

Appendix A

Letter of Expectation 2016–18

Ms Judy Hebblethwaite
Acting Chair
Australian Children's Education and Care Quality Authority Board
PO Box A292
Sydney NSW 1235



Dear Ms Hebblethwaite

Australian Children's Education and Care Quality Authority: Letter of Expectation for 2016-18

I am writing to set out the Education Council's¹ priorities and expectations for the Australian Children's Education and Care Quality Authority (ACECQA) to 31 December 2018.

This Letter of Expectation (Letter) aligns with the current *National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18* (National Partnership) and the provisions of the Education and Care Services National Law Act 2010 (National Law) and associated regulations.

It replaces the previous Letter approved by the Council on 30 September 2014.

Purpose

The Education Council is responsible for overseeing the implementation and administration of the National Quality Agenda (NQA).

ACECQA is an independent statutory authority established under National Law, with its functions detailed under section 225.

The Letter sets the Education Council's strategic directions and key performance expectations for ACECQA, and recognises that the ACECQA Board and Chief Executive Officer play a key role in guiding how ACECQA exercises its functions to achieve these directions and expectations.

The Letter provides direction about the nature of activities ACECQA is expected to undertake and should inform the development of ACECQA's strategic plan and a forward Work Plan, with detailed information regarding the key deliverables, budget and timelines for addressing the strategic directions and expectations established by the Council.

Context

This Letter is developed in the context of evidence demonstrating that engagement in quality education and care, particularly in the early years, leads to better health, education and employment outcomes in later life.

It is for this reason all jurisdictions are committed to the NQA, which includes the National Quality Framework (NQF) as a consistent national regulatory system for the early childhood education and care sector.

Since the inception of the NQA, considerable expertise, particularly in relation to the NQF, has been acquired within ACECQA and state and territory Regulatory Authorities (RAs). Execution of this Letter is predicated on ACECQA utilising and capitalising on expertise that resides in RAs in the delivery of its functions. Recognising the primacy of RAs in regulating the early childhood education and care sector, ACECQA and RAs are expected to meaningfully collaborate and support one another in pursuit of the aims of the NQF.

The success of the NQA will be highly influenced by the quality of collaborative efforts between ACECQA and its key stakeholders. Noting this, ACECQA's relationship with the Early Childhood Policy Group (ECPG) is critical to the delivery of the requirements of the Letter. ECPG is entrusted by Council to provide high-level strategic policy advice

¹ Education Council, or any successor Council with responsibility for early childhood

on all early childhood matters, therefore ACECQA must consult with ECPG prior to progressing any policy matters to Education Council. Within this context, the relationship between ACECQA and the ECPG is vital to successful administration of the NQA. This Letter stipulates a specific role for ECPG in guiding ACECQA in prioritising Education Council's strategic directions and developing a forward Work Plan for addressing these priorities.

ACECQA's relationship with RAs, which have operational responsibility for the NQF, is critical to effective regulation of early childhood services and national consistency under the National Law. Productive and meaningful collaboration between RAs, ACECQA, and its various working groups (e.g. Quality and Consistency Committee) is essential to identify ways to support RAs in regulating the sector. This collaboration is therefore paramount to improving outcomes for children and successful implementation of the NQF.

Term

This Letter outlines the Education Council's expectations for ACECQA for the period 1 July 2016 to 31 December 2018. As it is provided to ACECQA at the conclusion of negotiations that led to the endorsement of the National Partnership, it reflects the point-in-time priorities emphasised in that agreement.

The early childhood development environment is changing, with an evolving and complex service profile and rapid expansion. As such, the aims and efficacy of the NQA are constantly being reviewed by jurisdictions. This process of review will influence future decisions regarding the NQA, and therefore the regulatory system environment beyond 2018 is not certain.

Future Letters of Expectation will reflect resultant changes in the strategic directions of the Education Council.

Principles

The health, safety and wellbeing of children is the paramount consideration of the strategic directions articulated in this Letter, and are the critical foundation to improved outcomes for life and learning through quality education and care experiences.

In carrying out its functions, ACECQA will have regard to the objectives (Part 2, clause 10) and guiding principles (Part 2, clause 11) of the National Partnership. The governance ideals (Schedule A, clause 5) underpinning the NQF are also of particular relevance. Core ideals include:

- a transparent, fair, accountable, efficient and effective system
- streamlined governance arrangements and clearly defined accountabilities
- collaboration with jurisdictions in decision making
- a single NQF with consistent national assessment and rating, to apply to all early childhood education and care services within the system
- consistent application of the National Quality Standard (NQS)
- ongoing investment in research and evaluation, reflecting Education Council priorities and taking into account work underway in jurisdictions, as essential to providing an evidence base for national decision making
- a continuous focus on quality improvement.

In performing its functions, ACECQA will:

- ensure it acts in accordance with the decisions of the Education Council; and
- progress advice to the Council in accordance with protocols, procedures and/or arrangements agreed to by the Education Council, or the Australian Education Senior Officials Committee (AESOC) on behalf of the Council.

Strategic Directions

The strategic directions outlined below acknowledge the commitment to ensuring the NQF is an integrated and consistent national system. In collaboration with the ECPG, ACECQA will prioritise pursuit of these directions through the development of a forward Work Plan. This plan will detail key deliverables, timeframes and budgets for approval by Education Council, and determine key actions for immediate delivery compared to those with a longer lead time.

Achieving NQF system and reporting improvements

- Evaluate the NQF within an evaluation framework agreed by the Council, in collaboration with all parties to the National Partnership, and report on whether, and to what degree, the NQF is delivering its intended outcomes and strategic objectives.
- identify and report on potential refinements and improvements to the NQF, with a particular focus on achieving increased return on investment on ACECQA's deliverables.
- Develop streamlined and reliable systems, including the identification and collection of relevant data in the NQA IT System (NQA ITS), to monitor and identify any emerging issues or risks and develop practical operational solutions in collaboration with jurisdictions.
- Explore changes to the NQA ITS to increase support for jurisdictions in undertaking regulatory activities, including record keeping and archiving, investigations, compliance capabilities and sharing appropriate information with and between RAs.

Implementing outcomes from the 2014 NQA Review

- Implement necessary changes arising from the 2014 NQA Review effectively and efficiently, including system changes to the NQA ITS, new and updated training materials and resources for RAs, and delivery of high quality training to authorised officers, as required by states and territories.
 - As an active member of the Education Council's Implementation Working Group, support the development of a consistent and comprehensive sector communication strategy on the outcomes of the 2014 NQA Review, noting that RAs have the lead responsibility to communicate with providers they regulate and ACECQA plays a key role in communication with parents and the community about the NQF and understanding quality.
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Provision of ongoing support to jurisdictions to improve quality outcomes for children, including support for Regulatory Authorities to enable regulatory best practice

The following strategic directions are predicated on the notion that ACECQA has a critical role in supporting RAs to improve quality outcomes for children, noting the recent exponential growth in early childhood education and care services, particularly family day care services, and the impact of a tight fiscal environment.

As such, ACECQA will recognise that different operating environments across jurisdictions require flexible and nuanced approaches to effectively support RAs. In doing so, ACECQA should avoid duplicating work already undertaken by RAs and capitalise on their existing expertise to ensure effective use of resources.

- Implement effectively and efficiently any actions agreed by Education Council to improve compliance and provider understanding in family day care.
 - In collaboration with ECPG, develop evidence-based guidance in line with the NQS for approved kindergarten/preschool program providers on the experiences and activities that form part of an approved program to help children successfully transition to school.
 - Critically review internal advisory and support structures, including the Quality and Consistency Committee (QaCC), in collaboration with states and territories to promote transparency and accountability, with a view to ensuring outcomes are maximised and participation achieves a net benefit for all parties.
 - In collaboration with jurisdictions, identify ways to better support RAs to coordinate and manage key issues, deliver best practice regulation and achieve comparable outcomes in the administration of approvals, assessment and rating, compliance and enforcement, and ad hoc requests for advice about the NQF.
 - In collaboration with the ECPG, develop options for promoting consistency and validity in respect to assessment and rating nationally, including proposals for leveraging lead assessor skills, experience, capabilities and understandings across jurisdictions.
 - Review existing training in collaboration with RAs to ensure high quality, flexible and risk-based professional development is provided for jurisdictions. This review should include:
 - consideration of who is best placed to deliver (e.g. ACECQA in-house provision/resourcing jurisdictional collaboration) and whether commissioning external expertise is a more effective and/or efficient option;
 - authorised officer training to ensure it meets the needs of RAs. Specifically, ways to increase capability and maintain consistency of regulatory practice and understanding across the authorised officer workforce, recognising the full scope of regulatory functions should be identified; and
 - consideration of flexible IT training arrangements in respect to NQA ITS to support jurisdictions in their work.
 - Implement, in consultation with all jurisdictions, a mutually agreed national audit program aimed at promoting national consistency, operational enhancements and improved outcomes for children.
 - Develop and maintain an evidence base to inform early childhood education and care policy decision making and improve quality outcomes for children.
 - As owner on behalf of jurisdictions, manage the NQA ITS, including: day-to-day administration; resolving data quality issues; consideration and facilitation of enhancements, including potential new reporting capabilities (e.g. dashboards).
 - Provide RAs with information and tools, where required, to enhance their regulatory activities.
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| Promoting education and awareness | <p>Given education and awareness is a key mechanism to increasing visibility and consistent implementation of the NQF, ACECQA is primarily responsible for communicating with parents and the community. From an operational perspective, RAs are directly responsible for communicating and engaging with providers.</p> <p>The strategic directions below acknowledge and reflect the respective roles of ACECQA, RAs and ECPG in promoting education and awareness of the NQF.</p> <ul style="list-style-type: none"> • In consultation with ECPG, continue to progress and build a comprehensive and innovative communication and engagement strategy directly targeting parents and the community, regarding the NQF and the importance of quality early childhood education and care. • In collaboration with RAs, develop and publish appropriate additional resources for RAs to support services to meet and exceed the NQS, and to understand and comply with their obligations under the NQF. • In collaboration with jurisdictions, promote approved learning frameworks as identified by RAs. |
| Developing and supporting a high quality workforce | <ul style="list-style-type: none"> • Work with the ECPG to develop options for strengthening the quality of early childhood education and care qualifications for consideration by Council, including identifying potential: <ul style="list-style-type: none"> ○ mechanisms for providers to identify fraudulent qualifications ○ ways in which the overall quality of qualifications can be strengthened. <p>As part of this work, ACECQA should explore the extent of the reach of its powers under the National Law. ACECQA should avoid duplicating work already undertaken by RAs and capitalise on existing projects and expertise to ensure effective use of resources.</p> • Support quality improvements in early childhood education and care workforce training with an immediate focus on family day care, as determined by the Council. • Work to reduce overlap and misalignment of approval processes, in collaboration with higher education providers, teacher registration authorities and the Australian Institute for Teaching and School Leadership. • Work with all jurisdictions to maximise the availability of suitably qualified educators for the sector and inform decisions about qualification provisions in the National Law. • Work with the Australian Skills Quality Authority to address relevant recommendations of its review of training for early childhood education and care. • Assist the Australian Government to address relevant recommendations arising from its review of the quality of assessment in vocational education and training. • Undertake the necessary preparatory work in consultation with ECPG to assist with the introduction of early childhood teacher and "another suitably qualified person" (as per Regulation 133) requirements in 2020, with a particular focus on assessment of sector preparedness. |

Governance

Responsibilities of the ACECQA Board

The Board is responsible for ensuring ACECQA meets its statutory requirements and undertakes the range of functions detailed in the National Law efficiently and effectively. The Board will provide strategic direction and leadership for ACECQA and formulate strategies for discharging its functions within a tight fiscal environment and with regard to the administrative burden for services and jurisdictions (including RAs). The Board must ensure ACECQA focuses its activities and resources on the strategic directions identified within, and on the basis of the principles enunciated in, this Letter.

Relationship with the Education Council and the Australian Education Senior Officials Committee

The relationship between the Education Council and ACECQA is guided by the *Decision Making and Governance Protocols for Education Authorities and Companies*, which were originally approved by Ministers on 8 July 2011.

The Chair of the Board will report to and advise the Education Council, on behalf of the Board, about any matters of concern in the administration of the NQF.

From time to time, the Education Council may choose to seek advice from ACECQA regarding quality issues related to early childhood education and care and school aged care. In undertaking its activities, ACECQA may also refer issues of strategic national significance to the Education Council for its consideration, through AESOC, following initial consultation with the ECPG.

Working collaboratively with the Australian, State and Territory governments

As reflected throughout the Letter, the Education Council expects ACECQA to work collaboratively and maintain strong working relationships with AESOC, ECPG and jurisdictions (including RAs), to ensure effective implementation of the NQF.

With this in mind, ACECQA will provide regular advice to RAs, ECPG and AESOC in relation to the collection of information and the evaluation of the NQF. Importantly, in an expanding early childhood market, it is expected ACECQA will identify ways in which RAs can be better supported, given challenging fiscal constraints, to effectively regulate the early childhood education and care sector.

In recognition of ECPG's ongoing policy role in relation to the NQF, ACECQA must consult with ECPG on policy issues that have implications for the NQF, prior to progressing these issues to AESOC and Education Council.

Planning and Reporting

The accountability framework for ACECQA includes the Letter of Expectation, a forward Work Plan and budget approved by the Education Council, and monitoring by the Council through regular reporting.

In collaboration with ECPG, ACECQA will develop a forward Work Plan, which is to contain detailed information regarding the key deliverables, milestones, budget and timelines for addressing the strategic directions and expectations established by the Council through this Letter. ECPG will guide ACECQA in prioritising key actions for immediate delivery compared to those with a longer lead time.

As part of its planning, ACECQA must identify operational efficiencies, with a particular focus on achieving increased return on investment on ACECQA's deliverables. Such practice is consistent with efficiency measures undertaken by jurisdictions (including RAs) in recent years.

ACECQA will provide a written progress report against its forward Work Plan to the Education Council (via AESOC) at least once per year. The progress report should outline ACECQA's performance in relation to its functions specified in the National Law and the strategic objectives and priorities identified in this Letter.

ACECQA will also provide:

- an annual report to the Council in accordance with the requirements of the National Law
- an annual NQF performance report in accordance with the current National Partnership (Part 4, clause 23)
- a budget update in its progress report, identifying any proposed changes to the forward Work Plan that may be required to ensure it is able to deliver on Education Council priorities.

Timeframes for the submission of reports to Ministers will be guided by Education Council meeting dates.

Conclusion

On behalf of the Education Council, I look forward to continuing to work with you in improving the quality of early childhood education and care nationally and promoting children's health, safety and well-being.

Yours sincerely



The Hon. Eva Lawler MLA
Education Council Chair

5 December 2016