The quality of physical environments in education and care services
An analysis of Quality Area 3 of the National Quality Standard

Occasional Paper 4
April 2017
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Overview

This occasional paper is the fourth in a series on the National Quality Framework (NQF). This paper offers detailed insights into education and care service quality ratings for Quality Area 3 (physical environment) of the National Quality Standard (NQS). The focus is on ensuring the physical environment of a service is safe, suitable and provides a rich and diverse range of experiences that promote children’s learning and development.

The NQS rating system

A service’s overall rating is based on the assessment of:

- **58 Elements**, which are assessed as Met or Not Met
- **18 Standards**, which are rated on the four point scale below
- **7 Quality Areas**, which are also rated on the four point scale below.

Standards, quality areas and the overall quality rating are assessed on a four point scale (Figure 1):

- Exceeding NQS
- Meeting NQS
- Working Towards NQS
- Significant Improvement Required.

In addition, a provider with a service that has an overall rating of Exceeding NQS may choose to apply to ACECQA to be assessed for the Excellent rating.

**Figure 1 The NQS rating system**

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<td>Service does not meet one of the seven quality areas or a section of the legislation and there is an unacceptable risk to the safety, health and wellbeing of children.</td>
<td>Service provides a safe education and care program, but there are one or more areas identified for improvement.</td>
<td>Service meets the National Quality Standard. Service provides quality education and care in all seven quality areas.</td>
<td>Service goes beyond the requirements of the National Quality Standard in at least four of the seven quality areas.</td>
<td>Service promotes exceptional education and care, demonstrates sector leadership, and is committed to continually improving. This rating can only be awarded by ACECQA. Services rated Exceeding National Quality Standard overall may choose to apply for this rating.</td>
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**Physical environment (Quality Area 3)**

The NQS assesses physical environment quality to measure and report on safety, suitability and whether the service environment offers children a rich and diverse range of experiences that promote their learning and development. The way educators design, equip and organise the environment significantly influences children’s interaction with the space and resources.

High quality environments promote children’s engagement, level of positive experience and inclusive relationships. Physical learning environments should include both indoor and outdoor learning spaces that have positive attributes, such as:

- flexibility and accessibility
- a range of developmentally appropriate, open-ended activities and sensory experiences
- an environment that is sustainable, fit for purpose and reflects the diversity of families within the local and broader community.

The physical layout and provision of resources in the environment are important considerations, including aspects such as:

- the amount of space and how it is arranged and used for different groups and ages of children
- access between indoor and outdoor environments
- the availability and access to a variety of appropriate furniture, equipment and resources
- internal and external noise levels
- visibility and design that facilitates effective supervision
- ventilation, heating and cooling, air quality, and access to natural light and shade
- access to a variety of materials, including natural materials, plants and vegetation
- the location of the service
- flexible environments educators can easily adapt to respond to children’s changing interests and capabilities.
The physical environment quality area comprises three standards:

- Standard 3.1: The design and location of the premises is appropriate for the operation of a service.
- Standard 3.2: The environment is inclusive, promotes competence, independent exploration and learning through play.
- Standard 3.3: The service takes an active role in caring for its environment and contributes to a sustainable future.

A description of these standards and the associated elements is provided in Table 2. The Education and Care Services National Law (the National Law) and Education and Care Services National Regulations (the National Regulations) also set out the minimum requirements for the operation of education and care services, including the physical environment of a service. A full list of these requirements is provided in Appendix A.

This paper begins with an overview of the physical environment standards and what these aim to achieve, highlighting contemporary research and theory behind sustainable environments promoting children’s learning. It then outlines the operational requirements of the National Law and National Regulations for the physical environment, with a particular focus on the requirements specific to different service types. The paper also describes how service approval requirements in the National Law apply to the physical environment, and how providers may seek waivers for certain legislated requirements.

The paper goes on to examine physical environment quality rating results, looking at differences across management types, service sub-types, socioeconomic and remoteness classifications, and jurisdictions. Analysis reveals the physical environment elements that are least likely to be assessed as Met are those elements relating to sustainable practice, in particular:

- Element 3.3.1: Sustainable practices are embedded in service operations.
- Element 3.3.2: Children are supported to become environmentally responsible and show respect for the environment.

Case studies about physical environment quality are then provided. These case studies include examples of evidence collected by authorised officers when assessing sustainable practice and environmental responsibility to highlight what can differentiate performance.

The paper culminates by examining patterns in the distribution of physical environment quality ratings and discusses possible explanations for these variations, as well as implications of the report findings and future directions.
The paper is intended to be of interest to people who deliver education and care services, families, people who provide training and professional development services to the sector, and to officers in the state and territory regulatory authorities that regulate education and care services.

Unless otherwise stated, the paper draws on data from the National Quality Agenda IT System (NQA ITS) as at 31 December 2016. The NQA ITS is the national IT business system for service providers and regulatory authorities operating under the NQF.

The other papers in ACECQA's Occasional Paper series are:

- Quality Area 1: Educational Program and Practice
- Quality Area 2: Children's Health and Safety
- Promoting consistency and efficiency under the National Quality Framework.
Background

The focus on physical environments within the NQS is to ensure they are safe, suitable and provide a rich and diverse range of experiences that promote each child’s learning and development.

The physical environment plays a critical role in keeping children safe and reducing the risk of unintentional injuries. However, the National Law does not require services to eliminate all risk and challenge from children's play or environments. Indeed, some risks are acceptable and even desirable because the benefit to children’s learning and experience outweighs the risks. Approved providers, nominated supervisors and family day care (FDC) educators may undertake risk-benefit assessments and weigh the obligation to protect children from harm against the benefit of providing children with stimulating play environments. Considerations such as the age of the children, their developmental needs and the manner in which they are being supervised may influence what is considered a risk or hazard. This concept is discussed in more detail in Occasional Paper 2: Children’s Health and Safety, which also provides references for further reading on this topic.

Physical environments can contribute to children’s wellbeing, happiness, creativity and developing independence, and the quality and use of the physical environment can play an important role in determining the quality of children’s learning and experiences. Providers of high quality services give careful consideration to the physical layout and resources in the environment to promote positive experiences for children. Some of the physical environment features that facilitate these experiences include:

- the amount of space and how it is arranged and used for different groups and ages of children
- access between indoor and outdoor environments
- the availability and access to a variety of appropriate furniture, equipment and resources
- internal and external noise levels
- visibility and design that facilitates effective supervision
- ventilation, heating and cooling, air quality, and access to natural light and shade
- access to a variety of materials, including natural materials, plants and vegetation
- flexible environments educators can easily adapt to respond to children’s changing interests and capabilities.

The way in which the environment is designed, equipped and organised determines how children use spaces and resources. Thoughtful consideration of the number and type of resources also contributes to children’s sense of belonging and challenges them to explore new possibilities.
Physical learning environments

Belonging, Being and Becoming: The Early Years Learning Framework for Australia (the ‘Early Years Learning Framework’ or EYLF) describes effective learning environments:

Learning environments are welcoming spaces when they reflect and enrich the lives and identities of children and families participating in the setting and respond to their interests and needs. Environments that support learning are vibrant and flexible spaces that are responsive to the interest and abilities of each child. They cater for different learning capacities and learning styles and invite children and families to contribute ideas, interests and questions.¹

Similar concepts are described in My Time, Our Place: Framework for School Age Care in Australia (FSAC)². Both frameworks acknowledge the contribution of physical environments in developing children’s understanding of the natural environment, particularly outdoor learning spaces. For example, outdoor learning spaces can promote spontaneity, risk-taking and exploration while fostering an appreciation of the natural environment and providing a platform for ongoing environmental education. Learning spaces and resources can also highlight sustainability issues and promote children’s understanding of their responsibility to care for the environment.

The Guide to the National Quality Standard³ notes physical learning environments are characterised by both indoor and outdoor learning environments and that, wherever possible, children need opportunities to access both. These environments can be designed to offer a range of activities and experiences, and allow for grouping children in ways that minimise the risk of injury, minimise conflict between children and promote children’s learning and development. Incorporating natural environments in a service also involves consideration of the size, space and layout of the building (in the context of the ages and numbers of children educated and cared for).

It is important to consider how the indoor and outdoor spaces will provide opportunities for children to explore, gain a sense of belonging and freedom, learn skills required to manage self-risk, experience spontaneous play and develop an appreciation of, and relationships with, their natural environment.

The National Quality Standard Professional Learning Program (NQS PLP) resource ‘An environment for learning’ emphasises the need for careful planning of spaces to accommodate children’s changing interests and needs, as well as their increasing skills and abilities. This might be reflected in spaces that allow flexible use and interaction between indoor and outdoor environments, which empower children to make choices and decisions about where they go and what they do. Quality environments also balance the need for children to be safe while being suitably flexible to accommodate the needs of children of different ages.⁴

¹ Australian Government, Belonging, Being and Becoming: The Early Years Learning Framework for Australia, p. 15.
² Australian Government, My Time, Our Place: Framework for School Age Care in Australia, p. 15.
³ ACECQA, Guide to the National Quality Standard, p. 79-104.
In her book *Early Childhood Playgrounds: Planning an outside learning environment*, Prue Walsh emphasises it is essential for play spaces to be flexible, adaptable and sensory rich spaces in order to meet the developmental needs of young children. In particular, she outlines the following design characteristics that underpin an effective playground in an early childhood programme:

- space
- variety of spaces
- sensory richness
- scale
- linkage, flow and legibility
- natural features
- flexible, open-ended play.\(^5\)

### What the physical environment standards are aiming to achieve

The three physical environment standards broadly focus on the design and use of the service environment.

An overview of each standard is provided below.

- **Standard 3.1: The design and location of the premises is appropriate for the operation of a service.** This standard is about the physical facilities of the service, including its design and location. It includes the amount, arrangement and use of indoor and outdoor space. As noted in the *Guide to the National Quality Standard*, the design and location of the physical environment contributes to quality education and care through its impact on behaviours and interactions of children and adults, as well as its impact on the efficient operation of the service. For example, sufficient physical space and careful arrangement of the environment allows children to access different areas, move between spaces, explore, experiment, create and express themselves without disturbing other children.

- **Standard 3.2: The environment is inclusive, promotes competence, independent exploration and learning through play.** The focus of this standard is on educators creating environments that are inviting and inclusive, which support children’s exploration, creativity and learning. As with Standard 3.1, the emphasis for Standard 3.2 is

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on how the arrangement and provisions in the physical environment create the context for children’s learning and relationships. Particular focus is placed on the exploration of the natural environment and the breadth of age groups, interests and capabilities that are sharing the environment and resources.

- **Standard 3.3: The service takes an active role in caring for its environment and contributes to a sustainable future.** This standard looks at how educators promote sustainable practices in the immediate service environment and beyond, and the way they foster respect and care for the natural environment, including the interdependence between people, plants, animals and the land.

### Sustainable physical environments – connecting theory with practice

#### NQF guiding principles

The guiding principles of the NQF encourage children’s education and care services to ensure programs are based on children’s rights, with best practice drawn from theory, research ethics and contemporary thinking. The following principles apply when making decisions about operating education and care services, and working to achieve the NQS and improve quality at each service so that:

- the rights and best interests of the child are paramount
- children are successful, competent and capable learners
- the principles of equity, inclusion and diversity underpin the National Law
- Australia’s Aboriginal and Torres Strait Islander cultures are valued
- the role of parents and families is respected and supported
- best practice is expected in the provision of education and care services.

To connect practice with these guiding principles, some examples are provided below of the research and theory behind sustainable physical environments that promote children’s learning.

Examples are drawn from brain research, educator research, contemporary theories, and the fields of ethics and children’s rights. These examples are followed by discussion of how this research links to the national learning frameworks, NQS and implications for practice.
Brain research

A significant amount of research has emerged over the past decade that highlights the importance of quality early experiences and environments for lifelong success. The research points to the fact that there are critical periods of development and that nurturing environments enhance neural pathways and the organisation of the nervous system.

An article in *The SAGE Handbook of Early Childhood Research* summarises what research tells us about early human development and the importance of environments to early life:

- coping abilities, cognitive and non-cognitive competencies and skill formation are influenced by genes and early life environments and experiences
- the foundation for later learning is formed in early life experiences, such that the development of neural pathways and the mastery of skills occurs ‘from the bottom up’
- cognitive, social, emotional and language competencies are interdependent, and all are shaped by early experiences
- capabilities are formed in sensitive periods when the development of specific neural circuits is most receptive and responsive to environmental influences.6

There is also extensive discussion about the impact of the environment on the developing brain in the Organisation for Economic Co-operation and Development (OECD) publication ‘Understanding the brain: the birth of a learning science’, including learning environments that influence early childhood development and strategies used by educators to support learning in early childhood.

Educator research

Recent research by Dr Sue Elliot and Professor Nadine McCrae from the University of New England identified issues and challenges for educators when it comes to sustainability and environmental learning.

The research points to an ‘urgent need to demystify sustainability’ because ‘educators frequently require programming assistance to translate sustainability concepts into authentic practice’. It also suggests a key challenge for educators is in moving educational programs towards implementing authentic investigations and projects around real issues.7

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7  Sue Elliott, *Sustainability and the Early Years Learning Framework*. 
Children’s rights

In a recent discussion paper prepared by the International Play Association (IPA), the idea of environments that reflect children’s culture and identity, and afford them opportunities to learn, grow and develop a sense of responsibility for their environment is recognised as crucial in realising the obligations of education and care services to honour children’s rights:

As children’s well-being is shaped by where they live, the quality of play is fundamentally shaped by the environments it happens in. Children’s play and learning, their close relationships and social interactions are dependent on the quality of spaces and places they inhabit.

Two articles in the United Nations (UN) Convention on the Rights of the Child have specific relevance to the environment:

- Article 29, which asserts children have the right to an education that develops their personality, talents and abilities, and their respect for others and the environment
- Article 31, which asserts children have the right to relax and play, and to join in a wide range of cultural, artistic and other recreational activities.

As noted by the IPA, the UN Committee on the Rights of the Child asserts certain conditions need to be assured if children are to realise their Article 31 rights fully. The factors relating directly to the environment include:

- space to play outdoors in diverse and challenging physical environments, with access to supportive adults when necessary
- opportunities to experience, interact with and play in natural environments and the animal world
- availability of rest and leisure opportunities, as well as space that is free from adult control and management
- an environment secure from social harm and violence, and sufficiently free from pollution, traffic and other hazards that impede free and safe movement.

In its Statement on the inclusion of every child in early childhood education and care, Early Childhood Australia identifies environments as an ‘area for action’ where service providers can influence the extent and effectiveness of inclusive practice. The statement notes the following aspects of environmental design as particularly influential for inclusion of all children:

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- every child has equitable access to the full range of early childhood and community settings
- services design or adapt environments to be inclusive for all children, assisted by the principles of universal design (ensuring access regardless of age, ability or circumstance)
- services provide environments that support meaningful, positive relationships and friendships with peers and adults.

Rights of children with disability

The UN Convention on the Rights of Persons with Disability is also relevant to physical environments:

- The Preamble recognises the importance of accessible physical environments in enabling people with disabilities to fully enjoy their human rights and fundamental freedoms
- Article 2 refers to ‘universal design’: the ‘design of products, environments, programmes and services to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design’. The convention goes on to note that “‘Universal design’ shall not exclude assistive devices for particular groups of persons with disabilities where this is needed”
- Article 24 asserts effective individualised support measures should be provided in environments that maximise academic and social development, consistent with the goal of full inclusion.

The Disability Standards for Education (the Standards) describe how education and training is to be made accessible to students with disabilities in Australia. While the Standards currently apply to preschools and kindergartens, they do not apply to other NQF services, such as long day care, outside school hours care and FDC services.

The strongest alignment between the Standards and the NQF is found in the content of the NQS. Although the NQS does not use the term ‘disability’, it uses inclusive terminology and references to ‘all children’ and ‘each child’, which are taken to include children with disabilities.

In 2016, ACECQA, in collaboration with all governments, began a project to map the Standards against the NQF. This ongoing project consists of a gap analysis to inform advice in response to a recommendation under a 2015 Review of the Disability Standards that the Australian Government considers extending the application of the Standards to include all child care providers.

Initial findings indicate reasonable alignment between the Standards and the NQF across the following areas: participation; curriculum development; accreditation and delivery; student support services; harassment and victimisation.
Specific to physical environments, NQS Standard 3.2 is aligned with participation rights of children under the Standards, as is Element 3.1.3.

Similarly, NQS Element 3.2.1 and 3.2.2 are aligned with the obligations on an education provider covered by the Standards to ensure course or program design meets the participation needs of children with disabilities in the context of curriculum development, accreditation and delivery.

Ethics

Early Childhood Australia’s *Code of Ethics* encourages educators to make a commitment to the professionalism and ethics of their work with children, families and to the profession itself. Included within the *Code of Ethics* is a commitment in relation to children to ‘collaborate with children as global citizens in learning about our shared responsibilities to the environment and humanity’, and ‘create and maintain safe, healthy, inclusive environments that support children’s agency and enhance their learning’.

Contemporary theories

The EYLF outlines best practice and reflects contemporary early childhood research and theory, including socio-cultural theories. Loris Malaguzzi, a socio-cultural theorist who founded the Reggio Emilia educational philosophy, refers to the environment as the ‘third teacher’. Some key ideas from the Reggio Emilia approach to education include:

- physical spaces foster encounters, and encourage communication and relationships
- educators make thoughtful, intentional decisions to provide environments that are aesthetically pleasing, filled with natural light, order and beauty to invite children’s curiosity and investigation; such environments enable children to freely explore and extend their thinking and learning
- environments invite children to delve deeper, investigate and represent their learning through a range of media.

Links to the learning frameworks and implications for practice

Both the *Educators’ Guide to the Early Years Learning Framework for Australia* and the *Educators’ Guide to the Framework for School Age Care in Australia* encourage educators to critically reflect on the ways the environments in their service are supporting learning.9

Central to the EYLF is the view that children are deeply connected to family, community, culture and place. Learning Outcome 2 of the approved learning frameworks – ‘Children are connected

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with and contribute to their world’ – promotes this deep connection. Integral to the idea of connecting with place is a connection with the environment.

The concept of sustainable environments that support children’s learning and development spans all seven quality areas. For example:

- basing the program on children’s identity and culture, and promoting their agency and influence in the world (Quality Area 1)
- creating environments that promote healthy eating and physical activity (Quality Area 2)
- using professional standards, ethics and information from sustainable organisations to guide practice (Quality Area 4)
- supporting children to explore, share and reflect on their environment (Quality Area 5)
- developing relationships with sustainable organisations to promote environmental awareness (Quality Area 6)
- philosophy, policy and procedures that guide practice (Quality Area 7).

The physical environment has many more connections and implications for practice across all seven quality areas, and can support children’s learning across the five learning outcomes in the EYLF and FSAC. Further discussion of these links is provided in the NQS PLP resource ‘Links between the EYLF, the NQS and everyday practice’. Other useful resources produced by Early Childhood Australia include the documentary, ‘Environment makeover: National Quality Standard ideas to actions’. The video documents a service’s development and implementation of a Quality Improvement Plan (QIP) focused on aspects of Quality Area 3.

As noted above, Elliott points out ‘educators frequently require programming assistance to translate sustainability concepts into authentic practice’. Rather than sustainable practice being viewed as a set of tasks and activities to be incorporated into service operations, Elliott characterises implementing sustainable practice as adding another layer of thinking and meaning to programming: ‘There is no need to fundamentally change our ways of working… education for sustainability is not to be viewed as additional curriculum content, but simply offers another layer of meaning’. 10

Sustainable environments promote children as partners and collaborators in their learning. These spaces have the potential to support children’s understanding of the environment, sustainable practices and their inherent responsibilities as global citizens. In an education and care service context, this might suggest sustainable practices recognise contemporary environmental issues, such as limited resource availability, conservation principles and impacts on future generations.

10 Sue Elliott, ‘Children in the natural world’.
In relation to Element 3.3.1, for example, this might mean considering all the ways the service can reduce, reuse, rethink and recycle. Ensuring these practices are ‘embedded in service operations’ might also mean children, families and communities are aware of the service’s commitment to sustainable practices, with this approach consistently represented in the service’s statement of philosophy, policies and the educational program and practice.

In relation to Element 3.3.2, supporting children to become environmentally responsible and show respect for the environment is inherently linked to the priorities outlined in the Australian Government’s *National Action Plan for Education for Sustainability*, particularly the second strategy of ‘reorienting education systems to sustainability’. The Plan also includes principles that guide education for sustainability.¹¹

Cool Australia is a not-for-profit organisation that has been supporting teachers and educators since 2008, providing online learning activities and resources. The resources, which include free activity guides, digital libraries and Enviroweek initiatives,¹² are age appropriate and linked to either the EYLF or the Australian Curriculum standards.

Topics covered by Cool Australia’s free activity guides include sustainability and outdoor learning, with step-by-step instructions and ideas for engaging children from birth to five years. A number of the resources relate directly to Standard 3.3, including a sustainability audit activity, the results of which can be used to improve how sustainability is being embedded in an education and care service.

¹² Enviroweek is a national event celebrated each September: [www.enviroweek.org/](http://www.enviroweek.org/)
Operational requirements – physical environment

Quality Area 3 of the NQS is underpinned by a set of minimum operating requirements for the physical environment of an approved service, as prescribed in the National Regulations, which allow children to explore and experience the natural environment. These requirements relate to both centre-based services and FDC services, and address:

- premises, furniture, materials and equipment
- fencing
- toilet, laundry and hygiene facilities
- space requirements
- ventilation and natural light.

There are additional requirements specific to particular service types. For centre-based services, these include administrative space, nappy change facilities, outdoor space and premise design for supervision. For FDC services, these include assessments of FDC residences and venues by the approved provider, and requirements for glass (Regulation 117).

Glass requirements for centre-based services form part of the broader mandatory building and planning certification and assessment processes required as part of the service approval process, including Regulation 25 (e) – (g). The Building Code of Australia includes glass and glazing requirements for a range of building types, including buildings used as schools and ‘early childhood centres’. Early childhood services, as well as outside school hours care (OSHC) services located on school sites, must use Grade A safety glass, or glass treated with an applied film which has been tested in accordance with Australian Standard AS/NZS 2208.

In addition, providers must consider and comply with relevant national, state/territory and local government requirements, including:

- the National Construction Code (NCC), comprising the Building Code of Australia (BCA) and Plumbing Code of Australia (PCA)
- food safety standards (for kitchens and food preparation areas)
- Australian Standards (for example, pool safety, playground equipment and soft fall furniture and materials).

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13 AS1288-2006 requires Grade A safety glass (either toughened or laminated in accordance with AS/NZS 2208) must be used in glazing in early childhood centres or schools within 1000mm of the floor level or ground level, in areas subject to high risk of breakage, in glazing in doors, in glazing which may be capable of being mistaken for a doorway or opening, and in glazing in side panels which are less than 300mm of the nearest edge of a doorway opening.
The NQF is designed as a unified system, bringing together minimum enforceable standards and quality rating. In some cases, parts of the National Regulations are directly relevant to elements of the NQS. In other cases, the constructs in the NQS build on and extend the minimum operating requirements in the National Regulations.

For example, Element 3.1.2 of the NQS (Premises, furniture and equipment are safe, clean and well maintained) has a direct correlation with Regulation 103 (Premises, furniture and equipment to be safe, clean and in good repair), while the constructs in Element 3.2.1 (Outdoor and indoor spaces are designed and organised to engage every child in quality experiences in both built and natural environments) build on the requirements of Regulation 113 (Outdoor space – natural environment).

One overarching requirement of the National Law that has particular relevance to the physical environment is Section 167 – the approved provider, nominated supervisor and FDC educator must ensure that every reasonable precaution is taken to protect children from any harm and hazard likely to cause injury. In terms of a service’s physical environment, hazards can result from worn equipment, for example.

Guidance information available for services, such as the Guide to the Education and Care Services National Law and National Regulations, suggests a number of reasonable precautions providers can take in their physical environment:

- daily safety checks of the environment and equipment
- secure storage of hazardous products including chemicals
- an equipment maintenance schedule
- risk assessments, particularly for excursions
- using products that meet Australian Standards – for example, cots and playground equipment and surfacing, furniture and materials, and safety plugs in unused electrical outlets.

The above list is not exhaustive, with the guidance information noting providers should conduct regular risk or risk-benefit assessments to identify potential hazards relevant to each service, as well as develop strategies to protect children. The guidance information also emphasises the importance of considering challenge and risk when assessing children’s environments.

While children’s safety is an important consideration, reducing all risks and challenges from
children’s play environments can limit the opportunities for learning and development and, most importantly, limit opportunities to learn how to take appropriate risks. This point is emphasised by Walsh, where she notes, ‘rather than seeking to eliminate risk in play … a better approach would be to seek a balance, where children’s developmental needs are put first’.14

This concept is discussed in more detail in several NQS PLP resources and in the EYLF and FSAC, where it is noted that one way educators can help children to be confident and involved learners (Learning Outcome 4) is to plan learning environments with appropriate levels of challenge where children are encouraged to explore, experiment and take appropriate risks in their learning.

A recent article in the ACECQA Newsletter15 highlights the link between the physical environment and risk taking, and includes sector leaders’ views on this issue.

When assessing risk and challenge, it is important to make decisions about age and developmentally appropriate risks. For example, what is an appropriate risk for a child in OSHC may not be for a child under school age. This issue is discussed in the NQS PLP resource ‘Health, safety and wellbeing’, which refers to ‘managed’ risks where educators think about issues such as children’s abilities, past experiences, family/home background and personal dispositions (as well as the activity itself) to identify and minimise the potential risks.16

A full list of the responsibilities of the approved provider, nominated supervisor and FDC educator in relation to the physical environment, including the regulations that apply and the related NQS standards and elements can be found in Appendix A.

Service approval information – physical environment

Regulations 24 and 25 of the National Regulations outline the information that must be included in an application for service approval. In relation to the physical environment, the service approval application must include information such as plans prepared by a building practitioner,17 a copy of the service’s water safety policy (if a swimming pool or other body of water is situated on the proposed service premises), a soil assessment for the site (or, if relevant, an alternative statement about the soil assessment), a copy of a planning permit (if required) and a building certification.

In addition, under Regulation 116, the approved provider of an FDC service must conduct an assessment (including a risk assessment) of each residence and approved FDC venue of the service before education and care is provided to children and at least annually.

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14 Prue Walsh, Early Childhood Playgrounds: Planning an outside learning environment, p. 2.
15 ACECQA, ‘Risk – Testing boundaries’.
16 Early Childhood Australia, Health, safety and wellbeing.
17 For more information about the circumstances where information such as plans prepared by a building practitioner are not required, see ACECQA, Guide to the Education and Care Services National Law and National Regulations, p. 23.
The matters that must be considered in this assessment include:

- the safety, cleanliness and repair of premises, furniture and equipment
- fencing
- the sufficiency of furniture, materials and equipment
- adequate laundry facilities or other arrangements for dealing with soiled clothing, nappies and linen
- adequacy of toilet, washing and drying facilities
- adequacy of ventilation and natural light
- glass safety requirements
- the suitability of the residence or venue according to the number, ages and abilities of the children who attend or are likely to attend the service
- the suitability of nappy change arrangements for children who wear nappies
- the existence of any water hazards, water features or swimming pools
- any risk posed by animals.

Under Regulation 108, the approved provider of a centre-based service or FDC venue which educates and cares for children over preschool age may apply to the regulatory authority to include an area of unencumbered indoor space in calculating the outdoor space at the service. Regulatory authorities may consider factors such as the ages of the children at the service, what proportion of the children are over preschool age, and the amount of time children spend at the service in determining whether to approve an application.

For example, it is more likely to be appropriate for indoor space to be used in calculating outdoor space at an OSHC service, where children are only at the service for one or two hours each morning and/or afternoon, than at a vacation care service where children attend for most of the day.\(^\text{18}\)

It is important for urban services, such as those operating in city centres or in high-rise buildings, and family day care residences which do not have outdoor space, to take proactive steps to incorporate the natural environment into their services, and to promote interaction and exploration of the natural world. Having minimal outdoor space to grow plants, keep pets or see and interact with wildlife does not necessarily preclude a service from excelling in Quality Area 3.

\(^{18}\) For more information about applying to use indoor space as outdoor space, see ACECQA, Operational Policy Manual for Regulatory Authorities, p. 81-84.
Some of the ways in which such services and residences may overcome barriers to accessing the natural environment include incorporating natural materials and plants in outdoor and indoor design, having natural materials available for play, enabling children to see outdoors to a natural environment (such as the sky, mountains or water), and taking children on regular excursions to nearby parks, playgrounds, aquariums, animal sanctuaries or botanical gardens.

**Waivers for physical environment requirements**

The National Law provides for two types of exemptions or waivers from meeting a prescribed element or elements of the NQS or provision(s) of the National Regulations:

- service waiver – on an ongoing basis
- temporary waiver – for up to 12 months.

For example, where a service is unable to meet a physical environment requirement of the National Regulations (such as fencing or appropriate shaded area), the approved provider may apply for a waiver.

All physical environment standards and elements can be waived under either a service or temporary waiver, if approved by the regulatory authority. In addition, approved providers may apply for a service or temporary waiver for several regulations relating to the physical environment. The type of waiver may differ depending on whether the service is a centre-based or FDC service, as shown in Table 1.
As at 31 December 2016, two per cent of education and care services across Australia were operating with a waiver for physical environment requirements, of which almost 90% were service waivers.
Jurisdictional information on compliance and enforcement actions

The NQF aims to continually drive quality improvement through a national approach to the regulation of education and care services. It primarily does this through setting enforceable minimum standards for education and care services, and quality assessment and rating of services against the NQS. Regulatory authorities in each state and territory are responsible for administering the NQF, including approving, monitoring and quality assessing and rating services. Approved providers are responsible for complying with the requirements of the National Law and National Regulations, while regulatory authorities are responsible for helping providers understand their obligations and promoting compliance through a broad range of regulatory activities.

Where non-compliance is identified, regulatory authorities may determine the most effective response is formal enforcement action. Identification of non-compliance can occur through observations and evidence gathered in the course of investigations, quality assessment visits, spot checks, announced and unannounced monitoring visits or targeted campaigns. Identification of non-compliance may also be a result of an investigation into a complaint made to the regulatory authority.

Regulatory authorities may publish information about enforcement actions taken under the National Law, including information about compliance notices, prosecutions, enforceable undertakings, and suspension or cancellation of approvals or certificates.

Published information on regulatory authority websites19 shows that more than half of all enforcement action taken for physical environment requirements involved non-compliance with Regulation 103 (Premises, furniture and equipment to be safe, clean and in good repair). A further 18% were for failure to comply with Regulation 105 (The approved provider of an education and care service must ensure that each child being educated and cared for by the education and care service has access to sufficient furniture, materials and developmentally appropriate equipment suitable for the education and care of that child), while 15% related to Regulation 116 (Assessments of FDC residences and approved FDC venues).

While it is important to note that services may be in breach of multiple sections of the National Law and National Regulations, regulatory authorities will determine the type of enforcement action to take based on a range of factors, including the nature and seriousness of the non-compliance, its impact on changing provider behaviour, and reducing risk to children. For example, of all the cases of non-compliance for physical environment requirements described above, there were four different types of enforcement action taken:

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19 Accessed from regulatory authority websites on 13 January 2017.
compliance notice
- suspension of service approval
- conditions on service approval
- cancellation of service approval.

It is difficult to draw meaningful conclusions from the published information on enforcement actions without more detailed research into the underlying circumstances of each case. This is because regulatory authorities consider a range of factors when applying the National Law and determining an appropriate regulatory response to non-compliance occurs on a case by case basis.

Regulatory authorities use a range of information sources to help assess risk, including:

- the provider and the service’s history of compliance
- the service’s quality rating and Quality Improvement Plan
- the physical characteristics of the service
- the number and age of children attending the service
- complaints and notifications
- monitoring and regulatory activities, including investigations
- analysis of broader sector or regional compliance trends
- other regulatory systems with relevant or overlapping requirements and/or compliance monitoring.

Collecting and analysing a range of information supports a responsive regulatory approach and assists regulatory authorities to consider all associated risks when addressing non-compliance. It also reinforces the underlying reasons why regulatory authorities regulate in the first place, namely to:

- further the objectives of the National Law
- influence the behaviour of providers, nominated supervisors and educators in ways that are consistent with these objectives, and improve outcomes for children
- fulfil their obligations under the National Law and National Regulations.
Physical Environment (Quality Area 3) – differences according to service sub-type, management type, socioeconomic status, remoteness classification and jurisdiction

Quality Area 3 comprises three standards, underpinned by seven elements, as shown in Table 2.

<table>
<thead>
<tr>
<th>Table 2 Quality Area 3 standards and elements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Standard 3.1</strong> The design and location of the premises is appropriate for the operation of the service.</td>
</tr>
<tr>
<td>3.1.1 Outdoor and indoor spaces, buildings, furniture, equipment, facilities and resources are suitable for their purpose.</td>
</tr>
<tr>
<td>3.1.2 Premises, furniture and equipment are safe, clean and well maintained.</td>
</tr>
<tr>
<td>3.1.3 Facilities are designed or adapted to ensure access and participation by every child in the service and to allow flexible use, and interaction between indoor and outdoor space.</td>
</tr>
<tr>
<td><strong>Standard 3.2</strong> The environment is inclusive, promotes competence, independent exploration and learning through play.</td>
</tr>
<tr>
<td>3.2.1 Outdoor and indoor spaces are designed and organised to engage every child in quality experiences in both built and natural environments.</td>
</tr>
<tr>
<td>3.2.2 Resources, materials and equipment are sufficient in number, organised in ways that ensure appropriate and effective implementation of the program and allow for multiple uses.</td>
</tr>
<tr>
<td><strong>Standard 3.3</strong> The environment is inclusive, promotes competence, independent exploration and learning through play.</td>
</tr>
<tr>
<td>3.3.1 Sustainable practices are embedded in service operations.</td>
</tr>
<tr>
<td>3.3.2 Children are supported to become environmentally responsible and show respect for the environment.</td>
</tr>
</tbody>
</table>
Quality Area 3 in context

The NQS comprises seven quality areas, as shown in Table 3 below.

<table>
<thead>
<tr>
<th>Table 3 NQS quality areas</th>
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</thead>
<tbody>
<tr>
<td>QA1</td>
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<tr>
<td>QA2</td>
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<td>QA3</td>
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<tr>
<td>QA4</td>
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<td>QA5</td>
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<tr>
<td>QA6</td>
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<tr>
<td>QA7</td>
</tr>
</tbody>
</table>

Figure 2 compares the seven quality areas according to the proportion of services that have been rated as Working Towards, Meeting or Exceeding NQS. Similar analysis was included in earlier occasional papers produced by ACECQA on Quality Area 1: Educational Program and Practice and Quality Area 2: Children’s Health and Safety.

Figure 2 shows that 83% of services were rated as Meeting (56%) or Exceeding (27%) the NQS in Quality Area 3.

This is comparable to the results for Quality Area 2 (Children’s health and safety) and Quality Area 7 (Leadership and service management), slightly higher than the results for Quality Area 1 (Educational program and practice), but markedly lower than the results for Quality Area 4 (Staffing arrangements), Quality Area 5 (Relationships with children) and Quality Area 6 (Collaborative partnerships with children and families).
The quality assessment and rating process began in August 2012, which allows an examination of changes over time in terms of the distribution of quality ratings. Figure 3 looks at the distribution of quality ratings for Quality Area 3 between Q1 2012/13 (July – September 2012) and Q2 2016/17 (October – December 2016). It shows the proportion of services receiving a rating of Working Towards NQS for Quality Area 3 decreased over the first two years of the quality assessment and rating process, which may be expected as providers became more familiar with the related requirements. Meanwhile, the proportion of services receiving a rating of Exceeding NQS has remained relatively consistent over the past four and a half years.

The changes in the proportion of services rated at Working Towards, Meeting and Exceeding NQS for Quality Area 3 are more clearly shown in Figure 4.
Figure 3 Percentage and number of quality rated services at each Quality Area 3 rating level

Figure 4 Percentage of quality rated services at each Quality Area 3 rating level
Quality Area 3 by service sub-type

Under the NQF, service providers are granted approval from regulatory authorities to operate either a centre-based or FDC service. Although providers are not obliged to define the type of service any further, when applying for service approval, providers of centre-based services are asked to indicate the specific nature of education and care their service will provide by selecting from a range of options. These services are counted in Figure 5 using an ordered method:20

- long day care (LDC)
- preschool/kindergarten – stand alone or part of a school (PSK)
- outside school hours care (before school care, after school care or vacation care) (OSHC).

Some services offer a combination of services or ‘multiple programs’ from the one venue (typically LDC offering another service such as OSHC).21 Services may also vary the mix of services they provide to suit the needs of families without indicating this to regulatory authorities.

Figure 5 compares how services in each service sub-type have been rated against Quality Area 3. Preschools/kindergartens had the highest proportion of services rated as Meeting or Exceeding NQS in Quality Area 3 (97%), while FDC services had the lowest proportion (57%).

Significance testing at the 95% level showed preschools/kindergartens were significantly more likely than other service sub-types to be quality rated as Meeting or Exceeding NQS in Quality Area 3. The higher Meeting or Exceeding rate for preschool/kindergarten services in part reflects governments’ historical role in subsidising and regulating for quality at a higher level among preschool/kindergarten services in comparison to other sectors covered by the NQF.

The environments in which FDC and OSHC services typically operate can explain some of the differences in the quality ratings for Quality Area 3 for these service sub-types. FDC services are primarily provided in home-based settings,22 while OSHC services are commonly located in shared facilities over which they have limited control. These factors may impact on a provider’s ability to design and adapt their physical environment. Despite this, the primary drivers of difference in the quality ratings for Quality Area 3 do not stem from providers’ inability to tailor their physical environment but rather relate to difficulty embedding sustainable practices in service operations (Element 3.3.1) and difficulty supporting children to become environmentally responsible and show respect for the environment (Element 3.3.2) (see Figure 11).

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20 The counting method applies a hierarchy to order services that offer more than one service type. Services which provide LDC in addition to Preschool/Kindergarten or OSHC services are classified as LDC services; services which provide Preschool/Kindergarten services as well as OSHC services are classified as Preschool/Kindergarten services.

21 NQA ITS data collected on service sub-types is self-reported by providers when applying for service approval. Providers may choose multiple service sub-types when self-reporting. Reporting on service sub-types is not mandatory and therefore may not be current.

22 In a small number of cases, FDC educators operate in venues that are not residences.
Figure 5 Percentage of quality rated services at each Quality Area 3 rating level by service sub type

- **LDC**: 18% Working Towards NQS, 62% Meeting NQS, 23% Exceeding NQS
- **PSK**: 3% Working Towards NQS, 97% Meeting NQS, 41% Exceeding NQS
- **OSHC**: 22% Working Towards NQS, 78% Meeting NQS, 67% Exceeding NQS
- **FDC**: 42% Working Towards NQS, 46% Meeting NQS, 57% Exceeding NQS
Quality Area 3 by provider management type

Education and care providers can be classified according to the eight different provider management types as defined in the Australian Bureau of Statistics National Early Childhood Education and Care Collection Data Collection Guidelines.23

Figure 6 compares how services in each provider management type have been rated against Quality Area 3.

Significance testing at the 95% level showed ‘State/Territory and Local Government managed’ (94%), ‘Private not for profit community managed’ (90%), ‘Independent schools’ (90%), ‘Private not for profit other organisations’ (87%) and ‘State/territory government schools’ (86%) were significantly more likely than other provider management types to be quality rated as Meeting or Exceeding NQS in Quality Area 3, while ‘Private for profit’ (75%) were significantly less likely.

These results are partly attributable to the type of service operated by these providers. For example, half of all 'State/Territory and Local Government managed' services are preschools/kindergartens, which, as mentioned above, were significantly more likely than other service sub-types to be quality rated as Meeting or Exceeding NQS in Quality Area 3. In contrast, preschools/kindergartens make up only one per cent of ‘Private for profit’ services.

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23 Providers are asked to specify their ‘Provider Management Type’ (or ‘Sector Classification’) as part of their application for provider approval in line with the Australian Bureau of Statistics National Early Childhood Education and Care Collection Data Collection Guidelines.
Quality Area 3 by SEIFA ranking

The Socioeconomic Index for Areas (SEIFA) is a tool that draws on census data to score socioeconomic advantage and disadvantage in localities across Australia. SEIFA deciles classify these scores into 10 equally sized groups, from 1 (most disadvantaged) to 10 (least disadvantaged).\(^2^4\)

**Figure 7** compares the distribution of Quality Area 3 ratings according to the SEIFA decile. It shows minimal variation with more than 80% of services in all communities receiving a rating of Meeting or Exceeding NQS in Quality Area 3. However, there is a slightly higher representation of services rated Exceeding NQS in the least disadvantaged localities compared to the most disadvantaged localities, with 33% and 31% of services rated Exceeding NQS in the two least disadvantaged SEIFA deciles (10 and 9) compared to 25% in the two most disadvantaged localities (SEIFA deciles 1 and 2).

\(^1\) FDC services are excluded from the SEIFA and ARIA+ classifications because their approval is not specific to one location.

\(^2^4\) Census data that contribute to the SEIFA index include household income, employment status, occupation, community or non-community housing, and other indicators of advantage and disadvantage.
Quality Area 3 by remoteness

Figure 8 presents the distribution of Quality Area 3 ratings according to the Accessibility/Remoteness Index of Australia (ARIA+). The figure shows services in Remote and Very Remote Australia had the lowest proportion of services rated Meeting or Exceeding NQS (79% and 76% respectively).

Significance testing at the 95% level showed services in ‘Inner Regional Australia’ and ‘Outer Regional Australia’ were significantly more likely to be rated Meeting or Exceeding NQS in Quality Area 3 compared to services in all other areas. Services in ‘Major Cities of Australia’, ‘Remote Australia’ and ‘Very Remote Australia’ were significantly less likely to be rated as Meeting or Exceeding NQS in Quality Area 3.

This finding may be partly driven by the overall quality rating trends observed in the Northern Territory. Sixty-four per cent of services in the Northern Territory were rated Meeting or Exceeding NQS for Quality Area 3 compared to 83% of all services nationally. It would also suggest Quality Area 3 of the NQS poses a challenge for services in diverse geographical settings, regardless of remoteness classification, and that further guidance and support could be provided for services to tailor their physical environment and educational program to their individual physical settings. The Early Childhood Australia NQS PLP resource ‘Spaces for children’ provides general ideas and examples of how to design and adapt both indoor and outdoor environments to enhance learning.

Figure 8 Percentage of quality rated centre-based services at each Quality Area 3 rating level by remoteness classification

<table>
<thead>
<tr>
<th>Remoteness Classification</th>
<th>Working Towards NQS</th>
<th>Meeting NQS</th>
<th>Exceeding NQS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Cities of Australia</td>
<td>17%</td>
<td>27%</td>
<td>61%</td>
</tr>
<tr>
<td>Inner Regional Australia</td>
<td>61%</td>
<td>28%</td>
<td>10%</td>
</tr>
<tr>
<td>Outer Regional Australia</td>
<td>12%</td>
<td>12%</td>
<td>61%</td>
</tr>
<tr>
<td>Remote Australia</td>
<td>21%</td>
<td>19%</td>
<td>60%</td>
</tr>
<tr>
<td>Very Remote Australia</td>
<td>24%</td>
<td>11%</td>
<td>65%</td>
</tr>
</tbody>
</table>

1 FDC services are excluded from the SEIFA and ARIA+ classifications because their approval is not specific to one location.

25 The Australian Bureau of Statistics Remoteness Structure uses the Accessibility/Remoteness Index of Australia (ARIA+) to develop a standard classification and index of remoteness, based on road distances between populated localities and general Service Centres (not Early Childhood Education and Care services).

26 Early Childhood Australia, Spaces for children.
Quality Area 3 by jurisdiction

Figure 9 compares how services in each jurisdiction have been rated against Quality Area 3. Victoria had the highest proportion (92%) and the Northern Territory the lowest proportion (64%) of services rated as Meeting or Exceeding NQS in Quality Area 3. Significance testing at the 95% confidence level showed:

- Services in Victoria and Queensland were significantly more likely than services in other jurisdictions to be quality rated as Meeting or Exceeding NQS in Quality Area 3.
- Services in New South Wales, the Northern Territory, Western Australia, the Australian Capital Territory and South Australia were significantly less likely than services in other jurisdictions to be quality rated as Meeting or Exceeding NQS in Quality Area 3.

While these results are generally consistent with overall quality rating results across jurisdictions, factors such as differences in the profile of services, provider types and the share of services that have been quality rated, may explain variation in quality rating results.

As noted in Figure 9, preschool/kindergarten services were more likely to be rated as Meeting or Exceeding NQS in Quality Area 3. Some of the differences in the proportion of services receiving a Meeting or Exceeding NQS rating in Victoria and New South Wales can be attributed to the relatively high number and proportion of preschool/kindergarten services in Victoria.

Preschools/kindergartens comprised 1203 services (or 29% of all services) in Victoria compared to 797 services (or 15%) in New South Wales.

For a more detailed examination of how these factors contribute to different patterns of quality rating, refer to Appendix B.

Figure 9 Percentage of quality rated services at each Quality Area 3 rating level by jurisdiction
Quality Area 3 by standard

Figure 10 shows Standard 3.3 is one of the most challenging for services to meet, with 86% of services rated as Meeting or Exceeding NQS.

For all service sub-types apart from preschools/kindergartens, Standard 3.3 ranks in the top three most challenging standards of the NQS to meet. Table 4 shows family day care services find Standard 3.3 to be the second most challenging of the 18 standards of the NQS to meet, long day care and OSHC services find it to be the third most challenging standard, and preschools/kindergartens find it to be the eighth most challenging standard.
Table 4 Most challenging standards of the NQS to meet for each service type

<table>
<thead>
<tr>
<th>Most challenging standards</th>
<th>Long day care services</th>
<th>Preschool/Kindergarten services</th>
<th>Outside school hours care services</th>
<th>Family day care services</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2</td>
<td>1st</td>
<td>1st</td>
<td>1st</td>
<td>1st</td>
</tr>
<tr>
<td>1.1</td>
<td>2nd</td>
<td>2nd</td>
<td>2nd</td>
<td>3rd</td>
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<tr>
<td>3.3</td>
<td>3rd</td>
<td>8th</td>
<td>3rd</td>
<td>2nd</td>
</tr>
<tr>
<td>2.3</td>
<td>4th</td>
<td>4th</td>
<td>5th</td>
<td>4th</td>
</tr>
<tr>
<td>7.2</td>
<td>7th</td>
<td>3rd</td>
<td>4th</td>
<td>5th</td>
</tr>
<tr>
<td>Other challenging standards</td>
<td>2.1 – 5th</td>
<td>7.3 – 5th</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For all service sub-types apart from preschools/kindergartens, all three standards in Quality Area 3 rank in the top six most challenging standards of the NQS to exceed. Table 5 shows that long day care services find Standard 3.1 to be the most challenging of the 18 standards of the NQS to exceed, OSHC services find Standard 3.2 to be the second most challenging standard, family day care services find Standard 3.1 to be the second most challenging standard, and preschools/kindergartens find Standard 3.3 to be the fifth most challenging standard.

Table 5 Most challenging standards of the NQS to exceed for each service type

<table>
<thead>
<tr>
<th>Most challenging standards</th>
<th>Long day care services</th>
<th>Preschool/Kindergarten services</th>
<th>Outside school hours care services</th>
<th>Family day care services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>3rd</td>
<td>1st</td>
<td>1st</td>
<td>7th</td>
</tr>
<tr>
<td>2.3</td>
<td>2nd</td>
<td>2nd</td>
<td>6th</td>
<td>3rd</td>
</tr>
<tr>
<td>7.3</td>
<td>5th</td>
<td>3rd</td>
<td>7th</td>
<td>9th</td>
</tr>
<tr>
<td>3.1</td>
<td>1st</td>
<td>7th</td>
<td>4th</td>
<td>2nd</td>
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<tr>
<td>3.3</td>
<td>6th</td>
<td>5th</td>
<td>3rd</td>
<td>4th</td>
</tr>
<tr>
<td>2.2</td>
<td>7th</td>
<td>4th</td>
<td>10th</td>
<td>5th</td>
</tr>
<tr>
<td>3.2</td>
<td>4th</td>
<td>11th</td>
<td>2nd</td>
<td>3rd</td>
</tr>
<tr>
<td>Other challenging standards</td>
<td>7.2 – 6th</td>
<td>6.2 – 5th</td>
<td>1.2 – 1st</td>
<td>1.1 – 6th</td>
</tr>
</tbody>
</table>
Quality Area 3 by element

As can be seen in Table 2, Standard 3.1 comprises three elements, with Standard 3.2 and Standard 3.3 comprising two elements each. All elements must be assessed as Met for a service to be rated as Meeting NQS or Exceeding NQS in that standard. In turn, at least two of the three standards must be rated as Meeting NQS or Exceeding NQS for the service to receive an overall rating of Meeting or Exceeding NQS in Quality Area 3.

Further insight into the standards services are more or less likely to meet is provided by examining how the elements that underpin the standards are assessed.

As can be seen in Figure 11, the elements most likely to be assessed as Met in Quality Area 3 are:

- **Element 3.1.1**: Outdoor and indoor spaces, buildings, furniture, equipment, facilities and resources are suitable for their purpose (92%)
- **Element 3.1.3**: Facilities are designed or adapted to ensure access and participation by every child in the service and to allow flexible use, and interaction between indoor and outdoor space (89%)
- **Element 3.1.2**: Premises, furniture and equipment are safe, clean and well maintained (88%)

**Figure 11 Percentage of Quality Area 3 elements assessed as Not Met or Met for services rated Working Towards NQS or Significant Improvement Required overall**

1 Only services receiving an overall quality rating of Significant Improvement Required or Working Towards NQS are counted in these figures as services with an overall quality rating of Meeting NQS, Exceeding NQS or Excellent must have all elements assessed as Met.
Figure 11 also shows the least likely of the elements to be assessed as Met are:

- **Element 3.3.1**: Sustainable practices are embedded in service operations (56%)
- **Element 3.3.2**: Children are supported to become environmentally responsible and show respect for the environment (58%).

For all service sub-types apart from preschools/kindergartens, Element 3.3.1 and 3.3.2 rank in the top five most challenging elements of the NQS. Table 6 shows all service sub-types find Element 3.3.1 the more challenging of the two elements, apart from family day care services, which find Element 3.3.2 more challenging.

<table>
<thead>
<tr>
<th>Most challenging standards</th>
<th>Long day care services</th>
<th>Preschool/Kindergarten services</th>
<th>Outside school hours care services</th>
<th>Family day care services</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2.3</td>
<td>1st</td>
<td>2nd</td>
<td>2nd</td>
<td>2nd</td>
</tr>
<tr>
<td>1.2.1</td>
<td>2nd</td>
<td>1st</td>
<td>1st</td>
<td>1st</td>
</tr>
<tr>
<td>3.3.1</td>
<td>3rd</td>
<td>8th</td>
<td>3rd</td>
<td>4th</td>
</tr>
<tr>
<td>3.3.2</td>
<td>5th</td>
<td>12th</td>
<td>4th</td>
<td>3rd</td>
</tr>
<tr>
<td>7.2.2</td>
<td>7th</td>
<td>3rd</td>
<td>6th</td>
<td>6th</td>
</tr>
<tr>
<td>1.1.3</td>
<td>4th</td>
<td>7th</td>
<td>11th</td>
<td>17th</td>
</tr>
<tr>
<td>7.1.4</td>
<td>11th</td>
<td>6th</td>
<td>7th</td>
<td>11th</td>
</tr>
<tr>
<td>Other challenging elements</td>
<td>3.2.1 – 6th</td>
<td>7.3.5 – 4th</td>
<td>6.2 – 5th</td>
<td>2.3.2 – 5th</td>
</tr>
<tr>
<td></td>
<td>2.3.3 – 5th</td>
<td>1.1.4 – 5th</td>
<td></td>
<td>1.1.1 – 7th</td>
</tr>
</tbody>
</table>
Case studies – sustainable environments

Given the requirement for services to meet all the elements of Quality Area 3 to be rated as Meeting NQS for this quality area as a whole, it is useful to explore why some services are falling short and others are meeting the elements. It is particularly pertinent to examine Element 3.3.1 and 3.3.2 as these are the elements in Quality Area 3 services are least likely to meet. Both of these elements sit under Standard 3.3, which broadly relates to the concept of ‘sustainable environments’.

These case studies provide examples of evidence collected by authorised officers when assessing Element 3.3.1 and 3.3.2, including their contribution to quality education and care. They draw on accounts from authorised officer assessment visits to highlight both practice that does not meet the NQS and higher quality practice for these elements.

Examples of evidence collected by authorised officers

The reports from authorised officers highlight why some services have been assessed as having Met Element 3.3.1 and 3.3.2, while others have Not Met these elements. The examples and excerpts below represent a cross-section of jurisdictions and sub-service types.

The case studies are only examples of evidence collected by the authorised officer when assessing services against these elements. They are not a ‘checklist’ of standard practice which should be applied at all services. The examples are listed under the following headings:

- **Observation** – the authorised officer observes what children, families, educators, coordinators and staff members are doing (for example, educators planning and implementing learning environments with appropriate levels of challenge).

- **Discussion** – the authorised officer and approved provider, nominated supervisor, educators, coordinators, FDC educators or staff members engage in a discussion about why and how particular practices occur at the service.

- **Documentation** – the authorised officer refers to documentation provided as evidence to support particular practices at the service (for example, indoor and outdoor safety checklists).
Element 3.3.1

Sustainable practices are embedded in service operations.

Rationale

The focus of Element 3.3.1 is on educators and children working together to learn about and promote the sustainable use of resources, and to develop and implement sustainable practices. This focus is also reflected in Learning Outcome 2 of the EYLF and FSAC. Both frameworks acknowledge the role educators and coordinators have in fostering children’s capacity to understand and respect the natural environment, and in working with children to show respect, care and appreciation for the natural environment.

When visiting a service, authorised officers may observe:

- sustainable practices, such as recycling, use of recycled resources, energy efficiency and water conservation, embedded in daily routines and practices at the service
- children participating in planned experiences that engage them in appropriate sustainability practices within the service
- educators and coordinators sharing information and providing children with access to information about the environment and the impact of human activities on environments
- the service’s environmental strategy being consistently implemented.

They may discuss examples of:

- the service’s approach to promoting sustainability
- sustainable practices used at the service and the ways in which children are involved in them.

Authorised officers may also sight:

- the service’s environmental and sustainability strategy
- evidence that information and ideas about sustainable practices are regularly shared with families.
Services meeting Element 3.3.1

Observation

During an assessment and rating visit at a preschool, practices which reflect sustainability were observed. For example, children engaged in conversation with educators about saving their fruit scraps for the worms, and were observed tipping their scraps from the designated buckets into the compost each afternoon. Recycling bins were available in the indoor area and children were observed using recycled materials donated by families in their craft and construction.

At a long day care service, a detailed display on sustainability was presented in a thoroughfare of the service, providing information to families. The service had a designated sustainability officer who had expertise in this area and actively promoted the service’s comprehensive environmental and sustainability policy. The work of the sustainability officer included resourcing educators to embed sustainable practices at the service and within the broader community, including respect and care for the environment.

During a visit to an outside school hours care service, activities and opportunities for the children to engage in sustainability were observed. For example, the service created their own garden using a bathtub donated by a local family. Evidence of the children being involved in the design of the area was observed, including posters with flowers hung in the garden area and a list of vegetables the children wanted to grow. Sustainability posters created by the children were also displayed throughout the service.
Discussion

At a family day care service, the educational leader described a ‘Green Page’ they had developed for their newsletter. The educational leader explained the page promotes sustainability practices, with tips and hints for educators to use, as well as experiences for the children. The authorised officer noted that, over many months, this initiative had made a significant impact on practices within the service.

At a long day care service, the authorised officer learned through discussion with the director that the service has a ‘sustainability management plan’ in place which includes suggestions from families and promotes sustainability within the curriculum, including the promotion of composting, drip irrigation systems, turning lights off when not in use and opening windows to access cooler air. The director also noted the service had recently installed solar panels, which had made a big difference to the centre’s energy costs and consumption.

At a long day care service, the Nominated Supervisor explained the age appropriate topics on sustainable practices that were embedded in the service’s operations and consistently promoted in the everyday program. For example, the service has a ‘visual routine’ board in the toddler and kindy rooms which describes the sustainable routines for the day, such as conserving energy and water. In addition, children are appointed as ‘Sustainability Officers’ each day and are allocated a sustainable responsibility for the day, such as turning off the lights or emptying leftover drinking water in the gardens. The Nominated Supervisor explained that, during these tasks, educators reinforce learning by asking children relevant questions.
**Documentation**

A kindergarten provided an enrolment pack to new families that included a document outlining the service’s commitment to sustainable practices and a fact sheet from the local council on what can be recycled. In addition, weekly newsletters encouraged families to bring recycled items to the service for use as teaching materials and families regularly returned ‘worm wee’ bottles for refilling and reuse.

At an outside school hours care service, the service’s approach to sustainability practices was reflected in their ‘Environmental and Sustainability Strategy’. In addition to reduce, reuse and recycle measures, children were actively involved in the service’s worm farm. Children were responsible for feeding the worms the food scraps from afternoon tea. The worm juice was harvested and distributed to children and their families for garden beds at home.

At a long day care service, the authorised officer sighted documentation that demonstrated children had participated in a gardening activity. For example, a learning story in the toddler room showed an educator had brought in some plant clippings and children were involved in planting and watering them.
Services not meeting Element 3.3.1

Observation

At a long day care service, some consideration was given to sustainable practices. For example, all staff had participated in training about embedding sustainable practice. However, at the time of the assessment and rating visit, there were very few observed sustainable practices and strategies implemented across the service. Educators did not provide regular discussion, experiences or activities for children to learn about sustainable practices.

At a long day care service, the authorised officer noted some consideration had been given to sustainable practices, such as a system for recycling paper that had been initiated. However, observations indicated the service was very much at the beginning of their journey in terms of embedding sustainability in practice. For example, key points highlighted by the director, such as turning off the lights, were not observed consistently across the service. Lights were on for the majority of the day in all learning spaces except the nursery, and one learning space did not open their blinds over the course of an entire day. In addition, a worm farm had been built but there was no recent evidence of its use.

Discussion

At a preschool, the authorised officer noted sustainable practices were not embedded in service operations as the approved provider had not yet developed or communicated clear expectations to educators in relation to sustainable practices. The authorised officer found this to be evident in discussions with educators at the time of the assessment and rating visit, where there was an absence of knowledge and practice in relation to sustainability.

At an outside school hours care service, the authorised officer noted that no attempt is being made by the service to recycle fruit scraps, which are placed in the general waste bin along with plastic yoghurt cups. When questioned about this, an educator confirmed there are no compost bins available and no recycling is currently being conducted within the service.

At a long day care service, the authorised officer noted the service had purchased a compost bin and water tanks, but that these resources were not part of the daily program. In discussions, educators advised the authorised officer the compost bin is inaccessible as it is located on the other side of the outside space.
Documentation

At an outside school hours care service, the authorised officer sighted a recently drafted environmental sustainability policy which included goals to work on developing sustainable practices within the service. However, the authorised officer noted the service was still in the planning stages for most of their goals, and progress was limited to reducing the use of paper and paper recycling.

At a kindergarten, programming documentation sighted by authorised officers did not indicate environmental awareness was regularly planned as part of the program.

At a family day care service, the authorised officers observed inconsistency in practices among educators and a lack of documentation related to engagement with sustainable practices and care for the environment. Documentation sighted showed some educators engaged children in experiences where they cared for the natural environment, but this was not consistent or evident across the service.
Element 3.3.2

Children are supported to become environmentally responsible and show respect for the environment.

Rationale

The focus of Element 3.3.2 is that children develop an understanding and respect for the natural environment and the interdependence between people, plants, animals and the land. This element also emphasises the role that educators and coordinators have in working with children to show respect, care and appreciation for the natural environment.

When visiting a service, authorised officers may observe:

- children:
  - being supported to appreciate and care for natural and constructed environments
  - participating in planned experiences that:
    - support their engagement with and respect for the natural environment
    - increase their awareness of the impact of human activity
    - build a sense of responsibility for caring for the environment
- opportunities for children to increase their:
  - knowledge of and respect for natural and constructed environments
  - awareness of the interdependence of living things
- educators and coordinators:
  - developing environmental awareness and programs as a platform for ongoing environmental education
  - fostering children’s capacity to understand and respect the natural environment and the interdependence between people, plants, animals and the land
  - sharing information and providing children with access to resources about the environment and the impact of human activities on environments
spaces that promote the development of life skills, such as growing and preparing food, waste reduction and recycling

the service’s environmental strategy being consistently implemented.

They may discuss:

- the development and implementation of strategies to support children to be environmentally responsible and to show respect for the environment
- how the educational program fosters wonder and knowledge about the natural world.

Authorised officers may also sight:

- documentation of children’s learning about environmental and sustainability issues.
Observation

Throughout the assessment and rating visit to a long day care service, children were observed being supported by educators to embrace environmental responsibility. For example, vegetable gardens had been established in the outdoor environments and children assisted educators to water and care for the herbs and vegetables.

At a long day care service, there were opportunities for educators and children to learn about and promote the sustainable use of resources.

For example, as evidenced by the recent introduction of the ‘Nude Food’ initiative, educators and children were observed discussing the importance of reducing waste through the use of these containers. The program is based on the three ‘R’s’ of ‘reduce’, ‘reuse’ and ‘recycle’. Conversations between children and educators reflected these strategies.

At a family day care service, children were kitted out with protective gloves and footwear ready to collect rubbish as part of a community event.
Discussion

At a preschool, children are actively involved in being environmentally responsible and supported to continue this involvement within the program and in the broader community. For example, in discussions with the service, the Nominated Supervisor commented that weekly garden days are planned where children have the opportunity to become involved in the maintenance of the garden. Activities include mulching, planting, moving rocks, raking and weeding. Regular visits are also made to the school’s community garden and the preschool contributes to its upkeep and donates seedlings from their own garden.

At a family day care service, the coordinators explained how the coordination officer and the educators themselves seek innovative ways to obtain resources that are practical for the children to reuse. For example, one educator encourages families to bring in recycled materials and one coordinator has visited a co-operative which sells industrial offcuts and discards to obtain suitable resources for educators.

At an outside school hours care service, the team of educators explained, where possible, they include natural aspects into the indoor environment, such as a nature table with seeds, rocks and bark. Educators ensure children are provided with opportunities to engage in conversations about respecting and being responsible for the natural environment. For example, during the holiday program, children had the opportunity to visit the petting zoo and learned about caring and looking after a range of animals.
Documentation

At a long day care service, the authorised officer noted there was a strong focus within the educational program documentation for children to be actively involved in being environmentally responsible. Examples included caring for the service’s pets, saving food scraps for the worm farm and compost bin, and monitoring the use of water in the program.

At a family day care service, a variety of initiatives were implemented by the coordinators to support educators to develop environmental and sustainability measures. For example, educators were provided with information sheets on sustainability and a resource kit containing seeds and materials for planting. The use of these was evident from the available programming documentation.

At an outside school hours care service, the activities children and educators work on together to develop knowledge and awareness of sustainable practices were documented in the reflection journal. One of the examples included was a large group activity that took place over several weeks.
Services not meeting Element 3.3.2

Observation

At a long day care service, the authorised officer noted that while the director held a vision for the implementation of sustainability initiatives across the service, little to no evidence of this vision was observed in practice. While key structures like the construction of a chicken coop, vegetable garden beds and a worm farm were in place, there was no evidence to demonstrate that they were used.

At a family day care service, there was limited evidence to demonstrate that strategies had been used by educators to assist children to develop an understanding and respect for the natural environment. Although there were recycle and waste bins evident at some educators’ residences, it was evident the children were not familiar with their purpose.

At an outside school hours care service, it was noted by the authorised officer that previously some opportunities were provided for children to develop their understandings of environmental responsibility. However, since the service had moved to a new building, the authorised officer was unable to observe evidence these practices had been reinstated.
Discussion

At a kindergarten, the Nominated Supervisor described how she is planning to implement environmental awareness days at the service. However, opportunities for children to increase their knowledge and respect for natural and constructed environments and the interdependence of living things have not yet been provided.

At a family day care service, children were not supported to become environmentally responsible and show respect for the environment, in that there was no evidence the children were engaged or supported in understanding environmental sustainability. For example, when one educator was asked how they supported children’s awareness of sustainability, the educator explained she did all the recycling but had not involved the children.

At an outside school hours care service, there were no opportunities for educators and children to learn about and promote the sustainable use of resources. In discussion, the coordinator was unable to provide any examples of this type of learning being undertaken.

Documentation

At a preschool, the authorised officer noted educators had documented children’s learning in relation to caring for the environment on a displayed learning story, but found there was no evidence it had been followed up in the children’s programming documentation.

At a long day care service, the authorised officer recorded that, while some opportunities for children to become environmentally responsible were evident in some rooms, these opportunities were not made available to all children across the service. In addition, the service’s QIP acknowledged the service is still working towards implementing sustainable practices across the service and supporting children to become environmentally responsible.

At an outside school hours care service, the authorised officer noted in the service’s QIP they planned to develop a composting procedure by the time of the assessment visit, but there was no evidence at the visit that any such development had taken place.
Conclusion

This paper has highlighted the importance of the design of the physical environment in creating stimulating learning environments for children. In addition to playing a critical role in keeping children safe, the physical environment plays an important role in determining the quality of children’s learning and experiences.

The NQS and the approved learning frameworks emphasise the positive impact the physical environment can have on children’s learning and experiences. While the physical environment is the focus of Quality Area 3 of the NQS, it also has relevance more broadly across all quality areas. Similarly, children’s respect for the environment is reflected in the approved learning frameworks as a learning outcome, while ‘learning environments/environments’ are identified as one of eight pedagogical practices promoting children’s learning.

The contribution outdoor learning spaces have in developing children’s understanding of the natural environment is a core aspect of the NQS and the approved learning frameworks. Analysis of quality rating results shows that the least likely of the elements in Quality Area 3 to be assessed as Met are the two elements under Standard 3.3, which broadly relate to the concept of ‘sustainable environments’.

Variations in results for Quality Area 3 were evident according to a range of provider and service characteristics – in particular service sub-type, provider management type, remoteness and jurisdiction. While some results reflect the trends apparent in overall quality rating results, there are some other factors that may explain variation in quality rating results for this specific quality area. Higher proportions of preschool/kindergarten services explain some of the variation in quality ratings for Quality Area 3 between jurisdictions, for instance.

Implications and future directions

There has been an increasing focus in contemporary research on the contribution of the physical environment to children’s learning and development, including the importance of sustainable practices. This is reflected by its central role as an individual quality area of the NQS, as well as its focus in the approved learning frameworks as a learning outcome. There is a wide range of resources and support materials available for providers and services to help them understand the elements and standards underpinning Quality Area 3, as well as the requirements of the National Law and National Regulations. Many resources have been referenced in this paper, with more available on the ACECQA website.

The findings of this paper highlight that some providers and service types are performing better than others, with factors such as unique operating contexts potentially influencing a service’s ability to design and adapt their environments for learning.
Available resources provide helpful guidance for all service types on the physical environment and sustainability, such as articles on ACECQA’s ‘We Hear You’ blog\textsuperscript{27} and resources on Early Childhood Australia’s Learning Hub,\textsuperscript{28} the Early Childhood Resource Hub,\textsuperscript{29} and the Cool Australia website.\textsuperscript{30}

Standard 3.3 relating to sustainable practice was identified in this paper as being one of the most challenging standards of the NQS. To assist services to meet this challenging aspect of Quality Area 3, sustainable environments was one of a number of optional topics for ACECQA’s Quality Practice Workshops in 2016-17, which are run in conjunction with state and territory regulatory authorities. A summary of these workshops will be available on ACECQA’s website for all providers and services to access in mid-2017.

### Revised National Quality Standard

Education Ministers have agreed to changes to the NQF following a review of the National Partnership Agreement on the National Quality Agenda (NQA) for Early Childhood Education and Care.

Ministers have agreed to a number of recommendations for changes to the National Law and National Regulations to maintain quality outcomes for children, while balancing the need to reduce red tape and unnecessary administrative burden for approved providers and educators.

The changes to the NQF are outlined in the Decision Regulation Impact Statement (Decision RIS).\textsuperscript{31} One of the main changes is the introduction of a revised NQS that removes conceptual overlap between elements and standards, clarifies language and reduces the number of standards from 18 to 15, and the number of elements from 58 to 40.

The revised NQS, which will be introduced from February 2018, is included in Appendix E of the Decision RIS.

For Quality Area 3, the main changes are that it will:

- consist of fewer standards and elements – two standards instead of three, and five elements instead of seven
- clarify the quality concept in each element and standard, reducing duplication and overlap
- use language that can be more readily and consistently understood

An outline of the revised NQS for Quality Area 3 is shown in Table 7.

\textsuperscript{27} ACECQA, Taking an active role in the environment and promoting a sustainable future.
\textsuperscript{28} Early Childhood Australia Learning Hub, Education for Sustainability.
\textsuperscript{29} Early Childhood Resource Hub, Talking about practice: Embedding sustainable practices.
\textsuperscript{30} Cool Australia, Sustainability Audit Activity – Early Learning.
\textsuperscript{31} Education Council, Decision Regulation Impact Statement for changes to the National Quality Framework.
### Table 7 Revised Quality Area 3 of the NQS – to be introduced from February 2018

<table>
<thead>
<tr>
<th>QA3</th>
<th>Physical environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Design</td>
<td>The design of the facilities is appropriate for the operation of a service.</td>
</tr>
<tr>
<td>3.1.1 Fit for purpose</td>
<td>Outdoor and indoor spaces, buildings, fixtures and fittings are suitable for their purpose, including supporting the access of every child.</td>
</tr>
<tr>
<td>3.1.2 Upkeep</td>
<td>Premises, furniture and equipment are safe, clean and well maintained.</td>
</tr>
<tr>
<td>3.2 Use</td>
<td>The service environment is inclusive, promotes competence and supports exploration and play-based learning.</td>
</tr>
<tr>
<td>3.2.1 Inclusive environment</td>
<td>Outdoor and indoor spaces are organised and adapted to support every child’s participation and to engage every child in quality experiences in both built and natural environments.</td>
</tr>
<tr>
<td>3.2.2 Resources support play-based learning</td>
<td>Resources, materials and equipment allow for multiple uses, are sufficient in number, and enable every child to engage in play-based learning.</td>
</tr>
<tr>
<td>3.2.3 Environmentally responsible</td>
<td>The service cares for the environment and supports children to become environmentally responsible.</td>
</tr>
</tbody>
</table>

As can be seen in Table 7, one of the changes relates to the sustainability elements. Stakeholder feedback initially provided as part of the Productivity Commission Inquiry into Childcare and Early Childhood Learning noted several concerns with Element 3.3.1 and 3.3.2, including that they were too subjective and unnecessarily burdensome.\(^{32}\)

It was agreed as part of the NQA Review that sustainability is an important concept and needed to be maintained, but that adjustments were necessary to make it clearer for services and authorised officers. The duplication and conceptual overlap was addressed by capturing sustainability within a single discrete element. Furthermore, the notion of ‘embeddedness’ was removed from the element level ‘Meeting’ descriptor, and will instead be reflected in the ‘Exceeding’ level assessment for all standards, with a clearer definition of what ‘exceeding practice’ looks like.

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\(^{32}\) Productivity Commission, Childcare and Early Childhood Learning, p. 255.
References


Committee on the Rights of the Child (2013) *General comment No. 17 on the right of the child to rest, leisure, play, recreational activities, cultural life and the arts* (article 31), United Nations, Geneva.

Cool Australia – [www.coolaustralia.org](http://www.coolaustralia.org)


Appendix A

Responsibilities of the approved provider, nominated supervisor and FDC educator in relation to the physical environment

Table 8 shows each requirement under the National Law along with the following associated information:

- the related NQS element
- the person to whom the requirement is attached, such as the approved provider, nominated supervisor or FDC educator
- the penalty, if any, that attaches to the requirement
- whether a waiver may be applicable to the requirement.

<table>
<thead>
<tr>
<th>NQS Element</th>
<th>Requirement</th>
<th>Approved provider</th>
<th>Nominated supervisor</th>
<th>FDC educator</th>
<th>Offence</th>
<th>Infringement notice</th>
<th>Compliance direction</th>
<th>Waiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1.2</td>
<td>Premises, furniture and equipment to be safe, clean and in good repair (Regulation 103)</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
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<td></td>
<td>✔</td>
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<tr>
<td>3.1.1</td>
<td>Fencing (Regulation 104)</td>
<td>✔</td>
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<tr>
<td>3.2.2</td>
<td>Furniture, materials and equipment (Regulation 105)</td>
<td>✔</td>
<td></td>
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<tr>
<td>3.1.1</td>
<td>Laundry and hygiene facilities (Regulation 106)</td>
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<td></td>
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<tr>
<td>3.1.1</td>
<td>Space requirements – indoor space (Regulation 107)</td>
<td>✔</td>
<td></td>
<td></td>
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<td>✔</td>
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<tr>
<td>3.1.1</td>
<td>Space requirements – outdoor space (Regulation 108)</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
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<tr>
<td>NQS Element</td>
<td>Requirement</td>
<td>Approved provider</td>
<td>Nominated supervisor</td>
<td>FDC educator</td>
<td>Offence</td>
<td>Infringement notice</td>
<td>Compliance direction</td>
<td>Waiver</td>
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<td>3.1.1</td>
<td>Toilet and hygiene facilities (Regulation 109)</td>
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<tr>
<td>3.1.1</td>
<td>Ventilation and natural light (Regulation 110)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1.1</td>
<td>Administrative space (Regulation 111)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3.1.1</td>
<td>Nappy change facilities (Regulation 112)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2.1</td>
<td>Outdoor space – natural environment (Regulation 113)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3.1.1</td>
<td>Outdoor space – shade (Regulation 114)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1.3</td>
<td>Premises designed to facilitate supervision (Regulation 115)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3.1.2</td>
<td>Assessments of family day care residences and approved family day care venues (Regulation 116)</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>3.1.1</td>
<td>Glass (Regulation 117)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Appendix B

Limitations of the findings

A number of limitations of the analyses provided in this paper should be acknowledged.

Firstly, given that around 15% of approved services are yet to be quality rated, caution should be applied before generalising findings to all services. Although over 85% of services have been quality rated nationally, in South Australia the proportion is less than 70%.

A second limitation stems from service sub-type and provider management type data. While data quality testing undertaken by ACECQA suggests a reasonably high level of accuracy in these variables, there may be some degree of inaccuracy.

Progress of assessment and rating

The NQS rating system applies to over 15,000 education and care services and is administered by authorised officers appointed by eight state and territory regulatory authorities.

Authorised officers from state and territory regulatory authorities review a service’s compliance history and Quality Improvement Plan before visiting the service, typically for one to two days. During the visit, authorised officers spend time observing and discussing practice, speaking with educators, managers, providers and other staff, and reviewing documentation. Since quality rating started in mid-2012, more than 13,000 education and care services have been rated, representing over 85% of all approved services in Australia.

Tables 9 to 13 show the number and proportion of services that have been assessed and rated according to a range of service characteristics such as jurisdiction, service sub-type, provider management type, SEIFA ranking and remoteness classification.
Table 9 Progress of assessment and rating by jurisdiction

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Number of approved services</th>
<th>Number of services with quality rating</th>
<th>Proportion of services with quality rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>351</td>
<td>304</td>
<td>87%</td>
</tr>
<tr>
<td>NSW</td>
<td>5350</td>
<td>4502</td>
<td>84%</td>
</tr>
<tr>
<td>NT</td>
<td>219</td>
<td>204</td>
<td>93%</td>
</tr>
<tr>
<td>QLD</td>
<td>2856</td>
<td>2616</td>
<td>92%</td>
</tr>
<tr>
<td>SA</td>
<td>1165</td>
<td>791</td>
<td>68%</td>
</tr>
<tr>
<td>TAS</td>
<td>231</td>
<td>220</td>
<td>95%</td>
</tr>
<tr>
<td>VIC</td>
<td>4108</td>
<td>3792</td>
<td>92%</td>
</tr>
<tr>
<td>WA</td>
<td>1154</td>
<td>883</td>
<td>77%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15,434</td>
<td>13,312</td>
<td>86%</td>
</tr>
</tbody>
</table>

As at 31 December 2016, of the 13,312 services with a quality rating:

- 30% are rated at Exceeding NQS
- 42% are rated at Meeting NQS
- 27% are rated at Working Towards NQS
- 53 are rated as Excellent (by ACECQA)
- 33 are rated at Significant Improvement Required.

Table 10 Number of approved services, and number and percentage of services with a quality rating by service sub-type

<table>
<thead>
<tr>
<th>Service sub-type</th>
<th>Total number of approved services</th>
<th>Number of services with a quality rating</th>
<th>% of services with a quality rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long day care</td>
<td>7009</td>
<td>6377</td>
<td>91%</td>
</tr>
<tr>
<td>Preschool/kindergarten</td>
<td>3111</td>
<td>2850</td>
<td>92%</td>
</tr>
<tr>
<td>Outside school hours care</td>
<td>4306</td>
<td>3520</td>
<td>82%</td>
</tr>
<tr>
<td>Family day care</td>
<td>1000</td>
<td>562</td>
<td>56%</td>
</tr>
<tr>
<td>Unreported service type</td>
<td>8</td>
<td>3</td>
<td>38%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15,434</td>
<td>13,312</td>
<td>86%</td>
</tr>
</tbody>
</table>
Table 11 Number of approved services, and number and percentage of services with a quality rating by provider management type

<table>
<thead>
<tr>
<th>Service sub-type</th>
<th>Total number of approved services</th>
<th>Number of services with a quality rating</th>
<th>% of services with a quality rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private for profit</td>
<td>7150</td>
<td>5793</td>
<td>81%</td>
</tr>
<tr>
<td>Private not for profit community managed</td>
<td>3737</td>
<td>3463</td>
<td>93%</td>
</tr>
<tr>
<td>Private not for profit other organisations</td>
<td>1859</td>
<td>1721</td>
<td>93%</td>
</tr>
<tr>
<td>State/territory and local government managed</td>
<td>1303</td>
<td>1097</td>
<td>84%</td>
</tr>
<tr>
<td>State/territory government schools</td>
<td>742</td>
<td>686</td>
<td>92%</td>
</tr>
<tr>
<td>Independent schools</td>
<td>445</td>
<td>383</td>
<td>86%</td>
</tr>
<tr>
<td>Catholic schools</td>
<td>174</td>
<td>149</td>
<td>86%</td>
</tr>
<tr>
<td>Other</td>
<td>18</td>
<td>14</td>
<td>78%</td>
</tr>
<tr>
<td>Not stated</td>
<td>6</td>
<td>6</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>15,434</strong></td>
<td><strong>13,312</strong></td>
<td><strong>86%</strong></td>
</tr>
</tbody>
</table>
### Table 12 Number of approved centre-based services and number and percentage of centre-based services with a quality rating by SEIFA ranking

<table>
<thead>
<tr>
<th>SEIFA ranking</th>
<th>Total number of approved services</th>
<th>Number of services with a quality rating</th>
<th>% of services with a quality rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 (least disadvantaged)</td>
<td>1158</td>
<td>1000</td>
<td>86%</td>
</tr>
<tr>
<td>9</td>
<td>1261</td>
<td>1079</td>
<td>86%</td>
</tr>
<tr>
<td>8</td>
<td>1346</td>
<td>1187</td>
<td>88%</td>
</tr>
<tr>
<td>7</td>
<td>1285</td>
<td>1132</td>
<td>88%</td>
</tr>
<tr>
<td>6</td>
<td>1350</td>
<td>1185</td>
<td>88%</td>
</tr>
<tr>
<td>5</td>
<td>1332</td>
<td>1183</td>
<td>89%</td>
</tr>
<tr>
<td>4</td>
<td>1455</td>
<td>1315</td>
<td>90%</td>
</tr>
<tr>
<td>3</td>
<td>1433</td>
<td>1287</td>
<td>90%</td>
</tr>
<tr>
<td>2</td>
<td>1616</td>
<td>1464</td>
<td>91%</td>
</tr>
<tr>
<td>1 (most disadvantaged)</td>
<td>1628</td>
<td>1466</td>
<td>90%</td>
</tr>
<tr>
<td>N/A (incl. FDC)</td>
<td>1570</td>
<td>1014</td>
<td>65%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>15,434</strong></td>
<td><strong>13,312</strong></td>
<td><strong>86%</strong></td>
</tr>
</tbody>
</table>

1 FDC services are excluded from the SEIFA and ARIA+ classifications because their approval is not specific to one location.

### Table 13 Number of approved centre-based services and number and percentage of centre-based services with a quality rating by remoteness classification

<table>
<thead>
<tr>
<th>ARIA+ classification</th>
<th>Total number of approved services</th>
<th>Number of services with a quality rating</th>
<th>% of services with a quality rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major cities of Australia</td>
<td>10,238</td>
<td>8976</td>
<td>88%</td>
</tr>
<tr>
<td>Inner regional Australia</td>
<td>2498</td>
<td>2313</td>
<td>93%</td>
</tr>
<tr>
<td>Outer regional Australia</td>
<td>1201</td>
<td>1079</td>
<td>90%</td>
</tr>
<tr>
<td>Remote Australia</td>
<td>197</td>
<td>163</td>
<td>83%</td>
</tr>
<tr>
<td>Very Remote Australia</td>
<td>129</td>
<td>110</td>
<td>85%</td>
</tr>
<tr>
<td>N/A (incl. FDC)</td>
<td>1171</td>
<td>671</td>
<td>57%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>15,434</strong></td>
<td><strong>13,312</strong></td>
<td><strong>86%</strong></td>
</tr>
</tbody>
</table>

1 FDC services are excluded from the SEIFA and ARIA+ classifications because their approval is not specific to one location.