

Ms Judy Hebblethwaite  
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.**

I am writing to set out the Education Council's priorities and expectations for the Australian Children's Education and Care Quality Authority (ACECQA) to 30 June 2020.

This Letter of Expectation (Letter) aligns with the provisions of the Education and Care Services National Law (National Law) and associated regulations, and priorities for the Early Childhood Education and Care sector endorsed by the Education Council. It replaces the previous Letter approved by the Council on 5 December 2016.

The Education Council would like to acknowledge and congratulate ACECQA on the work achieved under this previous Letter.

#### **Purpose**

The Education Council is responsible for overseeing the implementation and administration of the National Quality Framework (NQF) as per s220 of the National Law.

ACECQA is an independent statutory authority established under Part 11 of the National Law, with its functions detailed under s225.

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 are responsible for 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 forward Work Plan.

#### **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 jurisdictions have demonstrated commitment to the National Quality Agenda (NQA), which includes the 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 developed 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.

This Letter reflects the current position of the NQA, with reviews of ACECQA and the NQF taking place in 2019, and the cessation of the National Partnership on the NQA (NP NQA) in 2018. The success of the NQA will continue to be highly influenced by the quality of collaborative efforts between ACECQA and its key stakeholders.

ECPG is entrusted by Council to provide high-level strategic policy advice on all early childhood policy matters, therefore ACECQA must consult with ECPG prior to progressing any policy matters to Education Council. Within this context, the relationship between ACECQA and 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. Regulatory Practice Committee) is essential to identify ways to support RAs in regulating the sector. This collaboration is 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 January 2019 to 30 June 2020. This reflects the current funding arrangements for ACECQA that ensure core funding until 30 June 2020.

The early childhood development environment is changing, with an evolving and complex service profile and sustained expansion. As such, the aims and efficacy of the NQF are constantly being reviewed by jurisdictions. This process of review will influence future decisions regarding the NQF, and therefore the regulatory system environment beyond 2020 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.

ACECQA will have regard to the following core ideals:

- 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 implementation of the National Law, 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. 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 in collaboration with all jurisdictions, and provide regular advice to RAs, ECPG and AESOC in relation to the collection of information and the evaluation of the NQF
- 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 better support jurisdictions in undertaking regulatory activities, including record keeping and archiving, investigations, compliance capabilities and sharing appropriate information with and between RAs.
- Ensure that protocols for protecting NQA ITS and clear reporting requirements around national data are in place.

#### ***Assist with the 2019 NQF Review and implementation of the outcomes***

- Assist, as appropriate, with conducting the 2019 NQF Review
- Implement necessary changes arising from the 2019 NQF Review, and the Improving Quality in Family Day Care program of work 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, including in relation to assessment of risk and monitoring of services, as required by states and territories.
- Support the development of a consistent and comprehensive sector communication and consultation strategy for the 2019 NQF Review.
- Support jurisdictions with implementing any changes agreed to the NQF as a result of the recommendations arising from the Royal Commission into Institutional Responses to Child Sexual Abuse through the 2019 NQF review and other system changes.

#### ***Assist with implementation of the outcomes of the 2014 NQA Review***

- Continue to support jurisdictions in the implementation of changes as a result of the 2014 NQA Review.

#### ***Assist with the 2019 ACECQA Review***

- Assist, as appropriate, with conducting the 2019 ACECQA Review

#### ***Provision of ongoing support to jurisdictions to improve quality outcomes for children, including 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 and achieve consistency of approach, noting the recent exponential growth in early childhood education and care services.

As such, ACECQA should continue to work with and support each RA in recognition of the different operating environments across jurisdictions and the need for flexible and nuanced approaches for effective regulatory practice. 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.
- Develop evidence-based guidance in line with the NQS for approved providers on quality education and care programs and practices. Operate advisory and support structures, including the Regulatory Practice Committee, the Lead Assessors Network and the Lead Investigators Network, 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.
- 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.
- 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 to ensure high quality, flexible and risk-based professional development is provided for jurisdictions including:
  - identifying ways to increase authorised officer capability and maintain consistency of regulatory practice, recognising the full scope of regulatory functions, 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.
- Provide RAs with information and tools, where required, to enhance their regulatory activities.

### ***Promoting education and awareness***

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.

The strategic directions below acknowledge and reflect the respective roles of ACECQA, RAs and ECPG in promoting education and awareness of the NQF.

- Continue to develop a comprehensive and innovative communication and engagement strategy regarding the NQF and the importance of quality early childhood education and care, targeting parents and the community directly.
- 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.
- Promote approved learning frameworks as identified by RAs.
- Monitor the provision of information and resources to services and educators and provide ECPG with information on this.

### ***Developing and supporting a high quality workforce***

- In consultation with other relevant bodies, work on professional development and relevant workforce matters for consideration by ECPG.
- Work with SkillsIQ to finalise development of revised VET qualifications and their introduction across the sector and supporting quality improvements in early childhood education and care workforce training
- 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 (AITSL).
- Support 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 AITSL and jurisdictions to support as appropriate the implementation of the recommendations of the National Review of Teacher Registration.

### ***Governance***

#### ***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.

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***

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.

Importantly, in an expanding early childhood market, it is expected ACECQA will identify ways in which each RA can be better supported, given challenging fiscal constraints, to effectively regulate the early childhood education and care sector.

### ***Planning and Reporting***

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 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.

### ***Funding***

The cessation of funding to states and territories under the NPNQA on 30 June 2018 has altered the funding context for ACECQA. Responsibility for funding ACECQA has now shifted from all jurisdictions (under NP NQA funding) to the sole responsibility of the Australian Government for core national services.

However, given the inherent risk associated with reliance on a single source of revenue, ACECQA is expected to seek opportunities for commissioned work and to provide new programs, services and resources through cost recovery and commercially, consistent with ACECQA's statutory functions and the strategic priorities in this letter.

### **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

A handwritten signature in blue ink, appearing to read 'John Gardner', with a horizontal line extending from the end of the signature.

**The Hon. John Gardner**  
Chair

18/12/18