



Australian Children's
Education & Care
Quality Authority

NQF Snapshot Q1 2014

A quarterly report from the Australian Children's Education and Care Quality Authority

May 2014

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Introduction



NQF Snapshot Q1 2014 (*Snapshot*) is ACECQA's fifth national report on children's education and care services.

It provides analysis and information on the state of the sector, progress of assessment and rating, quality ratings of services and waivers held by services.

The data included in this *Snapshot*, is drawn from the National Quality Agenda IT System (NQA ITS) as at 31 March 2014.

When reviewing the quality rating information in the *Snapshot*, caution should be taken when making comparisons between jurisdictions or making predictions about services yet to be rated. Some jurisdictions have rated a smaller number of services and the services rated are not representative of all services.

There has been minimal change in the spread of ratings over the past 12 months. However, the number of services has grown by 11%, with the strongest growth across family day care services.

As at 31 March 2014:

- 14 358 children's education and care services operate across Australia
- 5085 or 35% of services have received a quality rating
- 61% of all rated services are Exceeding or Meeting National Quality Standard (NQS)
- 78 649 supervisor certificates have been issued
- 6.1% of services across Australia are operating with waivers.

The individual results for the 5085 children's education and care services already quality rated are available online at <http://www.acecqa.gov.au/national-registers>.

For further information on this report please email enquiries@acecqa.gov.au or telephone 1300 4 ACECQA (1300 422 327).

Snapshot highlights

The data presented in this *Snapshot* was taken from the National Quality Agenda IT System (NQA ITS) on 31 March 2014 for the quarter ending 31 March 2014.



Number of children's education and care services operating across Australia



Proportion of assessed services that are Meeting or Exceeding the NQS



Number of approved providers operating services



Proportion of operating providers that manage only one children's education and care service



Proportion of services rated Working Towards NQS overall that were rated Meeting or Exceeding NQS in at least five of the seven quality areas.



Percentage increase in family day care services over past quarter

Snapshot highlights

78 649 

Number of supervisor certificates recorded under the NQF



6.1%

Proportion of approved services with a waiver



Services are more likely to achieve Exceeding or Meeting NQS in Quality Area 4 - Staffing arrangements, Quality Area 5 - Relationships with children and Quality Area 6 - Partnerships with families and communities



Services are less likely to achieve Exceeding or Meeting NQS in Quality Area 1 - Educational program and practice, Quality Area 2 - Children's health and safety, Quality Area 3 - Physical environment and Quality Area 7 - Leadership and service management

Rated
EXCELLENT
by ACECQA



11

Number of Australian services so far rated Excellent



35%

Proportion of services that have received a quality rating

State of the sector

Figure 1: The number of approved services by jurisdiction and service type on 31 March 2014

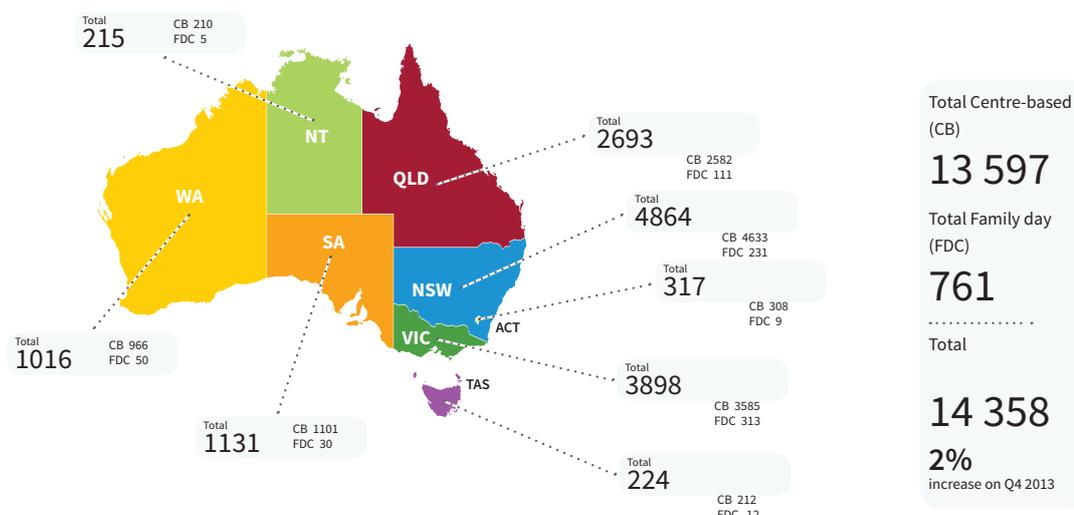


Figure 1 shows the number of centre-based services¹ and family day care services² by jurisdiction. There are 14 358 approved services operating nationally, comprising 13 597 centre-based services and 761 family day care services. Centre-based services make up 95% of all services operating under the NQF.

The three largest jurisdictions make up 80% of services nationally. New South Wales accounts for 34%, followed by Victoria with 27% and Queensland with 19% of services.

In Q1 2014 the number of family day care services nationwide continued to grow, with the number of services increasing by 11% on the past quarter, up from 683 to 761.

Since Q1 2013 the sector has expanded, with the number of approved services increasing by 11%, up from 12 886 to 14 358. The family day care sector has seen the strongest growth in services with the number increasing by 61%, up from 472 to 761. The number of centre-based services has increased by 10%, up from 12 414 to 13 597. Some of this growth may be attributed to the delay in regulatory authorities entering information into the NQA ITS.

Table 1: The proportion of approved services by jurisdiction on 31 March 2014

Jurisdiction	TOTAL PROPORTION
ACT	2%
NSW	34%
NT	1%
QLD	19%
SA	8%
TAS	2%
VIC	27%
WA	7%
TOTAL	100%

¹A centre-based service is an education and care service other than a family day care service. This includes most long day care, preschool and outside school hours care services that are delivered at a centre. It does not include preschools in Tasmania or Western Australia.

²A family day care service is an education and care service delivered through the use of two or more educators to provide education and care for children in residences, whether or not the service also provides education and care to children at a place other than a residence. They are sometimes known as family day care schemes and they are administered and supported by central coordination units.

State of the sector

There were 78 649 supervisor certificates recorded in the NQA ITS on 31 March 2014, an increase of 5% from the previous quarter. Regulatory authorities issue these certificates to people who are eligible to be placed in day-to-day charge of an approved education and care service.

Over the past 12 months there has been significant growth in the number of supervisor certificates recorded, with the number increasing by 51%, up from 52 038 to 78 649.



78 649
5% increase on Q4 2013



51% Increase
from Q1 2013

Number of supervisor certificates recorded in the NQA ITS on 31 March 2014

Proportion of supervisor certificates recorded

Table 2: The number of supervisor certificates by jurisdiction and certification type on 31 March 2014

Jurisdiction	Individual	Prescribed Class	TOTAL
ACT	1325	95	1420
NSW	22 424	67	22 491
NT	669	106	775
QLD	20 414	105	20 519
SA	6 902	643	7 545
TAS	1272	7	1279
VIC	19 478	55	19 533
WA	5083	4	5087
TOTAL	77 567	1082	78 649

State of the sector

There were 8886 approved providers under the Education and Care Services National Law (National Law) on 31 March 2014, of which 7258 were operating services. The number of approved providers has increased by 9% since Q1 2013.

The majority of providers (83%) manage only one education and care service, however, a significant proportion of services (29%) are managed by a small number of large providers (providers with 25 or more services). See Tables 3 and 4.

Figure 2: The proportion of approved providers with services by size on 31 March 2014

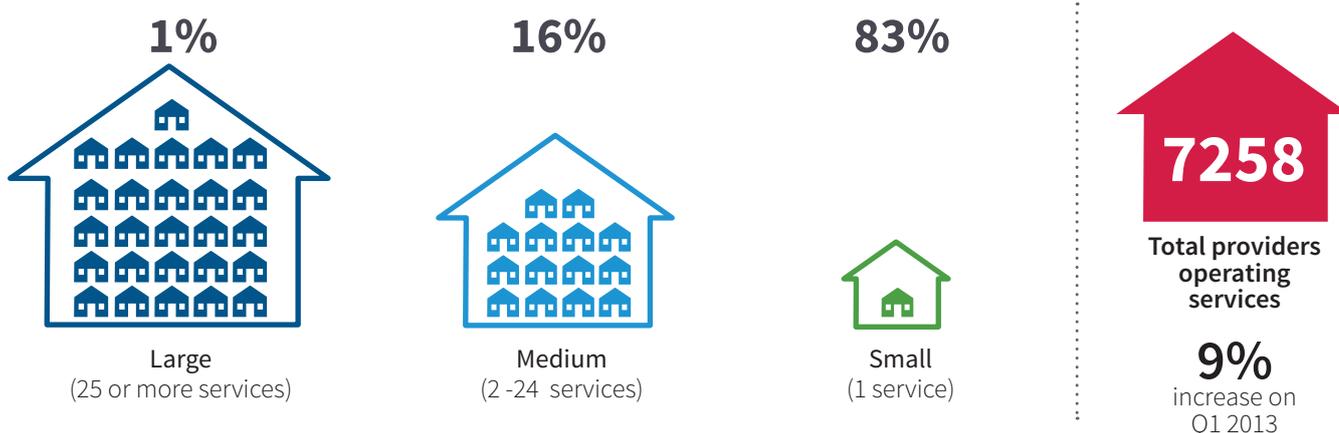


Table 3: The number and proportion of approved providers with services by size of provider on 31 March 2014

Provider size	Number of approved providers with services	% of approved providers
Small	6038	83%
Medium	1172	16%
Large	48	1%
TOTAL	7258	100%

Table 4: The number and proportion of approved services by size of approved provider on 31 March 2014

Provider size	Number of approved services	% of services provided
Small	6037	42%
Medium	4196	29%
Large	4125	29%
TOTAL	14 358	100%

Progress of assessment and rating

All children's education and care services approved under the NQF are working to meet the standards in the NQS. Services are assessed and quality rated against the NQS by regulatory authorities in each state and territory. Services receive a rating for each of the seven quality areas in the NQS as well as an overall quality rating.

Authorised officers from regulatory authorities in each state and territory visit services to assess and rate their performance against the NQS. Quality rating began in mid 2012 and over time all services will be assessed and rated.

On 31 March 2014, 5085 services had received a quality rating, making up 35% of all approved children's education and care services. Since Q1 2013, the number of services with a quality rating has increased from 1620 to 5085 or by 214%. Over the same period, the number of services under the NQF increased by 11%. Over the past quarter the number of services grew by 2% up from 14 116 to 14 358.

Over the past quarter Queensland, New South Wales, South Australia and Western Australia each increased the number of services with a quality rating by 14%. These increases were closely followed by Victoria (12%) and Tasmania (11%).

South Australia and Western Australia have completed the smallest proportion of quality ratings. This can be attributed to the delay in the commencement of the National Law in Western Australia (August 2012) and the establishment of a new regulatory authority in South Australia to conduct the assessment and rating.

An analysis of service visit data from the NQA ITS as at 31 March 2014 shows that around a third of all authorised officer visits to children's education and care services across Australia were for quality assessment and rating. The remaining two thirds of visits were for other activities such as compliance monitoring, responding to notifications and applications for approvals.

The data shows that while 35% of all services have been quality rated since the assessment and rating process commenced in mid-2012, many more services have contact with authorised officers carrying out complementary functions.

Some change in the count of quality ratings from one Snapshot to the next may be attributed to the time elapsed between a service rating being determined and the rating being completed in the NQA ITS.

Table 5: The number and proportion of approved services with a quality rating by jurisdiction on 31 March 2014

	Number of services with a quality rating	Number of services	Proportion of services with a quality rating
ACT	125	317	39%
NSW	2035	4864	42%
NT	107	215	50%
QLD	890	2693	33%
SA	216	1131	19%
TAS	79	224	35%
VIC	1479	3898	38%
WA	154	1016	15%
TOTAL	5085	14 358	35%

Progress of assessment and rating

Table 6 illustrates that the proportion of centre-based services that have been quality rated is slightly higher than the proportion of family day care services.

There has been a 13% increase in the number of centre-based services with a finalised quality rating and a 7% increase in the number of family day care services with a quality rating from Q4 2013.

Since Q1 2013 the number of centre-based services with a quality rating has increased by 220% or from 1524 to 4882. The number of family day care services with a quality rating has increased by 111% or from 96 to 203.

The slower growth rate in the number of family day care services with a quality rating maybe attributed to the significant growth in the number of services over the past 12 months.

Table 6: The number and proportion of approved services with a quality rating by service type on 31 March 2014

	Number of services with a quality rating	Number of services	Proportion of services with a quality rating
Centre-based care	4882	13 597	36%
Family day care	203	761	27%
TOTAL	5085	14 358	35%



220% 

increase in completed ratings over Q1 2013

Centre-based services



111% 

increase in completed ratings over Q1 2013

Family day care services

Overall quality ratings of services

The NQS raises the bar on quality for children’s education and care services. Authorised officers from regulatory authorities assess and rate services using the seven quality areas, 18 standards and 58 elements that make up the NQS.

To determine a service’s rating, firstly all 58 elements are assessed as being ‘met’ or ‘not met’. The 18 standards are then rated. If all elements in a standard are met, the standard will be rated as Meeting NQS or Exceeding NQS. If one or more elements in the standard are not met, then the standard will be rated as Working Towards NQS.

Each quality area is then rated by calculating the rating of all of the standards within the quality area. If a quality area or regulation is not met and poses an unacceptable risk to the health, wellbeing or safety of children, the service will be given a rating of Significant Improvement Required for the quality area and the overall rating. This will usually mean that urgent action is needed to fix the problem.

If one or more standards are rated Working Towards NQS, the service will be given this rating for that quality area and the overall rating. This means that a service could meet all but one of the 58 elements in the NQS and receive an overall rating of Working Towards. This makes it significantly more challenging for services to be rated as Meeting or Exceeding NQS.

If all standards are met, the quality area will be rated as Meeting NQS. If at least two of the standards are rated Exceeding NQS and all other standards are met, the quality area will be rated Exceeding NQS.

Services that receive an overall rating of Meeting NQS can be rated as Meeting in all seven quality areas or have a mix of quality areas rated Meeting and Exceeding. Services receive an overall rating of Exceeding NQS if four or more quality areas are rated as Exceeding, including two of the four following quality areas: Quality Area 1, Quality Area 5, Quality Area 6 and Quality Area 7.

Most services will receive one of the three middle ratings below.



The Excellent rating can only be awarded by ACECQA. Providers with a service that has received an overall rating of Exceeding can apply for this rating. Applications for the Excellent rating opened on 1 May 2013 and 11 services have been rated Excellent as at 31 March 2014.

The services rated are not a representative sample of the total population in each jurisdiction or nationally, so caution should be used when making comparisons between states and territories or drawing conclusions about services yet to be rated. Refer to the technical note at the end of this report for further information.

Overall quality ratings of services

Table 7 and 8 show that nationally, 61% of assessed and rated services are Meeting (35%) or Exceeding (26%) the NQS, up from 59% in Q4 2013. This suggests that the NQS is working as intended for those services that have been quality rated to date, by being achievable and yet still posing a challenge for many providers. The number of services with a rating of Significant Improvement Required has decreased from 12 to eight. This demonstrates a rise in quality and while only small is an indication that the NQF is working.

Based on data as at 31 March 2014, a greater proportion of services in the Australian Capital Territory, New South Wales, Northern Territory, Tasmania and Western Australia have received an overall rating of Working Towards NQS. A higher proportion of services in Victoria received a rating of Meeting NQS, while a higher proportion of services in South Australia and Queensland had services rated as Exceeding NQS.

To some degree these differences between jurisdictions reflect the different approaches that regulatory authorities have taken to scheduling quality rating and the cross-section of services rated. Please see the technical note at the end of this document for further explanation.

Table 7: The number of approved services with a quality rating by quality rating level and jurisdiction on 31 March 2014

	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent rated	TOTAL
ACT	0	78	23	24	0	125
NSW	2	992	672	367	2	2035
NT	0	89	7	11	0	107
QLD	1	274	274	336	5	890
SA	1	76	48	87	4	216
TAS	0	51	13	15	0	79
VIC	1	349	703	426	0	1479
WA	3	83	34	34	0	154
TOTAL	8	1992	1774	1300	11	5085
% of Quality Ratings	0%	39%	35%	26%	0%	100%

Note: Due to rounding, individual values may not add to 100% in all cases, and very small numbers will not be represented in percentages.

Overall quality ratings of services

Table 8: The proportion of approved services with a quality rating by quality rating level and jurisdiction on 31 March 2014

Jurisdiction	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent rated
ACT	0%	62%	18%	19%	0%
NSW	0%	49%	33%	18%	0%
NT	0%	83%	7%	10%	0%
QLD	0%	31%	31%	38%	1%
SA	0%	35%	22%	40%	2%
TAS	0%	65%	16%	19%	0%
VIC	0%	24%	48%	29%	0%
WA	2%	54%	22%	22%	0%
<hr/>					
National Total	0%	39%	35%	26%	0%

Note: Due to rounding, individual values may not add to 100% in all cases, and very small numbers will not be represented in percentages.

Overall quality ratings of services

Figures 3 and 4 show that a significant number of services with a Working Towards NQS rating have only narrowly missed out on being rated as Meeting or Exceeding NQS. A service will receive an overall rating of Working Towards NQS if any of the seven quality areas are rated as Working Towards NQS. A quality area can be rated as Working Towards NQS if just one of the standards within that quality area is rated as Working Towards NQS.

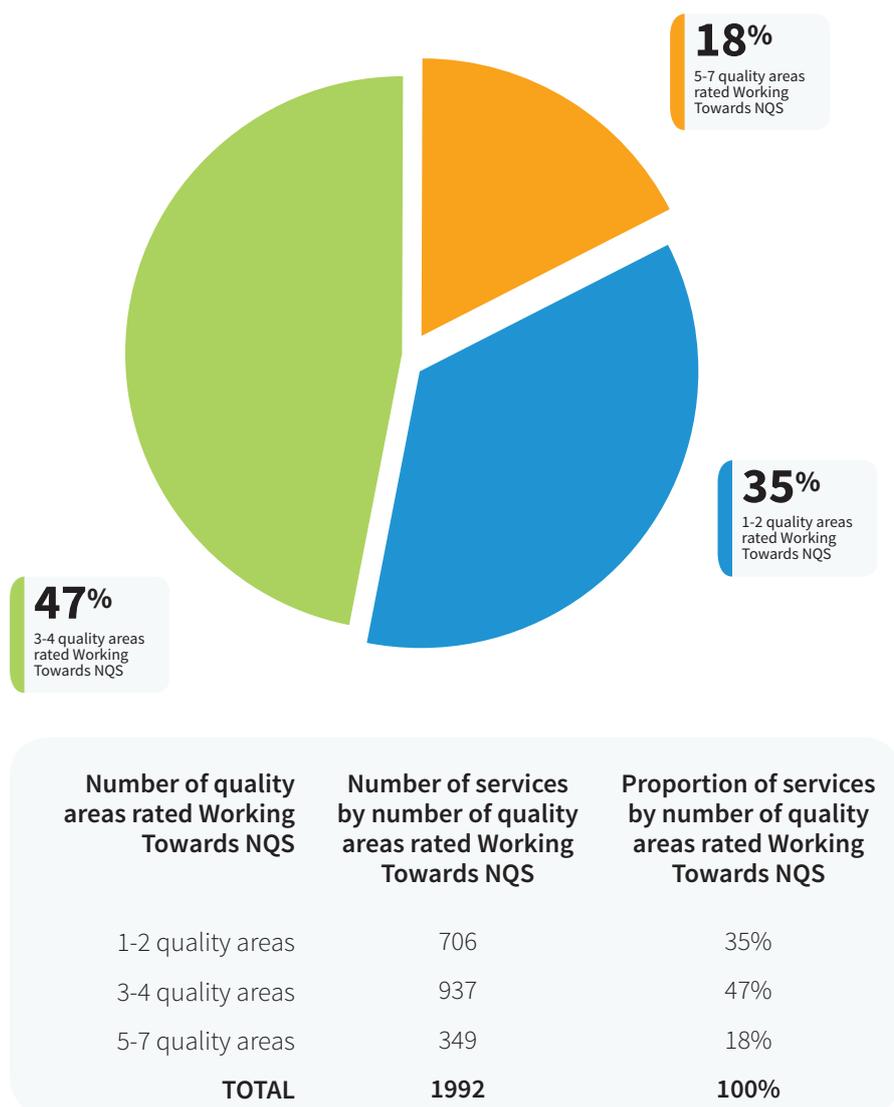
This means that a service can receive an overall rating of Working Towards NQS even though they are Meeting or Exceeding NQS in most standards or quality areas.

For example, Figure 3 shows about 35% of all services rated Working Towards NQS are Meeting or Exceeding NQS in at least five of the seven quality areas. This is consistent with the data from Q4 2013.

Similarly, Figure 4 shows about 81% of services rated Working Towards NQS overall met or exceeded more than half of the 18 standards in the NQS.

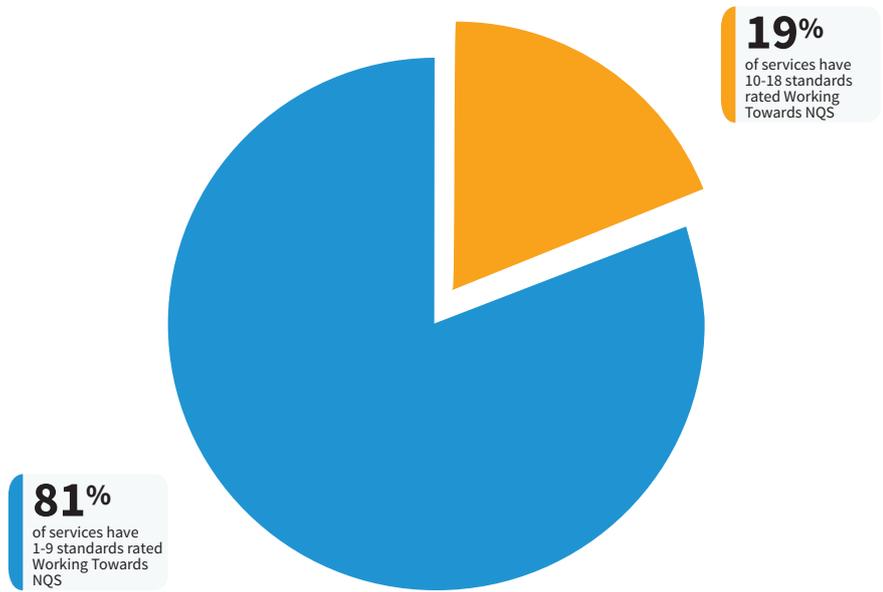
This demonstrates that a significant proportion of services rated Working Towards NQS are close to achieving Meeting or Exceeding NQS. It also shows that the NQS has set a higher benchmark for services and it encourages services to work to continuously improve.

Figure 3: The proportion of approved services with a finalised quality rating of Working Towards NQS by number of quality areas rated Working Towards on 31 March 2014



Overall quality ratings of services

Figure 4: The proportion of approved services with a finalised quality rating of Working Towards NQS by number of standards rated Working Towards on 31 March 2014



Number of standards rated Working Towards NQS	Number of services by number of standards rated Working Towards NQS	Proportion of services by number of standards rated Working Towards NQS
1-9 standards	1612	81%
10-18 standards	380	19%
TOTAL	1992	100%

Overall quality ratings of services

There is a small difference between the spread of ratings and service types. Of services quality rated, centre-based services are more likely to be rated Meeting NQS (35%) than family day care services (28%). However, both centre-based services and family day care services are equally likely to be rated Exceeding NQS.

Figure 5: Proportion of approved services with a quality rating by quality rating level and service type on 31 March 2014

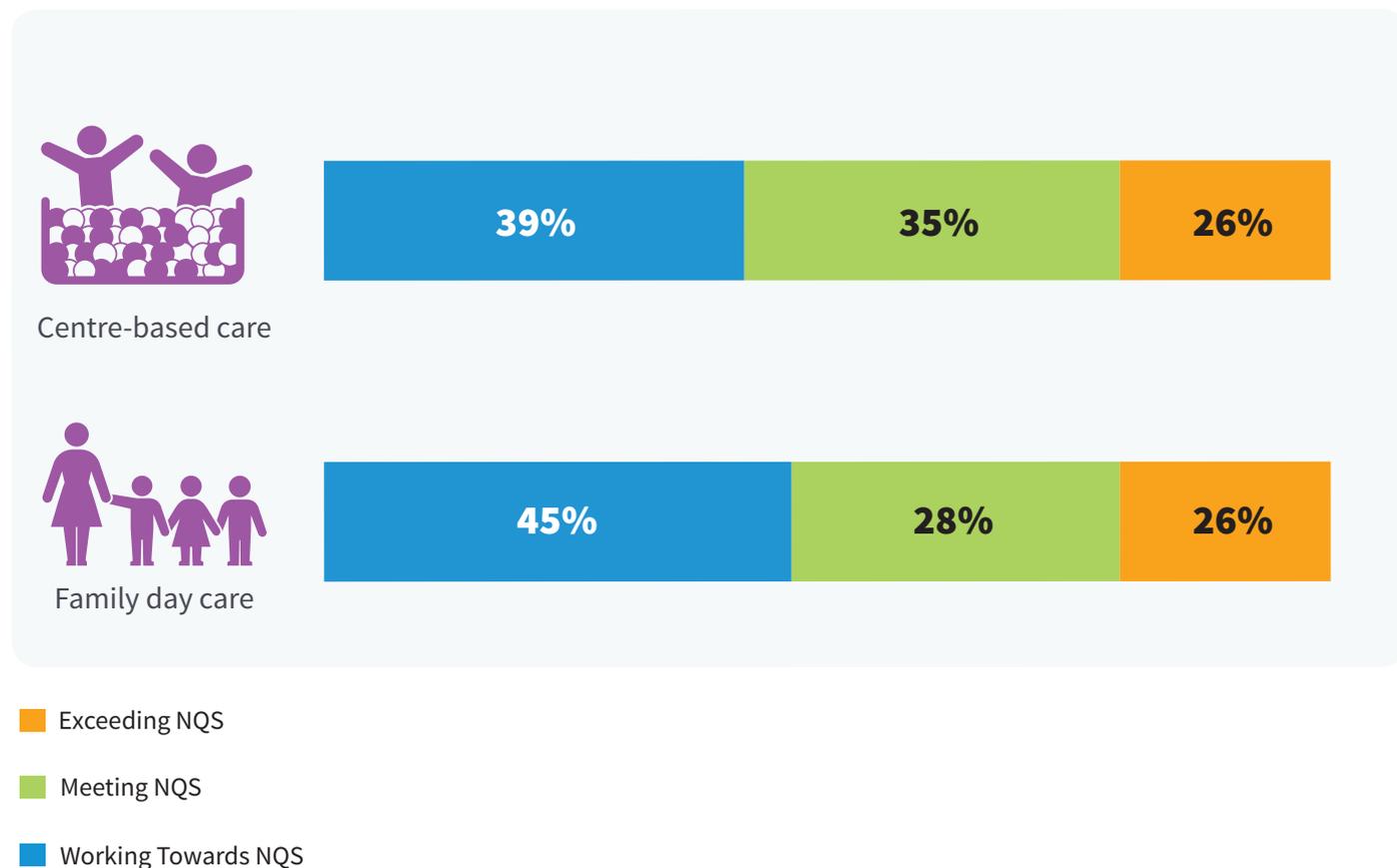


Table 9: The number of approved services with a quality rating by quality rating level and service type on 31 March 2014

	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent rated	TOTAL
Centre-based care	7	1900	1717	1248	10	4882
Family day care	1	92	57	52	1	203
TOTAL	8	1992	1774	1300	11	5085

Quality area ratings of services

Each education and care service receives an overall rating and a rating for each of the seven quality areas in the National Quality Standard. The seven quality areas are:

- 1** Quality Area 1 - Educational program and practice
- 2** Quality Area 2 - Children's health and safety
- 3** Quality Area 3 - Physical environment
- 4** Quality Area 4 - Staffing arrangements
- 5** Quality Area 5 - Relationships with children
- 6** Quality Area 6 - Partnerships with families and communities
- 7** Quality Area 7 - Leadership and service management

Details about each of the seven quality areas can be found on the ACECQA website:

<http://www.acecqa.gov.au/Quality-Areas>

Table 10 and Figure 6 display the quality ratings results for each of the seven quality areas at a national level. Nationally, services are more likely to:

- be rated as Meeting or Exceeding NQS in Quality Areas 4 (89%), 5 (87%) and 6 (86%) than Quality Areas 1 (70%), 2 (77%), 3 (75%) and 7 (77%)
- be rated as Working Towards NQS or Significant Improvement Required in Quality Areas 1 (30%), 2 (23%), 3 (25%) and 7 (23%) than Quality Areas 4 (11%), 5 (13%) and 6 (14%).

Table 10: The number of approved services with a finalised quality rating by quality area nationally on 31 March 2014

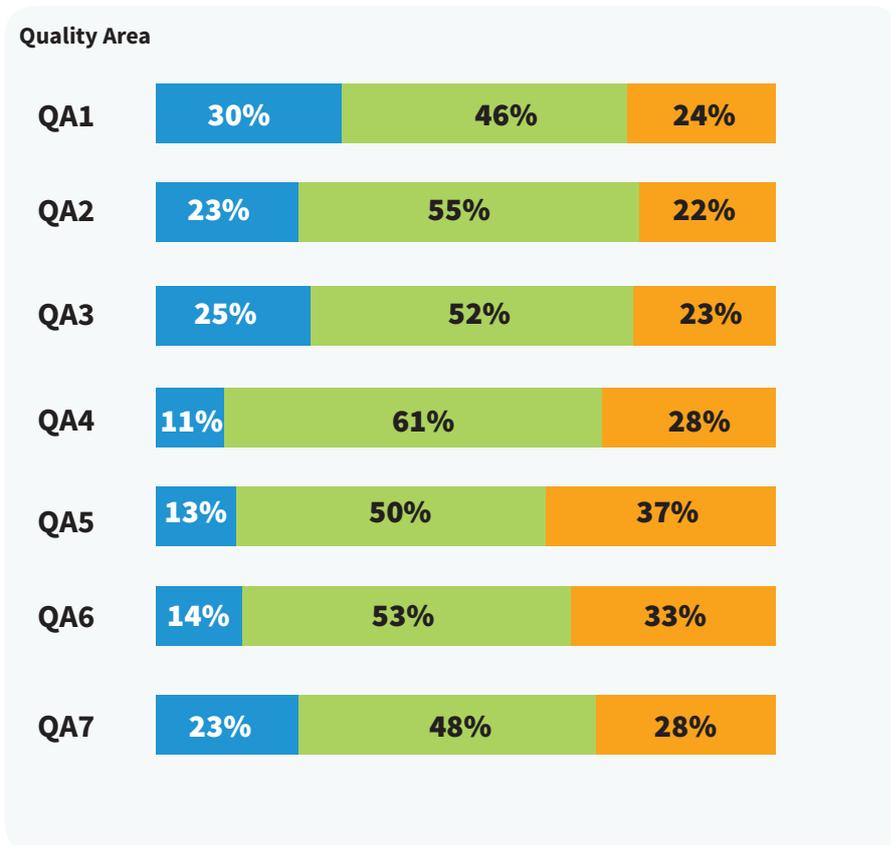
Rating outcome	QA1	QA2	QA3	QA4	QA5	QA6	QA7
Exceeding NQS	1204	1094	1172	1420	1883	1673	1441
Meeting NQS	2349	2819	2625	3122	2553	2688	2452
Working Towards NQS	1530	1164	1284	540	647	724	1189
Significant improvement required	2	8	4	3	2	0	3
TOTAL	5085						

Quality area ratings of services

Figure 6: The proportion of approved services with a finalised quality rating by quality area nationally on 31 March 2014

Rating outcome

- Exceeding NQS
- Meeting NQS
- Working Towards NQS



Note: Due to rounding, individual values may not add to 100% in all cases.

Quality area ratings of services

Tables 11 and 12 show the spread of quality ratings in each quality area for family day care services and centre-based services respectively.

As centre-based services make up the majority of all services, there is little difference between the spread of the quality area ratings for centre-based services specifically and the overall results in Table 9. However, when the spread of the quality area ratings for family day care services are compared to centre-based services, it appears that family day care services are more likely to achieve Meeting or Exceeding NQS in Quality Areas 4, 5 and 6, but less likely to achieve Meeting or Exceeding NQS in Quality Area 1.

Table 11: The number of approved family day care services with a finalised quality rating by quality area on 31 March 2014

	QA1	QA2	QA3	QA4	QA5	QA6	QA7
Exceeding NQS	27	42	37	68	72	79	85
Meeting NQS	96	110	102	119	108	94	76
Working Towards NQS	79	50	63	15	23	30	41
Significant improvement required	1	1	1	1	0	0	1
TOTAL	203						

Table 12: The number of approved centre-based care services with a finalised quality rating by quality area on 31 March 2014

	QA1	QA2	QA3	QA4	QA5	QA6	QA7
Exceeding NQS	1177	1052	1135	1352	1811	1594	1356
Meeting NQS	2253	2709	2523	3003	2445	2594	2376
Working Towards NQS	1451	1114	1221	525	624	694	1148
Significant improvement required	1	7	3	2	2	0	2
TOTAL	4882						

Socio-Economic Index for Areas (SEIFA)

SEIFA is a product developed by the Australian Bureau of Statistics (ABS) to rank areas according to socio-economic advantage and disadvantage based on census data. ACECQA has applied the SEIFA tool to the NQA ITS data on 31 March 2014 to provide insights and analysis on the socio-economic distribution of centre-based services under the NQF. This index has only been applied to centre-based services.

The Index of Relative Disadvantage element of the SEIFA tool has been applied to data, identifying areas with lower educational attainment, people in low-skilled occupations, low employment and other indicators of disadvantage.

The scale of this index runs from one (representing the most disadvantaged areas) to 10 (the least disadvantaged areas).

The number of approved centre-based services that have been quality rated are fairly evenly distributed across socio-economic disadvantage. Table 13 shows that services in more disadvantaged areas are slightly more likely to be quality rated, with quality rated services in the three most disadvantaged areas on the scale making up 35% of all quality rated centre-based services.

Table 13: The number and proportion of approved services with a finalised quality rating by SEIFA Index of Relative Disadvantage on 31 March 2014

	Number of centre-based services with a quality rating	Number of centre-based services	Proportion of centre-based services with a quality rating
10 (Least disadvantaged)	372	1241	30%
9	355	1285	28%
8	393	1267	31%
7	459	1273	36%
6	463	1316	35%
5	438	1303	34%
4	561	1415	40%
3	565	1351	42%
2	632	1522	42%
1 (Most disadvantaged)	600	1538	39%
<hr/>			
N/A (inc. FDC)	247	847	29%
<hr/>			
TOTAL	5085	14 358	35%

Note: The Not Applicable row includes all family day care services, as their educators do not have a single location, plus a small number of centre-based services without an exact location in the NQA ITS.

Socio-Economic Index for Areas (SEIFA)

Tables 14 and 15 show the number and proportion of quality rated centre-based services by quality rating and SEIFA index of relative disadvantage. For services rated to date, socio-economic advantage and disadvantage has minimal effect on the spread of quality ratings. When viewed by overall quality level, there is no clear pattern emerging between socio-economic advantage and quality.

Table 14: The number of approved services by quality rating and SEIFA Index of Relative Disadvantage on 31 March 2014

	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent rated	TOTAL
10 (Least disadvantaged)	0	143	113	114	2	372
9	1	128	126	100	0	355
8	0	128	162	103	0	393
7	1	191	138	129	0	459
6	0	172	173	117	1	463
5	1	175	142	119	1	438
4	0	217	214	130	0	561
3	0	240	181	143	1	565
2	2	250	246	132	2	632
1 (Most disadvantaged)	2	234	211	150	3	600
N/A (inc FDC)	1	114	68	63	1	247
TOTAL	8	1992	1774	1300	11	5085

Note: The Not Applicable row includes all family day care services, as their educators do not have a single location, plus a small number of centre-based services without an exact location in the NQA ITS.

Socio-Economic Index for Areas (SEIFA)

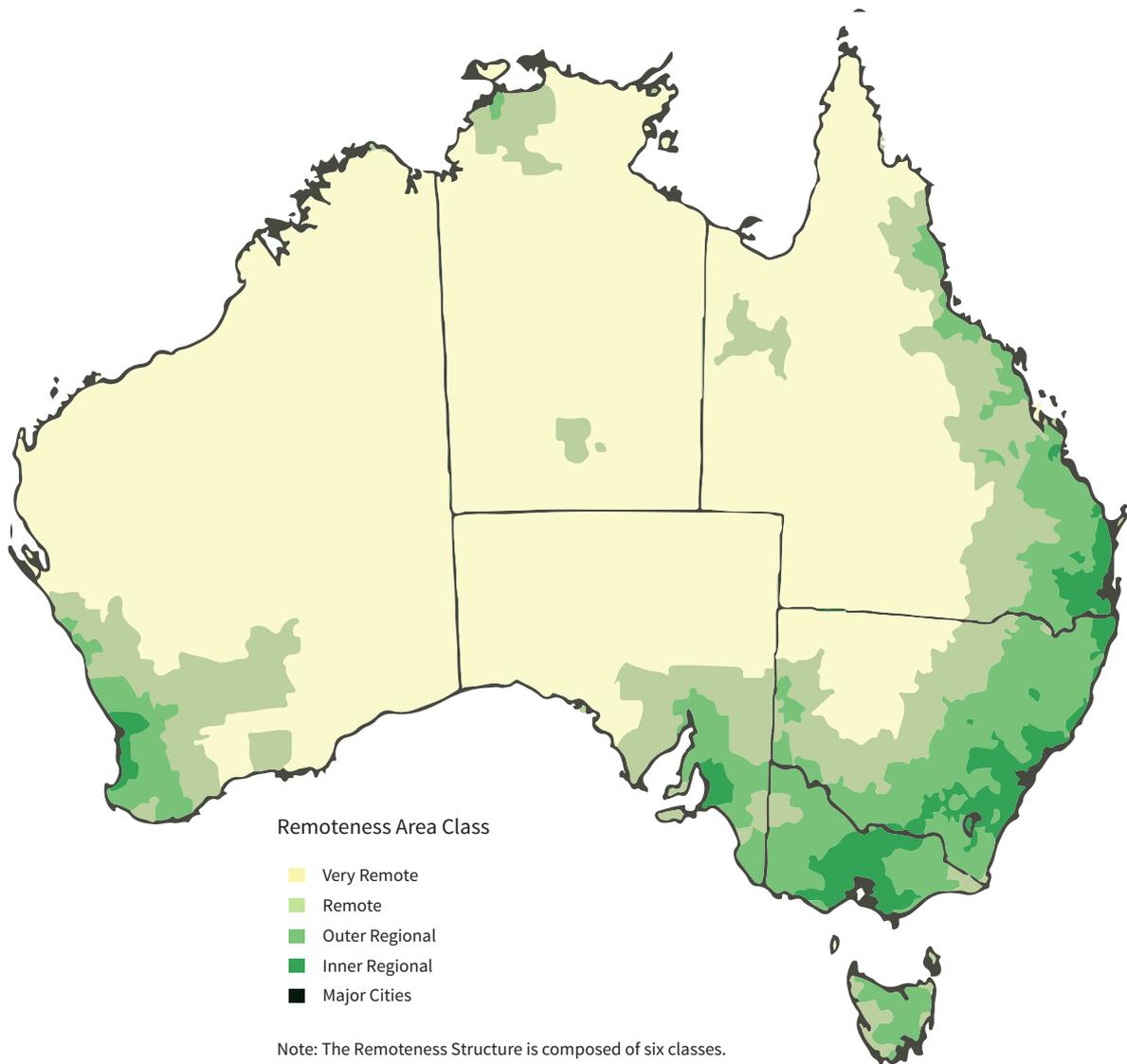
Table 15: The proportion of approved services by quality rating and SEIFA Index of Relative Disadvantage on 31 March 2014

	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent rated	TOTAL
10 (Least disadvantaged)	0%	38%	30%	31%	1%	100%
9	0%	36%	35%	28%	0%	100%
8	0%	33%	41%	26%	0%	100%
7	0%	42%	30%	28%	0%	100%
6	0%	37%	37%	25%	0%	100%
5	0%	40%	32%	27%	0%	100%
4	0%	39%	38%	23%	0%	100%
3	0%	42%	32%	25%	0%	100%
2	0%	40%	39%	21%	0%	100%
1 (Most disadvantaged)	0%	39%	35%	25%	1%	100%
N/A (inc. FDC)	0%	46%	28%	26%	0%	100%

Note: Due to rounding, individual values may not add to 100% in all cases, and very small numbers will not be represented in percentages. The Not Applicable row includes all family day care services, as their educators do not have a single location, plus a small number of centre-based services without an exact location in the NQA ITS.

Accessibility/Remoteness Index of Australia (ARIA+)

The ARIA+ index is a geographical approach to defining remoteness in Australia. The index has been applied to NQA ITS data on 31 March 2014 to show the distribution of approved centre-based services with a quality rating by remoteness classification. This index has only been applied to centre-based services.



Accessibility/Remoteness Index of Australia (ARIA+)

Table 16 shows the distribution of approved services with a quality rating by remoteness classification (ARIA+). Almost two-thirds of all quality rated centre-based services are in major cities. The number of very remote centre-based services to be rated has increased by 21% on the previous quarter (when standardised against actual growth in the number of services).

Table 16: The number and proportion of approved services with a finalised quality rating by remoteness classification (ARIA+) on 31 March 2014

	Number of services with a quality rating	Number of services	Proportion of services with a quality rating
Major cities of Australia	3143	9554	33%
Inner regional Australia	1078	2401	45%
Outer regional Australia	532	1230	43%
Remote Australia	62	208	30%
Very remote Australia	41	162	25%
N/A (inc. FDC)	229	803	29%
TOTAL	5085	14 358	35%

Accessibility/Remoteness Index of Australia (ARIA+)

Analysis of the number and proportion of approved services with a quality rating using the measure of remoteness (ARIA+) finds that remoteness may have minimal effect on the spread of quality ratings. With only a small number of services in remote and very remote areas quality rated, it is too early to make comparisons about the spread of ratings between services in remote/very remote locations, major cities and inner and outer regional areas.

Table 17: The number of approved services by quality rating by remoteness classification (ARIA+) on 31 March 2014

	Major Cities of Australia	Inner Regional Australia	Outer Regional Australia	Remote Australia	Very Remote Australia	N/A (inc. FDC)
Significant improvement required	6	0	1	0	0	1
Working Towards NQS	1248	379	204	35	21	105
Meeting NQS	1080	423	177	16	15	63
Exceeding NQS	801	274	150	11	5	59
Excellent rated	8	2	0	0	0	1
TOTAL	3143	1078	532	62	41	229

Table 18: The proportion of approved services by quality rating by remoteness classification (ARIA+) on 31 March 2014

	Major Cities of Australia	Inner Regional Australia	Outer Regional Australia	Remote Australia	Very Remote Australia	N/A (inc. FDC)
Significant improvement required	0%	0%	0%	0%	0%	0%
Working Towards NQS	40%	35%	38%	56%	51%	46%
Meeting NQS	34%	39%	33%	26%	37%	28%
Exceeding NQS	25%	25%	28%	18%	12%	26%
Excellent rated	0%	0%	0%	0%	0%	0%
TOTAL	100%	100%	100%	100%	100%	100%

Note: Due to rounding, total values may not add to 100% in all cases, and very small numbers will not be represented in percentages.

Waivers

Waivers play an important role in helping providers maintain their level of service to families while adjusting to the NQF or dealing with unexpected events.

There may be situations where, despite the best intentions, providers are unable to meet certain requirements in relation to physical environment or staffing arrangements either on a permanent or temporary basis. Under the National Law education and care providers are able to apply for two types of waivers. Providers apply to the regulatory authority in their state or territory for consideration of a waiver.

Service waivers – service waivers have no specified expiry date. Where a service waiver is in force the education and care service is taken to comply with the element(s) of the NQS and National Regulations specified in the service waiver. A service waiver does not affect a service’s assessment and rating against the NQS and can be revoked by the regulatory authority either at its discretion or on receipt of an application from an approved provider.

Temporary waivers – temporary waivers apply for no more than 12 months. Where a temporary waiver is in force the education and care service is not required to comply with the element(s) of the NQS and National Regulations specified in the temporary waiver. Temporary waivers must specify the period for which the waiver applies and providers may apply to the regulatory authority to extend the period of a temporary waiver by periods of not more than 12 months. A temporary waiver does not affect a service’s assessment and rating against the NQS.

On 31 March 2014, 6.1% (883) of approved education and care services across Australia were operating with waivers. Of these, 70% are temporary waivers. In the previous quarter, 4.9% of services were operating with a waiver.

Table 19 shows of the 618 services with temporary waivers, 96.3% are for staff. For services operating with a service waiver, 82.3% are for physical environment.

The high percentage of temporary waivers for staffing is indicative of the nature of recruitment as a service may apply for a temporary waiver while they are recruiting to fill a position. Despite best efforts, some services across Australia who were not able to meet the 1 January 2014 qualification requirements may have had to apply for a waiver. In contrast, physical environment standards may involve an ongoing issue that cannot be rectified but can be met by other means.

Tables 19 and 20 illustrate the spread of waiver types between jurisdictions. Overall, and in keeping with its share of services New South Wales has the most waivers, followed by Queensland, Western Australia and Victoria.

Western Australia has the highest proportion of services with a waiver followed by Tasmania, Australian Capital Territory and the Northern Territory. Although New South Wales and Queensland have issued the highest numbers of waivers, proportionally their jurisdictions, alongside Victoria and South Australia, have the least amount of waivers in place.

A waiver can only be issued if children’s safety, health and well-being is not compromised or at risk.

Table 19: The number of services with waivers by waiver category and waiver type on 31 March 2014

	Service	Temporary	Both	TOTAL
Physical	214	23	0	237
Staff	46	595	0	641
Both	0	0	5	5
TOTAL	260	618	5	883

Waivers

Table 20: The number of approved services with any waiver by jurisdiction and waiver type on 31 March 2014

	Service	Temporary	Both	TOTAL
ACT	3	26	0	29
NSW	122	167	1	290
NT	0	19	0	19
QLD	62	112	4	178
SA	2	63	0	65
TAS	6	18	0	24
VIC	60	49	0	109
WA	5	164	0	169
TOTAL	260	618	5	883

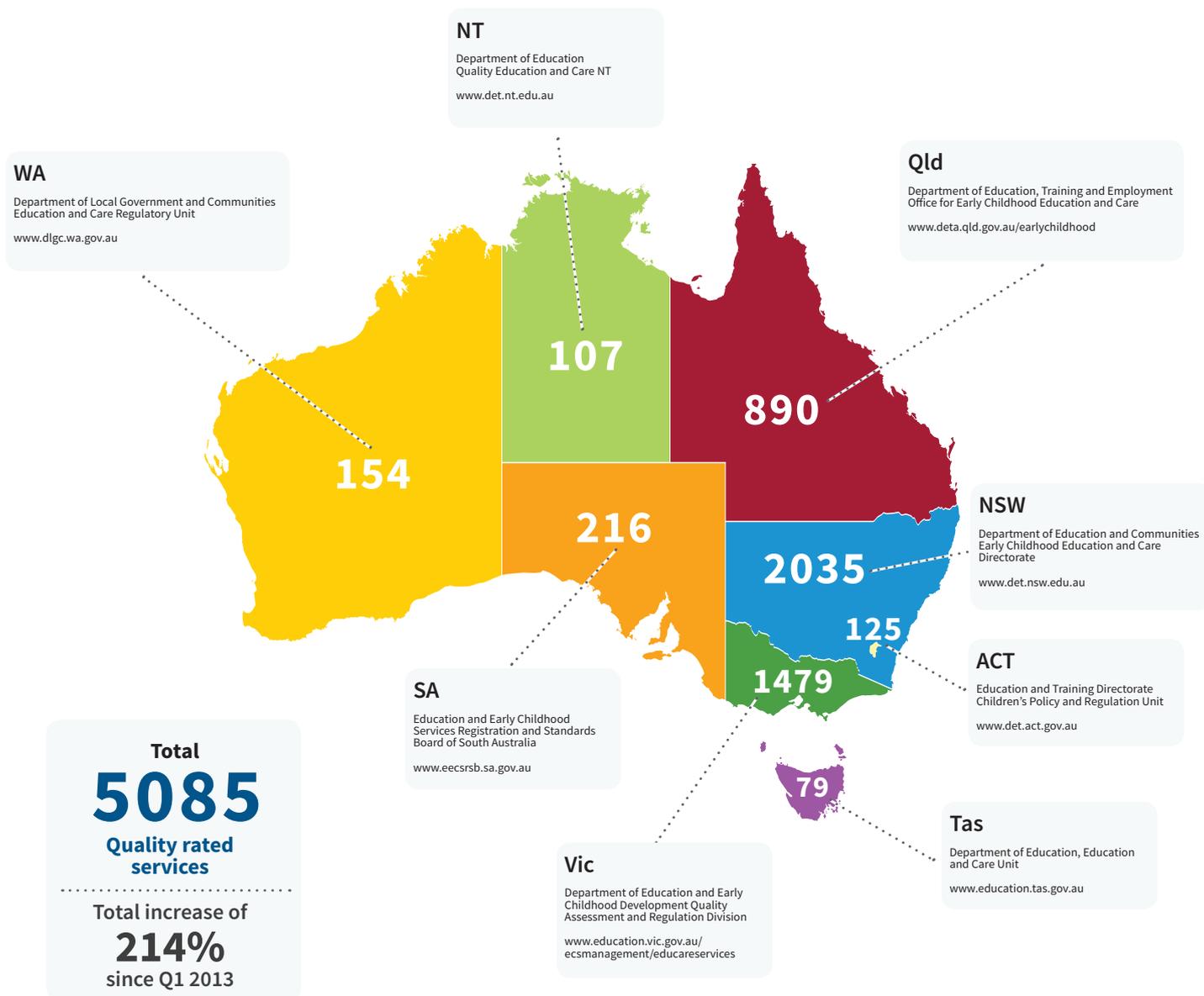
Table 21: The number and proportion of approved services with any waiver by jurisdiction and waiver category on 31 March 2014

	Physical	Staff	Both	TOTAL	Total number of services	Proportion of services with a waiver
ACT	3	26	0	29	317	9.1%
NSW	125	164	1	290	4864	6.0%
NT	0	19	0	19	215	8.8%
QLD	70	104	4	178	2693	6.6%
SA	3	62	0	65	1131	5.7%
TAS	8	16	0	24	224	10.7%
VIC	21	88	0	109	3898	2.8%
WA	7	162	0	169	1016	16.6%
TOTAL	237	641	5	883	14 358	6.1%

National summary

A comparison between ratings in quality areas across jurisdictions is presented in Tables 22-29. The figures show some differences between jurisdictions, however, caution should be taken when making any comparisons. Some regulatory authorities have rated fewer services and the services rated are not a representative sample of the total population in each jurisdiction or nationally. Refer to the technical note at the end of the report for further information.

Figure 6: The number of approved services with a finalised quality rating by quality area on 31 March 2014 (Nationally)



Australian Capital Territory summary

On 31 March 2014 the Australian Capital Territory had:

- 317 approved services, comprising 308 centre-based care services and nine family day care services
- 1420 supervisor certificates issued
- 125 approved services with a quality rating including:
 - 78 approved services with a quality rating of Working Towards NQS
 - 23 approved services with a quality rating of Meeting NQS
 - 24 approved services with a quality rating of Exceeding NQS
- 29 approved services with a waiver

Table 22: The number of ACT approved services with a finalised quality rating by quality area on 31 March 2014

- Exceeding NQS
- Meeting NQS
- Working Towards NQS
- Significant improvement required



An increase of
2%
on Q4 2013

Quality Area	0	Working Towards NQS	Meeting NQS	Exceeding NQS	Total
QA1	0	74	34	17	125
QA2	0	37	65	23	125
QA3	0	65	42	18	125
QA4	0	15	72	38	125
QA5	0	33	48	44	125
QA6	0	51	47	27	125
QA7	0	37	55	33	125

New South Wales summary

On 31 March 2014 New South Wales had:

- 4864 approved services, comprising 4633 centre-based care services and 231 family day care services
- 22 491 supervisor certificates issued
- 2035 approved services with a quality rating including:
 - 2 approved services with a quality rating of Significant Improvement Required
 - 992 approved services with a quality rating of Working Towards NQS
 - 672 approved services with a quality rating of Meeting NQS
 - 367 approved services with a quality rating of Exceeding NQS
 - 2 approved services with an Excellent rating
- 290 approved services with a waiver

Table 23: The number of NSW approved services with a finalised quality rating by quality area on 31 March 2014

- Exceeding NQS
- Meeting NQS
- Working Towards NQS
- Significant improvement required



An increase of
14%
on Q4 2013

Quality Area					Total
QA1	1	724	949	361	2035
QA2	2	621	1104	308	2035
QA3	1	644	1040	350	2035
QA4	2	280	1288	465	2035
QA5	0	302	1179	554	2035
QA6	0	341	1142	552	2035
QA7	1	609	1000	425	2035

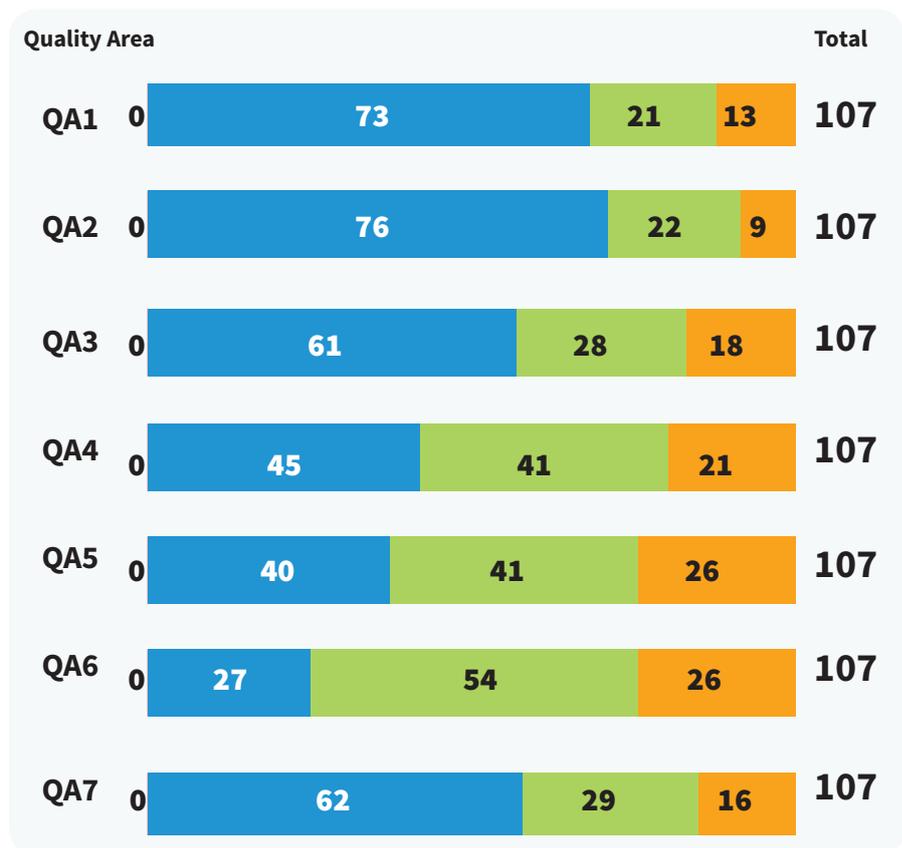
Northern Territory summary

On 31 March 2014 the Northern Territory had:

- 215 approved services, comprising 210 centre-based care services and five family day care services
- 775 supervisor certificates issued
- 107 approved services with a quality rating including:
 - 89 approved services with a quality rating of Working Towards NQS
 - 7 approved services with a quality rating of Meeting NQS
 - 11 approved services with a quality rating of Exceeding NQS
- 19 approved services with a waiver

Table 24: The number of NT approved services with a finalised quality rating by quality area on 31 March 2014

- Exceeding NQS
- Meeting NQS
- Working Towards NQS
- Significant improvement required



Queensland summary

On 31 March 2014 Queensland had:

- 2693 approved services, comprising 2582 centre-based care services and 111 family day care services
- 20 519 supervisor certificates issued
- 890 approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 274 approved services with a quality rating of Working Towards NQS
 - 274 approved services with a quality rating of Meeting NQS
 - 336 approved services with a quality rating of Exceeding NQS
 - 5 approved services with an Excellent rating
- 178 approved services with a waiver

Table 25: The number of Qld approved services with a finalised quality rating by quality area on 31 March 2014



An increase of
14%
on Q4 2013

Quality Area	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Total
QA1	0	224	407	259	890
QA2	1	160	368	361	890
QA3	0	195	428	267	890
QA4	0	65	431	394	890
QA5	0	121	327	442	890
QA6	0	145	378	367	890
QA7	0	162	341	387	890

South Australia summary

On 31 March 2014 South Australia had:

- 1131 approved services, comprising 1101 centre-based care services and 30 family day care services
- 7545 supervisor certificates issued
- 216 approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 76 approved services with a quality rating of Working Towards NQS
 - 48 approved services with a quality rating of Meeting NQS
 - 87 approved services with a quality rating of Exceeding NQS
 - 4 approved services with an Excellent rating
- 65 approved services with a waiver

Table 26: The number of SA approved services with a finalised quality rating by quality area on 31 March 2014



Quality Area	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Total
QA1	0	66	66	84	216
QA2	1	33	129	53	216
QA3	0	54	93	69	216
QA4	0	11	138	67	216
QA5	1	16	73	126	216
QA6	0	37	88	91	216
QA7	0	48	85	83	216

Tasmania summary

On 31 March 2014 Tasmania had:

- 224 approved services, comprising 212 centre-based care services and 12 family day care services
- 1279 supervisor certificates issued
- 79 approved services with a quality rating including:
 - 51 approved services with a quality rating of Working Towards NQS
 - 13 approved services with a quality rating of Meeting NQS
 - 15 approved services with a quality rating of Exceeding NQS
- 24 approved services with a waiver

Table 27: The number of approved Tas services with a finalised quality rating by quality area on 31 March 2014

Exceeding NQS

Meeting NQS

Working Towards NQS

Significant improvement required



An increase of
11%
on Q4 2013

Quality Area	0	Working Towards NQS	Meeting NQS	Exceeding NQS	Total
QA1	0	37	33	9	79
QA2	0	35	27	17	79
QA3	0	39	29	11	79
QA4	0	14	41	24	79
QA5	0	20	40	19	79
QA6	0	24	30	25	79
QA7	0	36	19	24	79

Victoria summary

On 31 March 2014 Victoria had:

- 3898 approved services, comprising 3585 centre-based care services and 313 family day care services
- 19 533 supervisor certificates issued
- 1479 approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 349 approved services with a quality rating of Working Towards NQS
 - 703 approved services with a quality rating of Meeting NQS
 - 426 approved services with a quality rating of Exceeding NQS
- 109 approved services with a waiver

Table 28: The number of approved Vic services with a finalised quality rating by quality area on 31 March 2014



An increase of
12%
on Q4 2013

Quality Area	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Total
QA1	0	259	790	430	1479
QA2	1	146	1043	289	1479
QA3	1	163	899	416	1479
QA4	1	89	1020	369	1479
QA5	0	91	766	622	1479
QA6	0	62	875	542	1479
QA7	0	197	854	428	1479

Western Australia summary

On 31 March 2014 Western Australia had:

- 1016 approved services, comprising 966 centre-based care services and 50 family day care services
- 5087 supervisor certificates issued
- 154 approved services with a quality rating including:
 - 3 approved services with a quality rating of Significant Improvement Required
 - 83 approved services with a quality rating of Working Towards NQS
 - 34 approved services with a quality rating of Meeting NQS
 - 34 approved services with a quality rating of Exceeding NQS
- 169 approved services with a waiver

Table 29: The number of WA approved services with a finalised quality rating by quality area on 31 March 2014



An increase of
14%
on Q4 2013

Quality Area	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Total
QA1	1	73	49	31	154
QA2	3	56	61	34	154
QA3	2	63	66	23	154
QA4	0	21	91	42	154
QA5	1	24	79	50	154
QA6	0	37	74	43	154
QA7	2	38	69	45	154

Glossary of terms



Approved service

Under the National Quality Framework an approved provider must apply for and be granted a service approval for each education and care service it wants to operate. There are two types of approved services under the National Quality Framework:

- Centre-based service: which includes long day care, preschool or kindergarten and outside school hours care services
- Family day care service: where a number of educators formally linked to an education and care service provide education and care to children in residences or venues.

Approved provider

An approved provider is a person who holds a provider approval. Obtaining a provider approval is a prerequisite to operating one or more approved education and care services and is valid in all jurisdictions.

Accessibility/Remoteness Index of Australia (ARIA+)

ARIA+ was jointly developed by the National Centre for the Social Applications of Geographical Information Systems (GISCA) and the Australian Department of Health and Ageing in 1999 as a geographical approach to defining remoteness. Socio-economic, urban/rural and population size factors are not considered for incorporation into the measure. The most widely used ARIA product is ARIA+ based on road distance measurements from over 12,000 populated localities to the nearest Services Centres in five size categories based on population size.

Centre-based service

A centre-based service is an education and care service other than a family day care service. This includes most long day care, preschool/kindergarten and outside school hours care services that are delivered at a centre.

Glossary of terms

Education and care service

An education and care service is any service providing or intended to provide education and care on a regular basis to children under 13 years of age other than a service that is excluded under the National Law or Regulations. Education and care services include most long day care, family day care, preschool or kindergarten and outside school hours care services across Australia.

Educator

An educator is an individual who provides education and care for children as part of an education and care service.

Family day care educator

A family day care educator is an educator engaged by or registered with a family day care service to provide education and care for children in a residence or at an approved family day care venue.

Family day care service

A family day care service is an education and care service delivered through two or more educators to provide education and care for children in residences, whether or not the service also provides education and care to children at a place other than a residence. They are sometimes known as family day care schemes and they are typically administered and supported by central coordination units.

Index of Relative Disadvantage

This statistics tool is used to identify areas with lower educational attainment, people in low-skilled occupations, low employment and other indicators of disadvantage. The scale of the index runs from one (most disadvantaged areas) to 10 (least disadvantaged areas).

Jurisdiction

A state or territory in Australia.

Long day care

A centre-based form of children's education and care, operating at least 48 weeks per year and typically at least 8 hours per day Monday to Friday. Most children will be aged 0-6 but some school age care is often provided.

National Law

The National Quality Framework operates under an applied law system, comprising the Education and Care Services National Law and the Education and Care Services National Regulations. The NQF applies to most long day care, family day care, outside school hours care and preschools/kindergartens in Australia.

National Quality Agenda IT System (NQA ITS)

The National Quality Agenda IT System (NQA ITS) is an online business tool that allows educators and providers to submit application and notification forms online. It is also the national business system that captures data about the National Quality Framework and children's education and care in Australia.

National Quality Framework (NQF)

The National Quality Framework (NQF) raises quality and drives continuous improvement and consistency in Australian education and care services. Established in 2012, the NQF applies to most long day care, family day care, preschool/ kindergarten and outside school hours care services. All Australian governments have agreed to implement the National Quality Framework for Early Childhood Education and Care.

National Quality Standard (NQS)

The National Quality Standard (NQS) is a key aspect of the NQF and sets a national benchmark for early childhood education and care, and outside school care services in Australia. As the NQF progresses, every service in the country will be assessed against the new quality standard.

Glossary of terms

National Regulations

The National Quality Framework and associated regulatory system is enacted through legislation establishing the national system. The Education and Care Services National Regulations support the legislation and provide detail on a range of operational requirements for an education and care service.

Outside School Hours Care (OSHC)

Education and care provided for school aged children before and/or after school during the school term. Vacation care may also be included in this category. Vacation care services operates for school children during the school holidays.

Preschool/Kindergarten

A centre based form of children's education and care service, typically operating during school terms and during school hours and attended by children either 1 or 2 years prior to school entry.

Quality areas

The National Quality Standard (NQS) is a key aspect of the National Quality Framework (NQF). The NQS consists of seven quality areas, each containing standards and elements that children's education and care services are assessed and rated against. The seven quality areas are:

- Educational program and practice
- Children's Health and Safety
- Physical Environment
- Staffing arrangements
- Relationships with children
- Collaborative partnerships with families and communities
- Leadership and service management.

Quality ratings

Ratings promote transparency and accountability and help parents assess the quality of education and care services available. Every service receives a rating for each quality area and an overall rating. These ratings must be displayed by each service and are published on the ACECQA website. There are five rating levels within the national quality rating and assessment process:

- Excellent rating, awarded by ACECQA
- Exceeding National Quality Standard
- Meeting National Quality Standard
- Working Towards National Quality Standard
- Significant Improvement Required

Region

Regions of Australia are classified according to the Australian Bureau of Statistics Australian Statistical Geography Standard (ASGS), July 2011. This classification divides each state and territory into several regions on the basis of their relative access to services.

Glossary of terms

Regulatory authority

Each state and territory in Australia has a regulatory authority that regulates and assesses children's education and care services. Regulatory authorities in each state and territory are responsible for carrying out the quality rating of services under the National Quality Standard.

Socio-Economic Indexes for Areas (SEIFA)

SEIFA is a product developed by the Australian Bureau of Statistics (ABS) to rank areas according to socio-economic advantage and disadvantage based on census data. The census variables are used to cover a number of areas including household income, education, employment, occupation, housing and other indicators of advantage and disadvantage. The scale of the Index of Relative Disadvantage runs from one (most disadvantaged areas) to 10 (least disadvantaged areas).

Supervisor certificate

A supervisor certificate is an approval issued to a person who is eligible to be placed in day-to-day charge of an approved service.

Waivers

Regulatory authorities may grant waivers to services on a temporary (temporary waiver) or ongoing basis (service waiver). Waivers enable services to gain exemption from certain physical environment and staffing requirements of the Education and Care Services National Regulations.

- Service waivers have no specified expiry date. Where a service waiver is in force, the education and care service is taken to comply with the element(s) of the NQS and National Regulations specified in the service waiver.
- Temporary waivers apply for no more than 12 months. While a temporary waiver is in force, the education and care service is not required to comply with the element(s) of the NQS and National Regulations specified in the temporary waiver.



1. The children's education and care services that have been quality rated and included in this *Snapshot* were selected for quality rating by regulatory authorities based on one, or a combination of the following considerations specific to each jurisdiction:
 - Service type (Long Day Care, Preschool/Kindergarten, Out of School Hours Care, Family Day Care), so that in some jurisdictions some service types have been prioritised for quality assessment ahead of others
 - Last National Childcare Accreditation Council (NCAC) accreditation date of each service (where relevant)
 - Last license renewal or visit date (where relevant)
 - The resources available to regulatory authorities
 - Providers that have been most prepared and engaged with the quality rating process, for example, the first group of services rated in Western Australia volunteered to take part due to the later commencement of the legislation.
2. The implication of quality rating services based on these particular attributes is that quality rating data are not representative of all education and care services nation-wide. Therefore, it is inadvisable to draw conclusions about education and care services that are yet to be quality rated based on those that have been rated to date.



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ABN 59 372 786 746

Level 15, 255 Elizabeth Street, Sydney NSW 2000

Web: www.acecqa.gov.au

Email: enquiries@acecqa.gov.au

Media enquiries: media@acecqa.gov.au



Australian Children's
Education & Care
Quality Authority

ACECQA is an independent national authority, based in Sydney. It is led by CEO Karen Curtis and guided by a governing Board whose members were nominated by each state and territory and the Commonwealth. Board members serve three year terms.

As the name suggests, one of ACECQA's many roles is to educate and inform the wider community about the importance of improving outcomes in children's education and care. We also provide governments, the sector and families with access to the most current research to ensure NQF policy and service delivery is in line with best practice across the country.

ACECQA guides the implementation of the National Quality Framework for Early Childhood Education and Care nationally and ensures consistency in delivery.



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