and health and safety, and give home-based services the necessary information to help strengthen educator practice.

- » Provide ERO with an increased role to undertake an external evaluation before the Ministry grants a full licence, but after the Ministry has granted a probationary licence to new services.

An ERO evaluation would be performed after a service has obtained their probationary licence and has been operating between six months and a year. The Ministry's decision to grant a full licence would be based in part on ERO's recommendation. This option would provide greater quality assurance on the curriculum standard, both for the Ministry and ERO.

Both options would improve oversight of the quality of curriculum delivery. The ERO evaluation would mean that new services that are not performing are dealt with more quickly.

### What we would like from you

We are seeking your views on increasing ERO's role in evaluating home-based ECE services.

#### Service Providers

To what extent would the proposed changes to ERO's role affect you?





**Kōrero Mātauranga**  
Me kōrero tātou

**Have your say about  
the future of education.**