



Australian Children's
Education & Care
Quality Authority

NQF Snapshot Q2 2014

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

August 2014

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Introduction

NQF Snapshot Q2 2014 is ACECQA's sixth 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 presented in this Snapshot was taken from the National Quality Agenda IT System (NQA ITS) on 1 July 2014 for the quarter ending 30 June 2014. To demonstrate changes over time, including the number of approved children's education and care services and the progress in the number of services with a quality rating, the data in places has been compared with data from NQF Snapshot Q2 2013.

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.

The individual results for the 5821 children's education and care services already quality rated are available online at 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



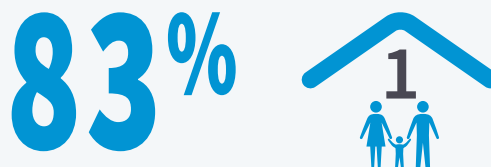
Number of children's education and care services operating across Australia



Number of services that have received a quality rating



Number of approved providers operating services



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

Snapshot highlights

62%

Proportion of assessed services that are Meeting or Exceeding the National Quality Standard (NQS)



6.3%

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



802

47%
Increase on Q2 2013

Number of approved family day care services



13 633

7%
Increase on Q2 2013

Number of approved centre-based services

State of the sector

Figure 1: The number of approved services by jurisdiction and service type on 30 June 2014

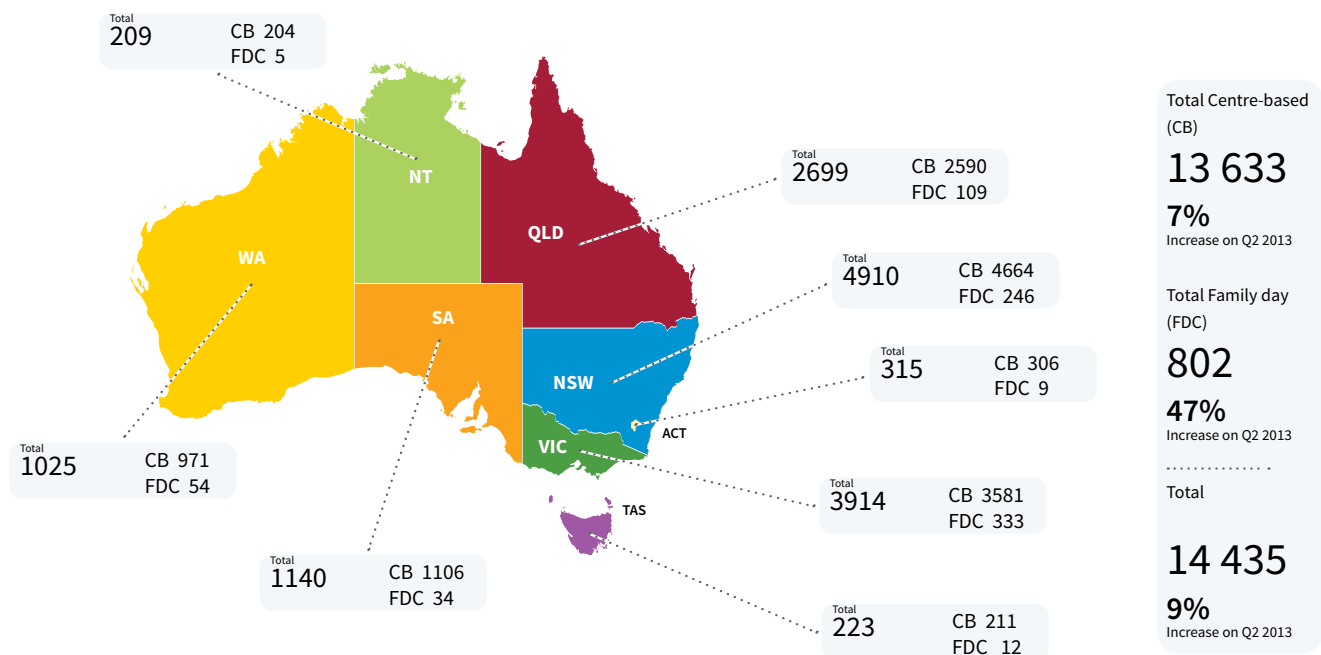


Table 1: The proportion of approved services by jurisdiction on 30 June 2014

| Jurisdiction | Proportion |
|--------------|------------|
| ACT | 2% |
| NSW | 34% |
| NT | 1% |
| QLD | 19% |
| SA | 8% |
| TAS | 2% |
| VIC | 27% |
| WA | 7% |

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



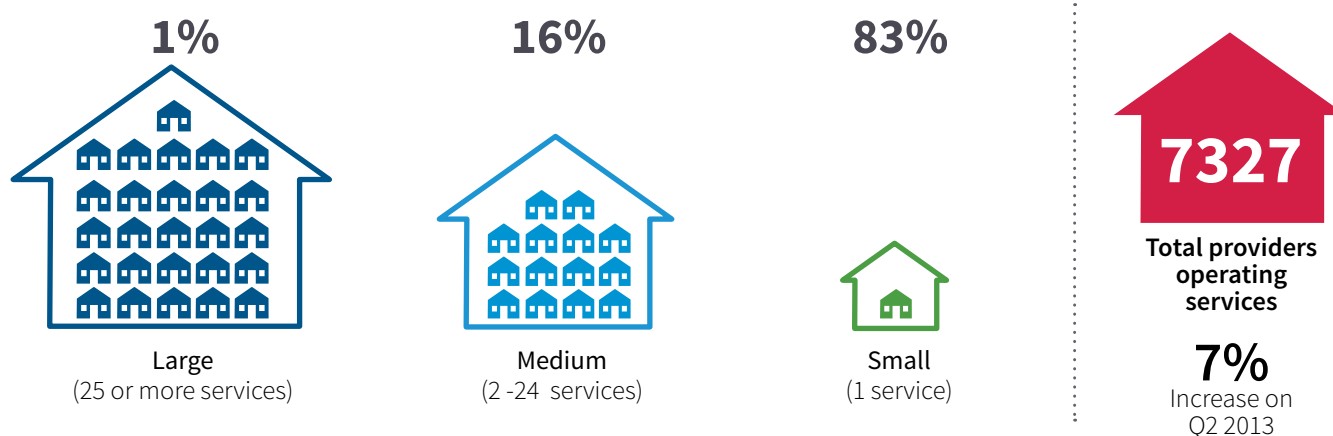
On 1 June 2014, the Education and Care Services National Regulations were amended to simplify the supervisor certificate application process in all states and territories except Western Australia.

Following these changes, most individuals no longer need to apply for an individual supervisor certificate. Instead, a service supervisor certificate has been issued for each approved service. The service supervisor certificate may apply to any person working at the service who is identified by the approved provider as:

- responsible for the day to day management of the service, or
- exercising supervisory and leadership responsibilities for part of the service, or
- a family day care coordinator.

This means that over the past quarter there has been a significant increase in the number of 'prescribed class' supervisor certificates as each service has now been issued with one. As at 30 June 2014, there were 94 703 approved certified supervisors including prescribed class and individual supervisor certificates.

Figure 2: The proportion of approved providers with services by size on 30 June 2014



¹Note: Western Australia will make changes to the Education and Care Services National Law (WA) 2012 regarding supervisor certificates at a later date. Until then, the application process for supervisor certificates in Western Australia will remain unchanged.

Progress of assessment and rating

The first assessment and rating of services began in August 2012 and over time all services will be assessed and rated against the National Quality Standard. South Australia and Western Australia have completed the smallest proportion of quality ratings. This can be attributed in part 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 30 June 2014 shows that around one-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.

The data shows that while 40% of all services have been quality rated since the assessment and rating process began, many more services have contact with authorised officers carrying out complementary functions.

Table 2: The number and proportion of approved services with a quality rating by jurisdiction on 30 June 2014

| | Number of services | Number of services with a quality rating | Proportion of services with a quality rating |
|--------------|--------------------|--|--|
| ACT | 315 | 147 | 47% |
| NSW | 4910 | 2370 | 48% |
| NT | 209 | 114 | 55% |
| QLD | 2699 | 989 | 37% |
| SA | 1140 | 237 | 21% |
| TAS | 223 | 88 | 39% |
| VIC | 3914 | 1693 | 43% |
| WA | 1025 | 183 | 18% |
| TOTAL | 14 435 | 5821 | 40% |

Table 3: The number and proportion of approved services with a quality rating by service type on 30 June 2014

| | Number of services | Number of services with a quality rating | Proportion of services with a quality rating |
|--------------------------|--------------------|--|--|
| Centre-based care | 13 633 | 5598 | 41% |
| Family day care | 802 | 223 | 28% |
| TOTAL | 14 435 | 5821 | 40% |

Overall quality ratings of services

Authorised officers from regulatory authorities assess and rate services using the seven quality areas, 18 standards and 58 elements that make up the National Quality Standard. Services are given a rating for each of the seven quality areas and an overall rating.

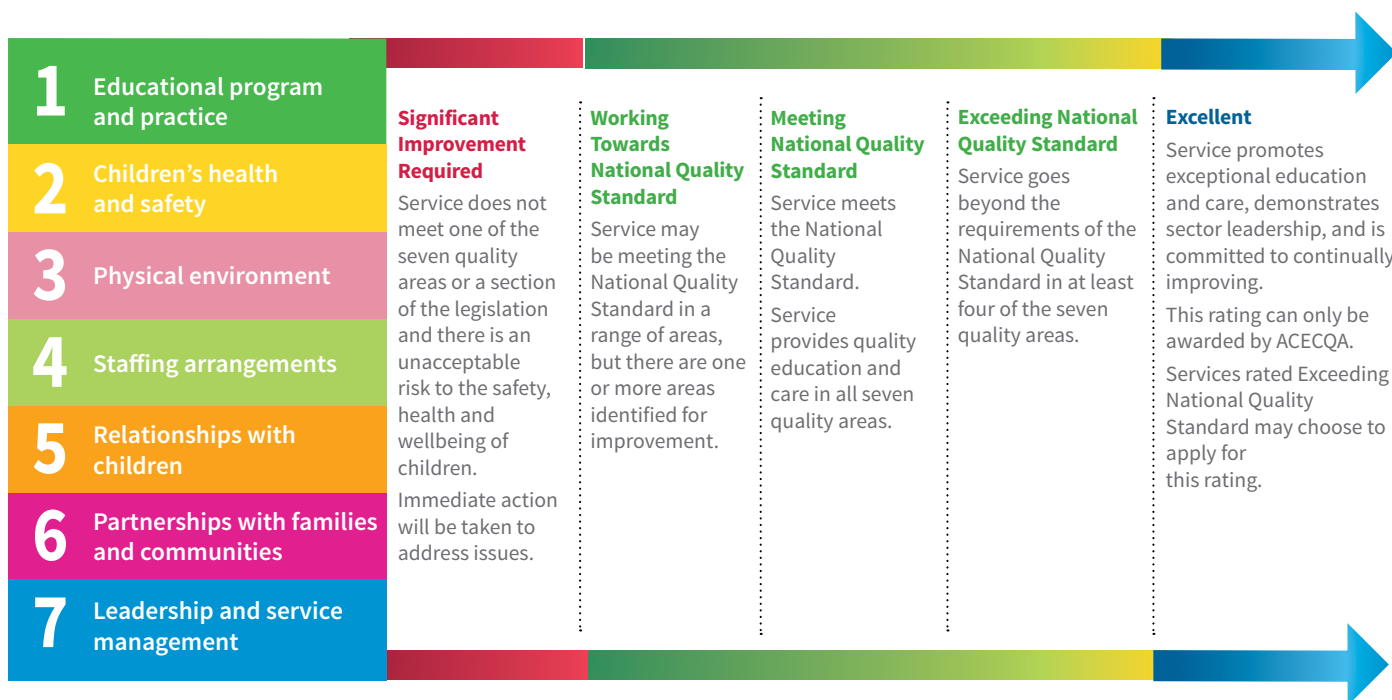


Table 4 shows that nationally, 62% of assessed and rated services are Meeting (36%) or Exceeding (26%) the NQS, up from 56% in Q2 2013.

Table 4: The number and proportion of approved services with a quality rating by quality rating level and jurisdiction on 30 June 2014

| | Significant improvement required | Working Towards NQS | Meeting NQS | Exceeding NQS | Excellent rated | TOTAL |
|--------------|----------------------------------|---------------------|-------------------|-------------------|-----------------|-------------|
| ACT | 0 | 88 (60%) | 26 (18%) | 33 (22%) | 0 | 147 |
| NSW | 1 | 1106 (47%) | 815 (34%) | 445 (19%) | 3 | 2370 |
| NT | 0 | 93 (82%) | 10 (9%) | 11 (10%) | 0 | 114 |
| QLD | 1 | 290 (29%) | 318 (32%) | 375 (38%) | 5 | 989 |
| SA | 1 | 80 (34%) | 61 (26%) | 91 (38%) | 4 | 237 |
| TAS | 0 | 54 (61%) | 17 (19%) | 17 (19%) | 0 | 88 |
| VIC | 1 | 380 (22%) | 808 (48%) | 503 (30%) | 1 | 1693 |
| WA | 2 | 99 (54%) | 40 (22%) | 41 (22%) | 1 | 183 |
| TOTAL | 6 | 2190 (38%) | 2095 (36%) | 1516 (26%) | 14 | 5821 |

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

Overall quality ratings of services

There is a small difference between the spread of ratings and service types. Of services quality rated, centre-based services³ are more likely to be rated Meeting NQS (36%) than family day care services⁴ (32%). However, both centre-based services and family day care services are equally likely to be rated Exceeding NQS.

Figure 2: Proportion of approved services with a quality rating by quality rating level and service type on 30 June 2014

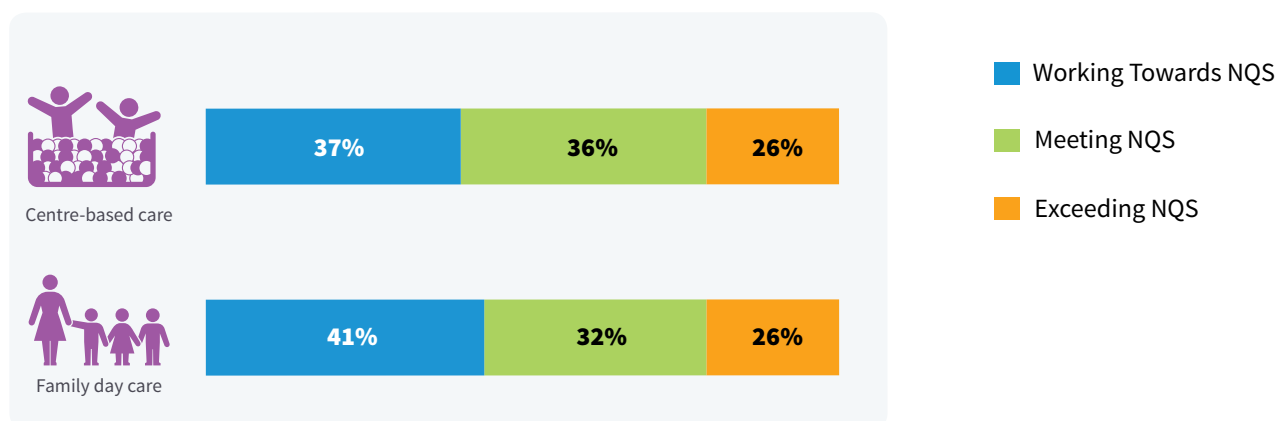


Table 5: Number of approved services with a quality rating by quality rating level and service type on 30 June 2014

| | Significant improvement required | Working Towards NQS | Meeting NQS | Exceeding NQS | Excellent rated | Total |
|--------------------------|----------------------------------|---------------------|-------------|---------------|-----------------|-------------|
| Centre-based care | 5 | 2098 | 2023 | 1459 | 13 | 5598 |
| Family day care | 1 | 92 | 72 | 57 | 1 | 223 |
| Total | 6 | 2190 | 2095 | 1516 | 14 | 5821 |

³A 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.

⁴A 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.

Overall quality ratings of services – SEIFA

Table 6 shows the proportion of quality rated centre-based services by quality rating and Socio-Economic Indexes for Areas (SEIFA Index of Relative Disadvantage). SEIFA is a product that ranks areas according to socio-economic advantage and disadvantage based on census data. Variables used cover a number of areas including household income, education, employment, occupation, housing and other indicators of advantage and disadvantage.

Table 6: The proportion of approved services by quality rating and SEIFA Index of Relative Disadvantage on 30 June 2014

| SEIFA Decile | Working Towards NQS | Meeting NQS | Exceeding NQS |
|---------------------------------|---------------------|-------------|---------------|
| 10 (Least disadvantaged) | 36% | 32% | 32% |
| 9 | 37% | 35% | 28% |
| 8 | 34% | 39% | 27% |
| 7 | 38% | 34% | 28% |
| 6 | 39% | 37% | 24% |
| 5 | 38% | 34% | 28% |
| 4 | 36% | 39% | 25% |
| 3 | 40% | 34% | 26% |
| 2 | 38% | 39% | 22% |
| 1 (Most disadvantaged) | 37% | 37% | 24% |
| N/A (inc. FDC) | 41% | 32% | 26% |

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

Overall quality ratings of services – ARIA+

Analysis of the number and proportion of approved services with a quality rating using the Accessibility/Remoteness Index of Australia (ARIA+) finds that remoteness may have a minimal effect on the spread of quality ratings.

ARIA+ is based on road distance measurements from over 12 000 populated localities to the nearest service centres in five categories based on population size.

Table 7: Proportion of approved services by quality rating by remoteness classification (ARIA+) on 30 June 2014

| | Major Cities of Australia | Inner Regional Australia | Outer Regional Australia | Remote Australia | Very Remote Australia | N/A (inc. FDC) |
|----------------------------|---------------------------|--------------------------|--------------------------|------------------|-----------------------|----------------|
| Working Towards NQS | 38% | 34% | 38% | 52% | 47% | 42% |
| Meeting NQS | 35% | 40% | 34% | 32% | 37% | 31% |
| Exceeding NQS | 26% | 26% | 28% | 15% | 16% | 26% |

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

Services rated Working Towards NQS

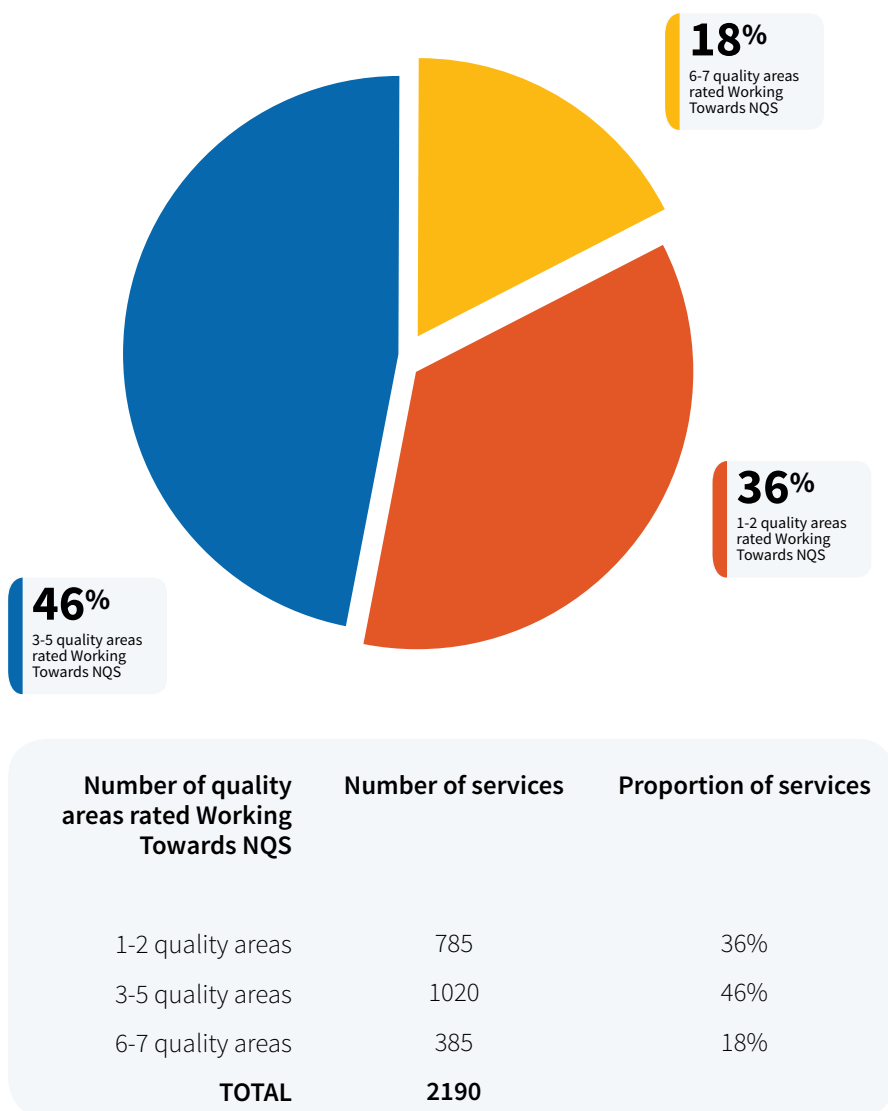
Figure 3 shows that a significant number of services with a Working Towards NQS rating have only narrowly missed out on a higher rating. A service will receive an overall rating of Working Towards NQS if any of the seven quality areas are rated as Working Towards NQS. A quality area will be rated as Working Towards NQS if 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 36% of all services rated Working Towards NQS are Meeting or Exceeding NQS in at least five of the seven quality areas.

This demonstrates that a significant proportion of services rated Working Towards NQS are close to achieving a higher rating. 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 30 June 2014



Quality area ratings of services

Table 8 and Figure 4 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 (90%), 5 (88%) and 6 (87%) than Quality Areas 1 (71%), 3 (76%), 2 (78%) and 7 (78%),
- be rated as Working Towards NQS in Quality Areas 1 (29%), 2 (22%), 3 (24%) and 7 (22%) than Quality Areas 4 (10%), 5 (12%) and 6 (13%).

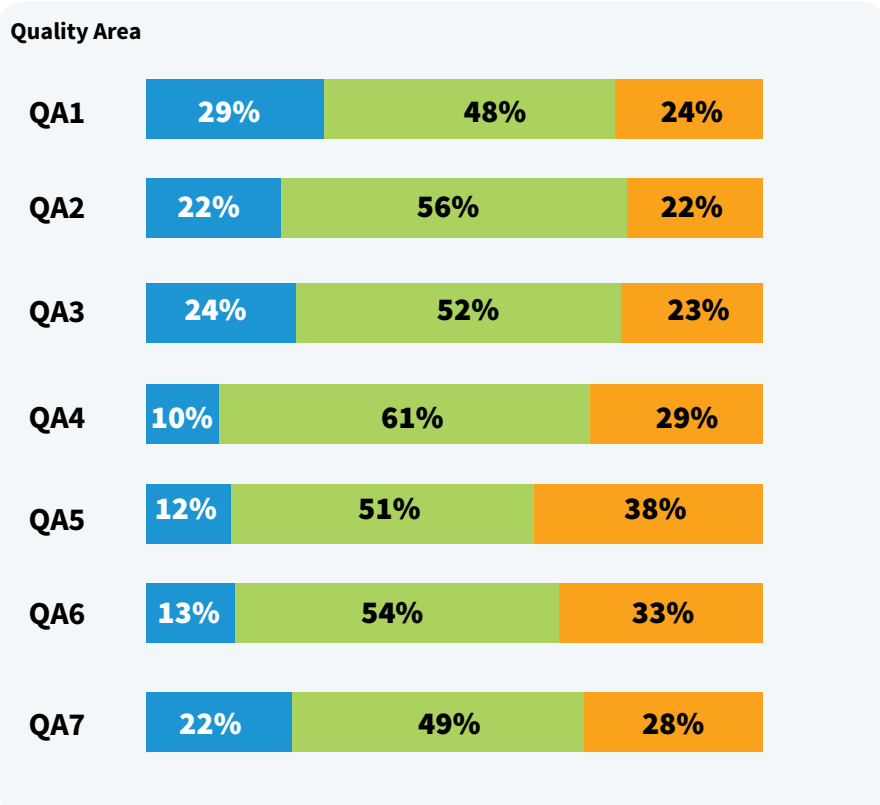
Table 8: The number of approved services with a finalised quality rating by quality area nationally on 30 June 2014

| Rating outcome | QA1 | QA2 | QA3 | QA4 | QA5 | QA6 | QA7 |
|----------------------------------|------|------|------|------|------|------|------|
| Exceeding NQS | 1374 | 1262 | 1361 | 1670 | 2185 | 1937 | 1658 |
| Meeting NQS | 2783 | 3251 | 3046 | 3549 | 2949 | 3129 | 2859 |
| Working Towards NQS | 1662 | 1302 | 1411 | 599 | 685 | 753 | 1302 |
| Significant improvement required | 2 | 6 | 3 | 3 | 2 | 2 | 2 |

Figure 4: The proportion of approved services with a finalised quality rating by quality area nationally on 30 June 2014

Rating outcome

- Working Towards NQS
- Meeting NQS
- Exceeding NQS



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

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 waivers. Waivers are classified under two broad categories with exemptions granted for prescribed staffing arrangements or physical environment standards. Service waivers do not have a specific expiry date, whereas temporary waivers apply for a period of no more than 12 months. 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.

When comparing waivers with the previous quarter there has been minimal change in the number of services operating with a waiver. There are now 913 services with a waiver which is 30 more than last quarter which represents 6.3% of approved services operating with a waiver up from 6.1% in the previous quarter. When reviewing the waiver information, caution should be taken when making comparisons between jurisdictions as the proportion of services with a waiver in smaller jurisdictions is impacted by the smaller number of services.

Temporary waivers for staffing making up a larger proportion of the total number of waivers 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.

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

Waivers

Table 9: The number of approved services with any waiver by jurisdiction and waiver type on 30 June 2014

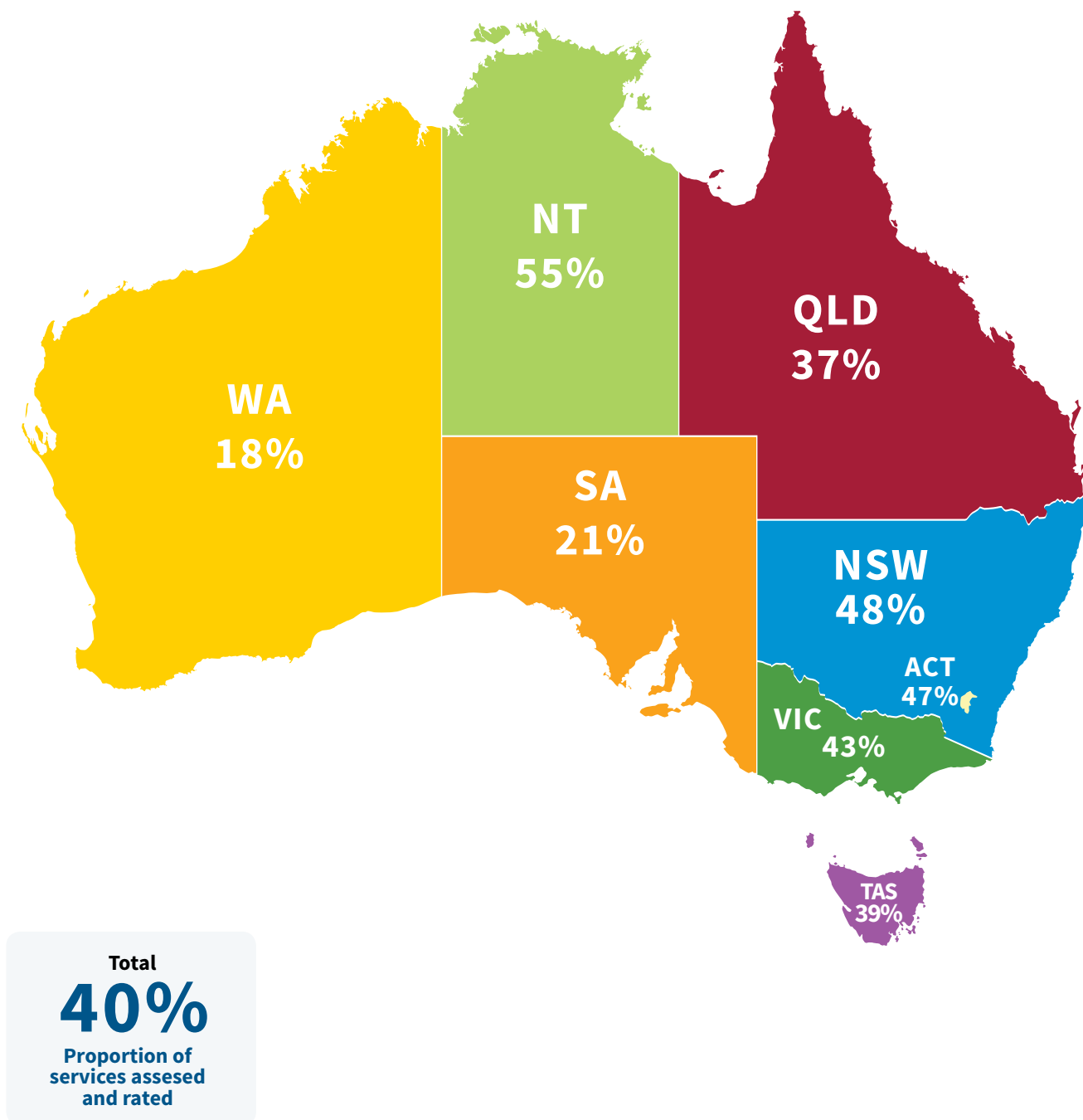
| | Total number of services | Service | Temporary | Both | TOTAL | Proportion of services with a waiver |
|--------------|--------------------------|------------|------------|----------|------------|--------------------------------------|
| ACT | 315 | 5 | 19 | 0 | 24 | 7.6% |
| NSW | 4910 | 130 | 188 | 5 | 323 | 6.6% |
| NT | 209 | 0 | 34 | 0 | 34 | 16.3% |
| QLD | 2699 | 59 | 112 | 2 | 173 | 6.4% |
| SA | 1140 | 0 | 47 | 0 | 47 | 4.1% |
| TAS | 223 | 6 | 14 | 0 | 20 | 9.0% |
| VIC | 3914 | 64 | 60 | 0 | 124 | 3.2% |
| WA | 1025 | 6 | 162 | 0 | 168 | 16.4% |
| TOTAL | 14 435 | 270 | 636 | 7 | 913 | 6.3% |

Table 10: The number and proportion of approved services with any waiver by jurisdiction and waiver category on 30 June 2014

| | Total number of services | Physical | Staff | Both | TOTAL | Proportion of services with a waiver |
|--------------|--------------------------|------------|------------|----------|------------|--------------------------------------|
| ACT | 315 | 3 | 21 | 0 | 24 | 7.6% |
| NSW | 4910 | 135 | 184 | 4 | 323 | 6.6% |
| NT | 209 | 0 | 34 | 0 | 34 | 16.3% |
| QLD | 2699 | 70 | 100 | 3 | 173 | 6.4% |
| SA | 1140 | 2 | 45 | 0 | 47 | 4.1% |
| TAS | 223 | 7 | 13 | 0 | 20 | 9.0% |
| VIC | 3914 | 21 | 103 | 0 | 124 | 3.2% |
| WA | 1025 | 7 | 161 | 0 | 168 | 16.4% |
| TOTAL | 14 435 | 245 | 661 | 7 | 913 | 6.3% |

National summary

Figure 5: The proportion of approved services with a finalised quality rating on 30 June 2014



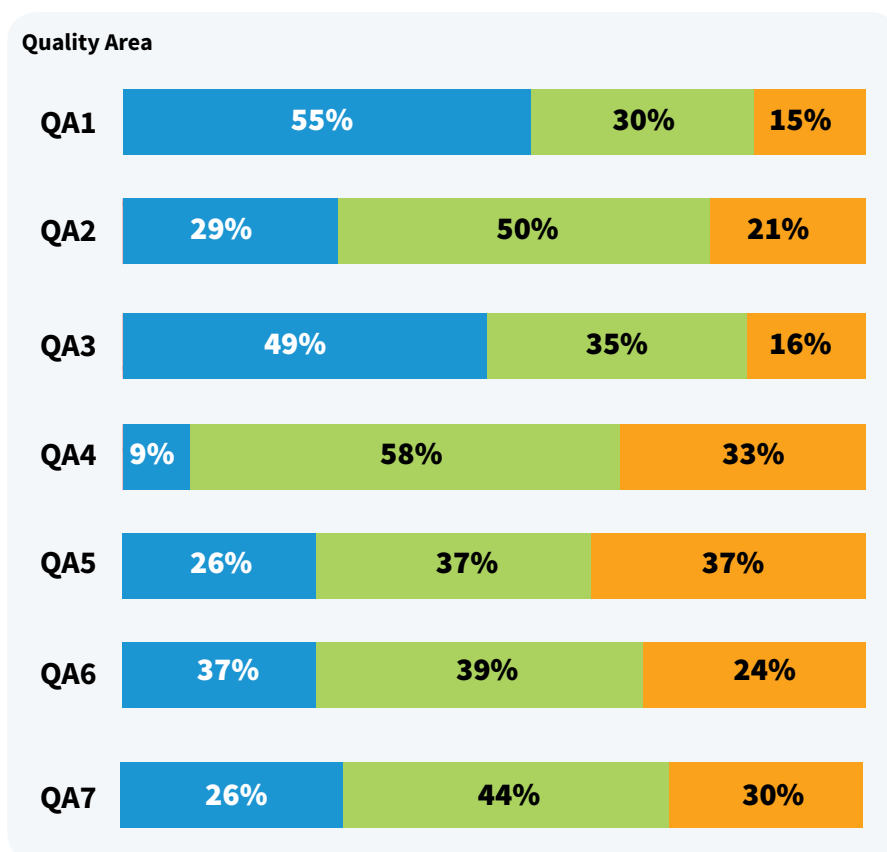
Australian Capital Territory summary

On 30 June 2014 the Australian Capital Territory had:

- 315 approved services, comprising 306 centre-based care services and nine family day care services
- 147 approved services with a quality rating including:
 - 88 approved services with a quality rating of Working Towards NQS
 - 26 approved services with a quality rating of Meeting NQS
 - 33 approved services with a quality rating of Exceeding NQS

Figure 6: Proportion of ACT approved services with a finalised quality rating by quality area on 30 June 2014

- Working Towards NQS
- Meeting NQS
- Exceeding NQS



Contact details

Education and Training Directorate

Children's Policy and Regulation Unit

www.det.act.gov.au

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

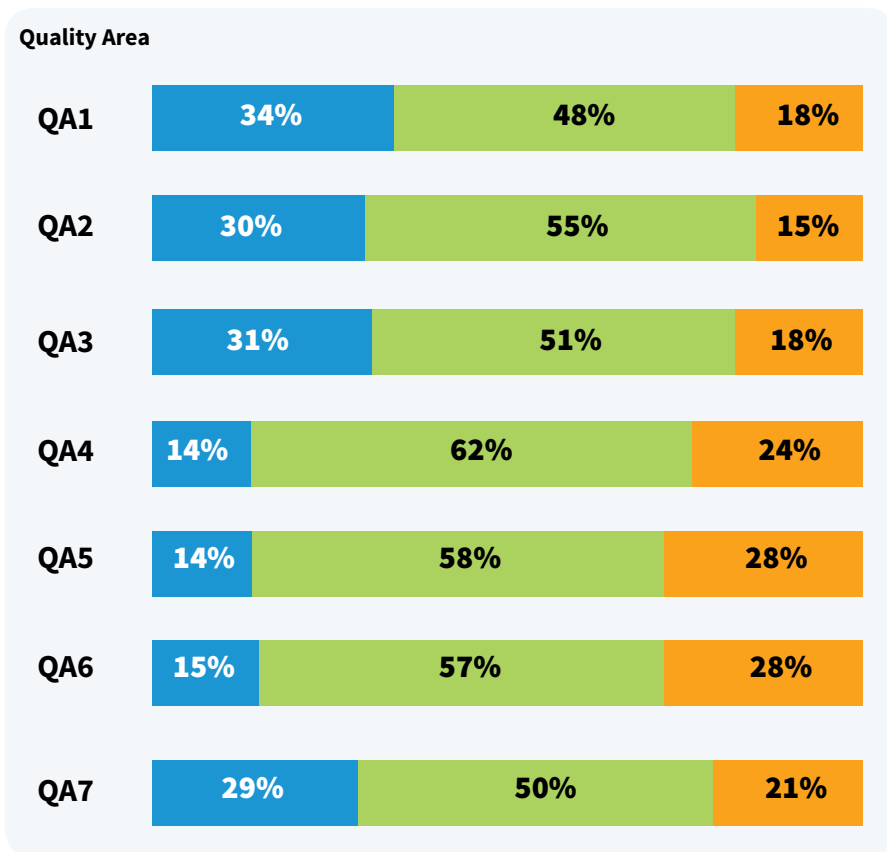
New South Wales summary

On 30 June 2014 New South Wales had:

- 4910 approved services, comprising 4664 centre-based care services and 246 family day care services
- 2370 approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 1106 approved services with a quality rating of Working Towards NQS
 - 815 approved services with a quality rating of Meeting NQS
 - 445 approved services with a quality rating of Exceeding NQS
 - 3 approved services with an Excellent rating

Figure 7: Proportion of NSW approved services with a finalised quality rating by quality area on 30 June 2014

- Working Towards NQS
- Meeting NQS
- Exceeding NQS



Contact details

Department of Education and Communities
 Early Childhood Education and Care Directorate
www.det.nsw.edu.au

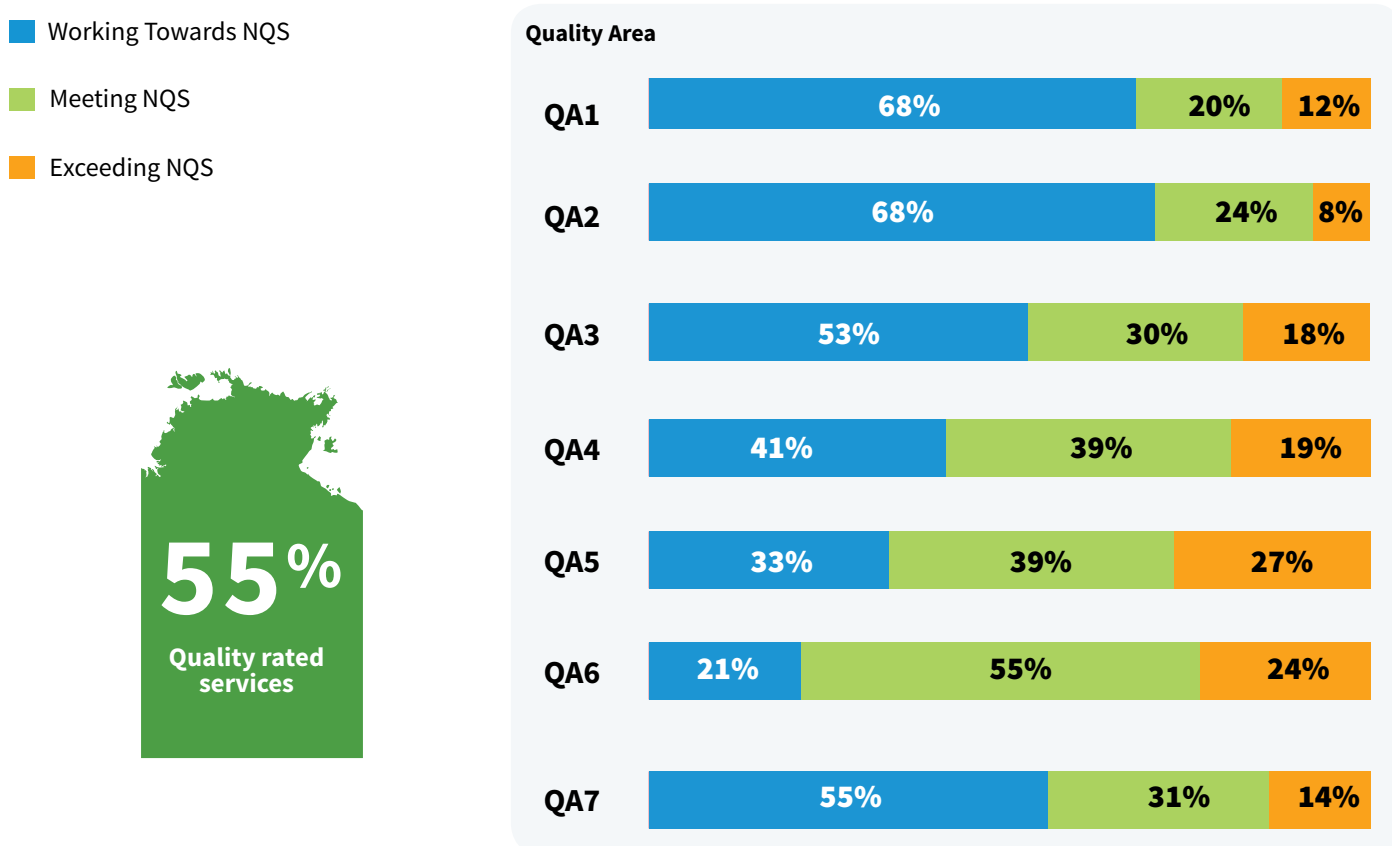
Note: Due to rounding, individual values may not add to 100% in all cases.

Northern Territory summary

On 30 June 2014 the Northern Territory had:

- 209 approved services, comprising 204 centre-based care services and five family day care services
- 114 approved services with a quality rating including:
 - 93 approved services with a quality rating of Working Towards NQS
 - 10 approved services with a quality rating of Meeting NQS
 - 11 approved services with a quality rating of Exceeding NQS

Figure 8: Proportion of NT approved services with a finalised quality rating by quality area on 30 June 2014



Contact details

Department of Education

Quality Education and Care NT

www.det.nt.edu.au

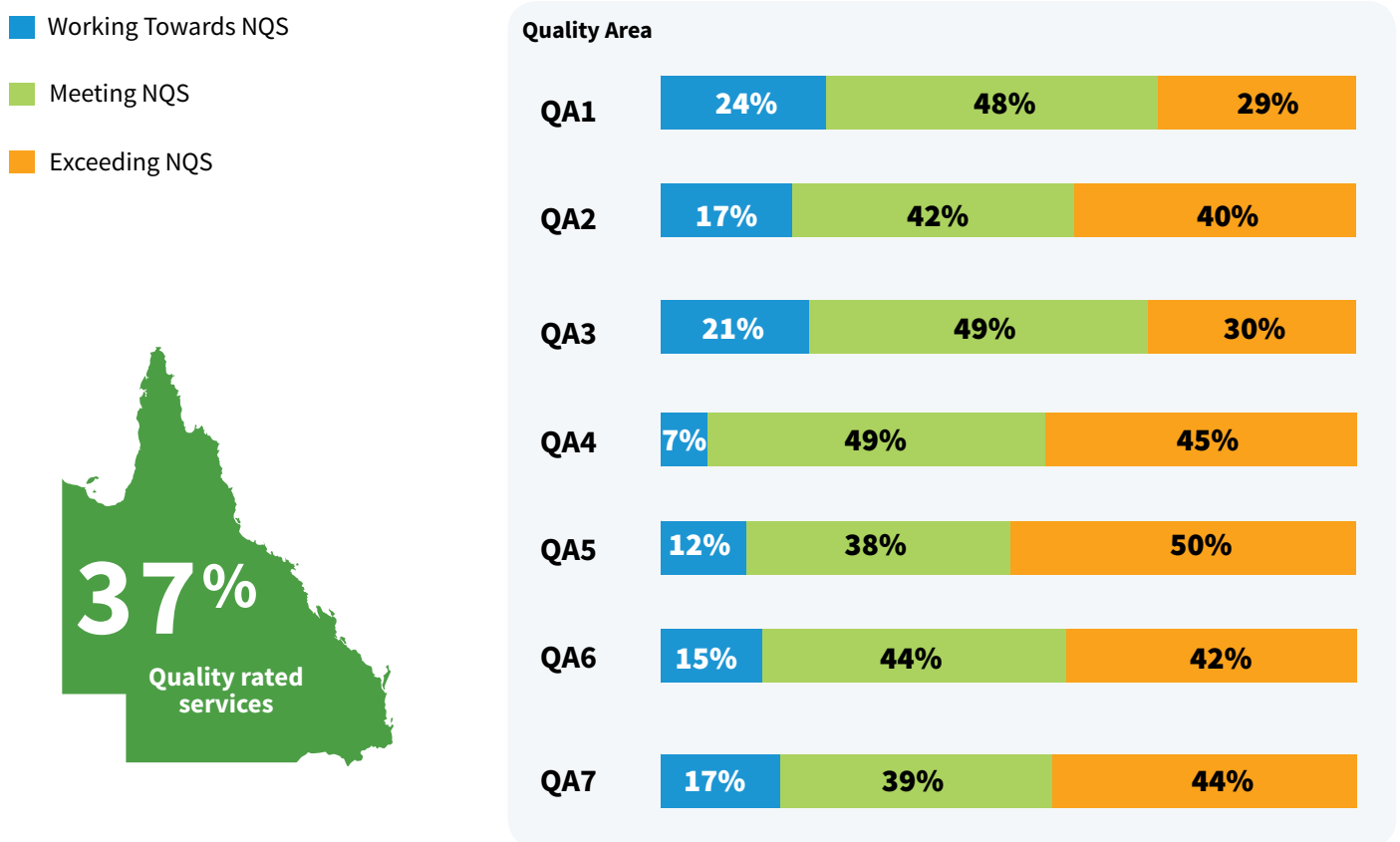
Note: Due to rounding, individual values may not add to 100% in all cases.

Queensland summary

On 30 June 2014 Queensland had:

- 2699 approved services, comprising 2590 centre-based care services and 109 family day care services
- 989 approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 290 approved services with a quality rating of Working Towards NQS
 - 318 approved services with a quality rating of Meeting NQS
 - 375 approved services with a quality rating of Exceeding NQS
 - 5 approved services with an Excellent rating

Figure 9: Proportion of Qld approved services with a finalised quality rating by quality area on 30 June 2014



Contact details

Department of Education, Training and Employment

Office for Early Childhood Education and Care

www.deta.qld.gov.au/earlychildhood

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

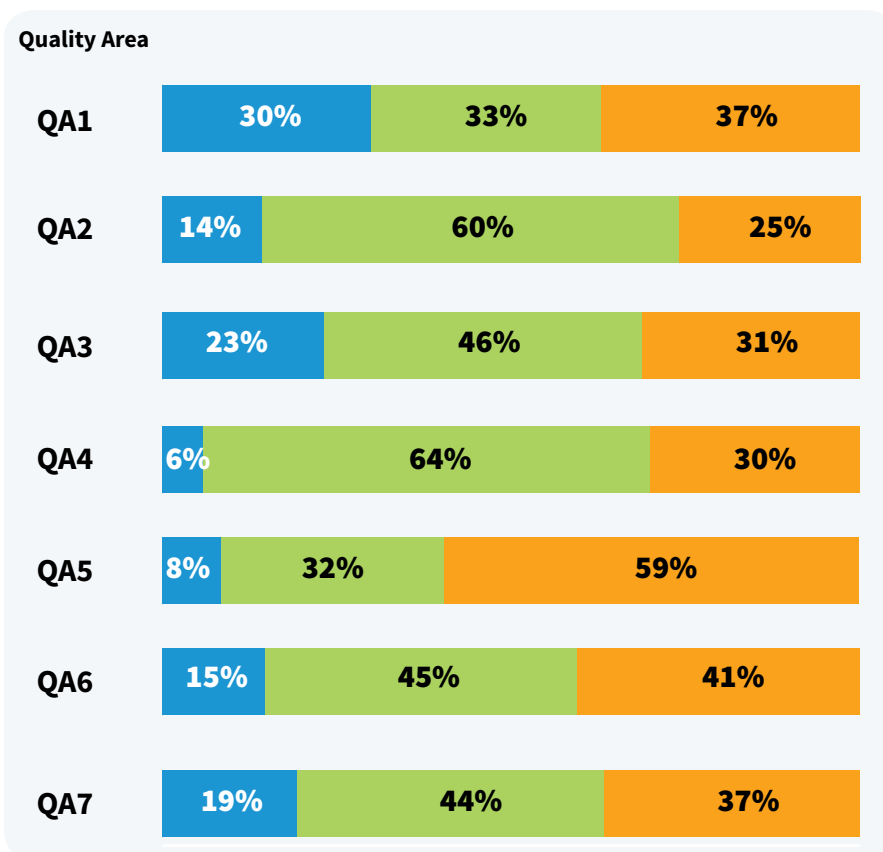
South Australia summary

On 30 June 2014 South Australia had:

- **1140** approved services, comprising **1106** centre-based care services and **34** family day care services
- **237** approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 80 approved services with a quality rating of Working Towards NQS
 - 61 approved services with a quality rating of Meeting NQS
 - 91 approved services with a quality rating of Exceeding NQS
 - 4 approved services with an Excellent rating

Figure 10: Proportion of SA approved services with a finalised quality rating by quality area on 30 June 2014

- Working Towards NQS
- Meeting NQS
- Exceeding NQS



Contact details

Education and Early Childhood Services

Registration and Standards Board of South Australia

www.eecsrbsa.gov.au

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

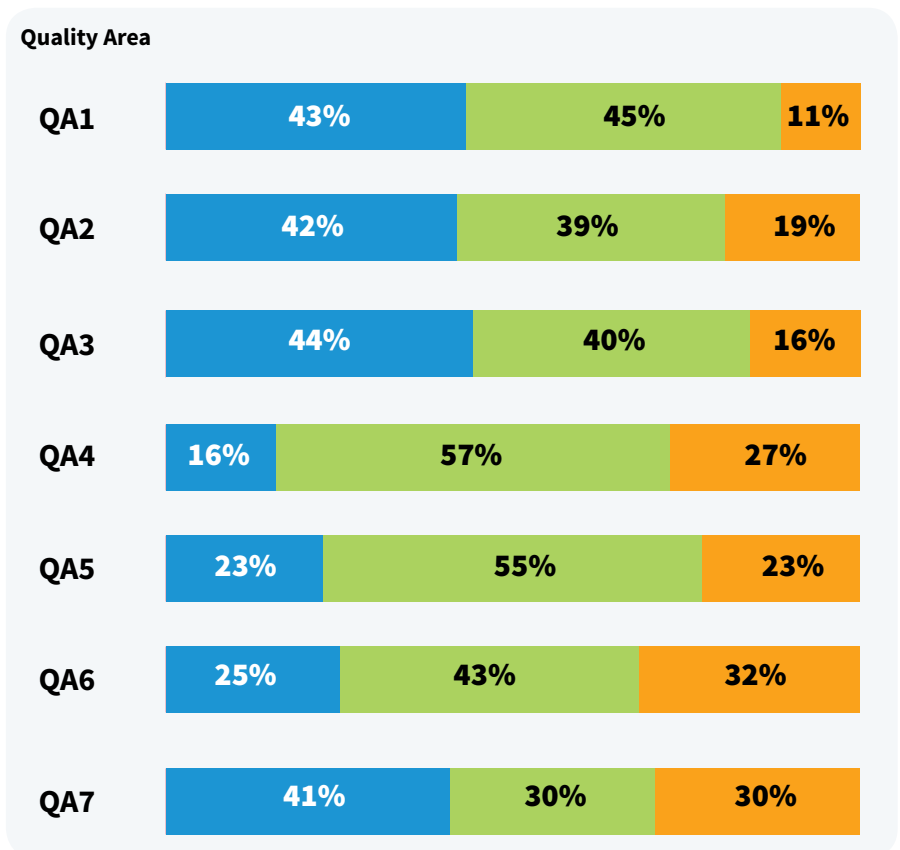
Tasmania summary

On 30 June 2014 Tasmania had:

- 223 approved services, comprising 211 centre-based care services and 12 family day care services
- 88 approved services with a quality rating including:
 - 54 approved services with a quality rating of Working Towards NQS
 - 17 approved services with a quality rating of Meeting NQS
 - 17 approved services with a quality rating of Exceeding NQS

Figure 11: Proportion of approved Tas services with a finalised quality rating by quality area on 30 June 2014

- Working Towards NQS
- Meeting NQS
- Exceeding NQS



Contact details

Department of Education, Education and Care Unit
www.education.tas.gov.au

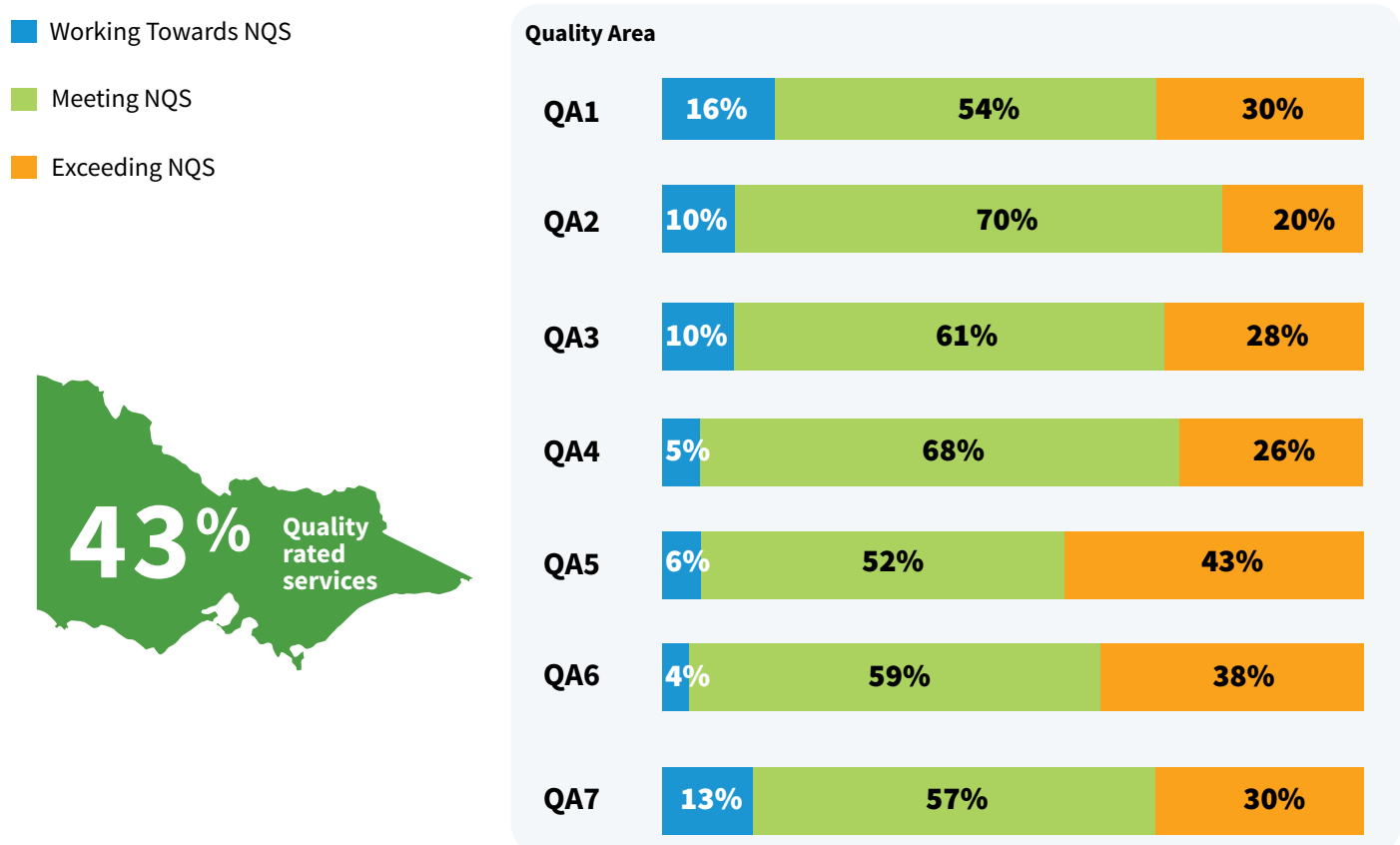
Note: Due to rounding, individual values may not add to 100% in all cases.

Victoria summary

On 30 June 2014 Victoria had:

- 3914 approved services, comprising 3581 centre-based care services and 333 family day care services
- 1693 approved services with a quality rating including:
 - 1 approved service with a quality rating of Significant Improvement Required
 - 380 approved services with a quality rating of Working Towards NQS
 - 808 approved services with a quality rating of Meeting NQS
 - 503 approved services with a quality rating of Exceeding NQS
 - 1 approved service with an Excellent rating

Figure 12: Proportion of approved Vic services with a finalised quality rating by quality area on 30 June 2014



Contact details

Department of Education and Early Childhood Development
Quality Assessment and Regulation Division

www.education.vic.gov.au/ecsmangement/educareservices

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

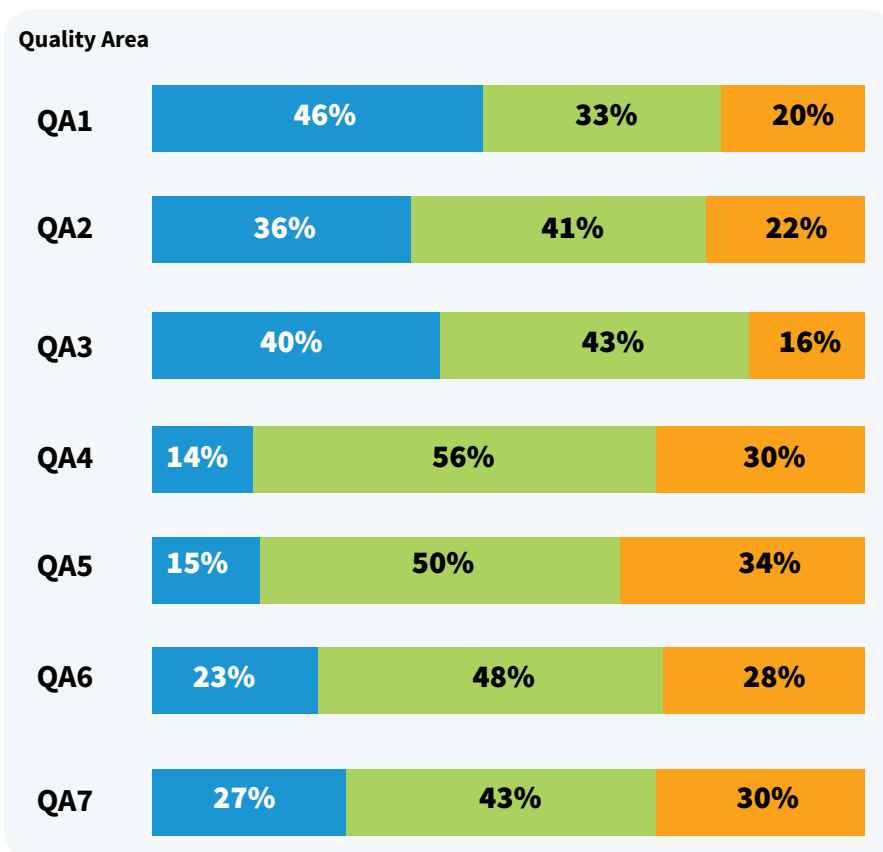
Western Australia summary

On 30 June 2014 Western Australia had:

- 1025 approved services, comprising 971 centre-based care services and 54 family day care services
- 183 approved services with a quality rating including:
 - 2 approved services with a quality rating of Significant Improvement Required
 - 99 approved services with a quality rating of Working Towards NQS
 - 40 approved services with a quality rating of Meeting NQS
 - 41 approved services with a quality rating of Exceeding NQS
 - 1 approved service with an Excellent rating

Figure 13: Proportion of approved WA services with a finalised quality rating by quality area on 30 June 2014

- Working Towards NQS
- Meeting NQS
- Exceeding NQS



Contact details

Department of Local Government and Communities
Education and Care Regulatory Unit

www.dlgc.wa.gov.au

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



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