



To	Hon David Seymour, Minister for Regulation		
Title	Early Childhood Education Regulatory Review: Themes from direct engagement	Number	MFR2024-121
Date	20 September 2024	Priority:	Low
Action Sought	Note	Due Date	N/A
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Attachments	No	Security Level	IN CONFIDENCE

Purpose

1. This report provides you with a summary of the information gathered by the early childhood education regulatory review (the Review) through its direct engagement with a range of early childhood education (ECE) stakeholders. A summary of the themes from the written submission process will be provided to you in mid-October, as analysis of that information is on-going by the Ministry for Regulation (the Ministry).
2. For the purposes of this report, the information may not all relate to regulation and has not been verified or analysed alongside other evidence and sources of information, nor does it represent the findings of the Review. Proposed solutions have been identified by stakeholders; they are not the Ministry's recommendations. The Review's findings and recommendations are still subject to analysis and testing.

Executive Summary

3. The Review has been engaging across the ECE sector and with interested parties since early June. The purpose of this engagement was three-fold: (1) to identify lines of inquiry; (2) to gather evidence about the specifics, scale and scope of existing lines of inquiry, and (3) to understand solutions proposed by stakeholders to identified problems.
4. The Review has met with more than 30 service providers and non-government organisations, facilitated three online teacher forums, visited twelve ECE settings, held a fono with Pacific service providers and organisations and engaged with two existing Ministry of Education ECE Advisory Groups.¹
5. Closing on 31 August, the Review received 2,330 written submissions, which are currently being analysed. You will receive a further report in mid-October that summarises the themes from the written submissions, including what was found through the quantitative questions asked in the questionnaires.

¹ The Early Childhood Education Advisory Committee and the Early Learning Regulatory Review Advisory Group.



6. In terms of the direct engagement, notes were made at each engagement, which have been analysed, categorised into themes and summarised for use in the Review's analysis. The themes have been organised into six broad categories of problems that the Review has been told are preventing a well-functioning ECE market in New Zealand and / or preventing the achievement of positive outcomes for children and their families. This is alongside what the Review has been told about what parents want and look for in the ECE market.
7. **By way of overarching summary, the Review was told through direct engagement that the ECE sector is facing a high number of challenges which current public policy interventions are failing to solve.** Stakeholders had a range of ideas about how to solve some of the presenting problems, which are being considered by the Review in forming its recommendations. Most of these suggestions were for different regulatory interventions, as opposed to using other levers.
8. The paragraphs below summarise what stakeholders told the Review during direct engagement, noting that:
 - a. the engagement was with a range of groups and organisations with different views, and this is a summary of the whole – meaning that some stakeholders disagree with some themes.
 - b. these findings and recommendations will go through a testing process with relevant parties where needed.
 - c. in general, the written submissions go into more detail and provide a more nuanced story than was recorded through the direct engagement.
9. **Parents, families and children – what the Review heard about the demand story:** in some areas, or for some needs, there is limited choice for parents, particularly if parents want services outside of the mainstream types of supply. Parents want experienced staff with a range of qualities to look after and teach their children, including qualified ECE teachers. The needs of disabled, neurodivergent and medically fragile children are not well catered to by the current ECE market. Stakeholders of all types spoke about the critical role of ECE in children's wellbeing, development and learning. They commonly referenced the importance of the first 1000 days of a child's life and using evidence-based approaches to the design and delivery of ECE.
10. **People who look after children – what the Review heard about workforce problems:** there are not enough adults working with children in ECE centres to ensure children are safe and being taught and developing as they should. Teachers are spending too much time on compliance-based activities. In some areas there is a workforce supply problem, and home-based services are declining partly due to not having enough educators to sustain their services. Solutions proposed included regulating for higher ratios of adults to children, removing some of the compliance-based activities and paperwork and changing qualification requirements for teacher registration and home-based educators.
11. **Places children go – what the Review heard about problems with facilities:** the physical conditions and environment of ECEs are critical to children's learning and development and some are not good enough. Solutions proposed included regulating for higher minimum standards than current.



12. **Points of difference in service offerings – what the Review heard about barriers to market entry, expansion and innovation:** there is a lack of innovation in the ECE market, property and building costs are barriers to expansion and home-based services are declining because it is too hard for them to enter the market (and stay in the market). Solutions proposed included making regulatory requirements easier to understand.
13. **Picture perfect information – what the Review heard about information asymmetry:** some parents do not know the value of quality ECE or what quality ECE looks like. There is a lack of transparency about the performance of ECE centres and about how fees are set. Solutions proposed included government requiring greater transparency from service providers.
14. **Prices and accessibility – what the Review heard about problems with affordability and accessibility:** some children are effectively excluded from ECE due to financial and other barriers. No specific solutions beyond funding solutions were proposed, but there was some expectation that other proposed solutions would partly alleviate these problems.
15. **Public policy interventions – what the Review heard about problems with current public policy interventions:** issues raised with the regulatory framework were that some regulatory interventions are:
 - a. not delivering services families need or are not delivering the learning, development and wellbeing outcomes for children that stakeholders think Government should be aiming for. Examples include that current interventions are failing because they are not based on up-to-date evidence, take a one-size-fits-all approach and that the implementation (not the framework itself) is poor.
 - b. not addressing existing problems. Examples include that current interventions are a barrier to solving workforce supply issues and that there are gaps in the current regulatory framework.
 - c. creating new problems through unintended consequences. Examples include that licencing criteria are unclear, documentation requirements place unnecessary administrative burden on services and that the Ministry of Education and Education Review Office's approach to regulating the sector is too compliance focused and unsupportive of service providers.



Recommended Action

We recommend that you:

- a **Note** that the early childhood education regulatory review (the Review) has substantively completed its direct engagement with stakeholders *Noted*
- b **Note** that what the Review was told during direct engagement has been analysed and summarised *Noted*
- c **Note** that the overarching theme from direct engagement was that the ECE sector is facing a high number of challenges which are not being addressed by current public policy interventions and there are different views about how to solve those challenges *Noted*
- d **Note** that analysis of the 2,330 written submissions received by the Review is ongoing, and these go into substantially more detail and contain different views to the direct engagement *Noted*
- e **Note** that you will receive a briefing in mid-October 2024 containing a summary of themes from all engagement completed by the Review *Noted*

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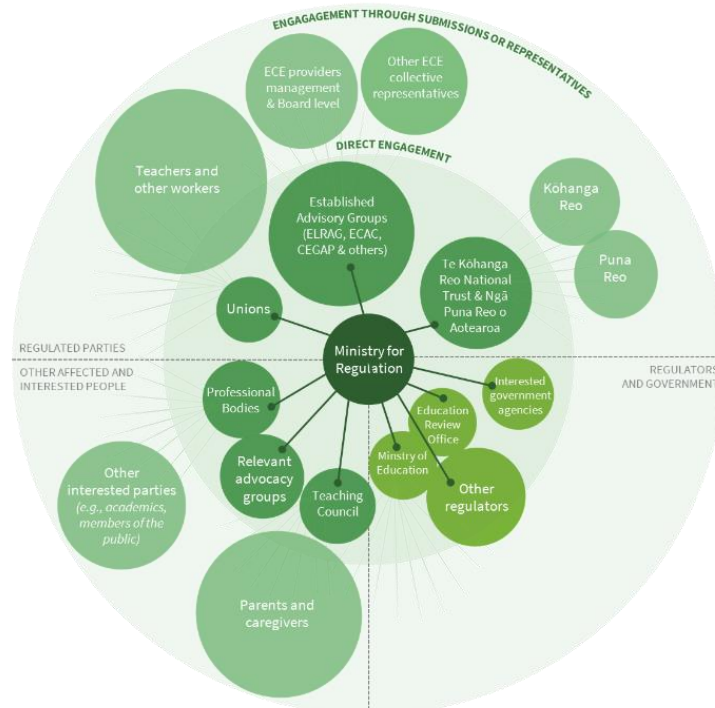
ECE Regulatory Review
Ministry for Regulation
Date: 20 September 2024

Hon David Seymour
Minister for Regulation
Date:



Background

1. Engagement for the purpose of gathering evidence for the Review to consider is nearly complete, and the written submissions process has closed with 2,330 submissions received. A table providing details of the direct engagement undertaken is attached as **Appendix A**.
2. The Review sought to engage with the ECE sector through two methods – directly and indirectly – for three purposes. Those purposes were to (1) identify lines of inquiry for the Review, (2) gather evidence about the specifics, scale and scope of existing lines of inquiry / identified problems, and (3) understand proposed solutions to identified problems.
3. The Review has directly engaged through meetings, workshops, conference attendance and visits to a small number of ECE settings (briefing 2024-017 refers). Indirect engagement has been through a formal written submission process (briefing 2024-017 refers).
4. The diagram below shows how the Review engaged with regulated parties, parents and caregivers, people who work in the ECE sector, and other interested people.





Context of the direct engagement and this report

5. Most of the Review's direct engagement has been with service providers and their representatives. The exceptions to that are engagement with:
 - a. People who work in ECEs via three online forums, through the Union NZEI Te Riu Roa, on visits to ECEs and through groups that represent both workers and service providers (such as the Office of Early Childhood Education and ECE Reform).
 - b. Parents via one representative group, and through Ngā Puna Reo o Aotearoa and Te Kōhanga Reo National Trust, who engaged with their whānau on the Review's behalf.
6. Notes made by the Review team during the direct engagement have been analysed and statements grouped into themes.
7. As can be seen by the list in **Appendix A**, the direct engagement was with groups of different types and sizes. The engagements were with small service providers, large service providers, and peak bodies or advocacy groups that represent varied sections and proportions of the ECE sector (hereafter referred to as representative groups).
8. This report gives an indication of how often points were raised by indicating when an issue was raised more commonly than others and stating if only one group talked about a particular issue. The next report will quantify the themes from the written submissions.
9. As stated in paragraph two, it is worth remembering that this report is a summary of what the Review was told during its direct engagement. It does not represent the findings of the Review, which will consider broader sources of evidence alongside the evidence gathered through engagement and more detailed written submissions.

Themes from direct engagement

10. The themes in this report are organised into six broad categories of problems that the Review was told are preventing a well-functioning ECE market in New Zealand and / or preventing the achievement of positive outcomes for children and their families. There is also an additional category, which is what parents told the Review they want and need from the ECE market.
11. The categories of problems that the Review was told about are:
 - a. problems faced by parents in finding the services they want and need – i.e., the story from **parents, families and children (the demand story)**
 - b. problems with the ECE workforce– i.e., about **people who look after children**
 - c. problems with ECE facilities – i.e., about **the places children go**
 - d. barriers to market entry, expansion and innovation and that prevent flexibility to meet future demand(s) – i.e., about **points of difference in service offerings**



- e. information asymmetry between service providers (supply) and parents and caregivers (demand) – i.e., about **picture perfect information**
 - f. problems with the affordability and accessibility of service offerings – i.e., about **prices and accessibility**
 - g. public policy interventions that are not achieving their aims, are more onerous than necessary to achieve their aims, or have had unintended consequences – i.e., about other parts of the **regulatory framework** and how it has been implemented.
12. The volume of issues the Review was told about through direct engagement is high. There is agreement that current government intervention in the ECE market is not achieving the outcomes for parents and children that sector players think it should be. Different groups expressed a range of divergent views, and views differed significantly on how the problems should be solved.
13. In some areas, groups and individuals talked to the Review about the causes of the problems they were experiencing, and sometimes proposed solutions. In other instances, the focus was on the problem and not necessarily the cause. This is reflected in the summaries provided below. Where specific solutions were proposed they are in italics following the problem statement.

Parents, caregivers, families and children – the demand story

14. The bullet points below summarise what the Review was told through direct engagement about ‘the demand story’.
- Parents want and need education and childcare for their children from before 6 months old until they start compulsory school. Service providers, representative groups and teachers told the Review that:
 - some parents have to enrol their children in ECE that they are not comfortable with or does not meet their needs because they have no other choices.
 - while fewer parents look for services for children in the younger age groups, particularly under 6 months old, demand for places for children under the age of 2 may exceed supply.
 - some parents look for ECE options earlier than they would like because of the financial need to return to work (one service provider had recently enrolled a six-week-old baby).
 - many parents enrol children for full days / full weeks, but there is increasing demand for shorter session enrolment that is not being met. The one (large) service provider that said this also talked about the changes following the COVID-19 lockdowns and increased working from home in many areas.
 - “education” and “care” cannot be separated and for education and learning to happen the “care” in ECE must be done well – which requires a series of settings to be in place.



- Disabled and neurodivergent children and children who are medically fragile have specific needs that ECE needs to respond to. These issues were raised more commonly than others. Service providers and teachers told the Review that:
 - many ECEs in New Zealand are not currently able to meet the needs of disabled, neurodivergent and medically fragile children well, and parents can struggle to find ECEs that will enrol these children.
 - the perception is that a growing number of children in ECE are disabled, neurodivergent or medically fragile.
 - one service provider said that they were seeing disabled and neurodivergent children staying in ECE beyond age 5 (whereas most go to school at or close to turning 5) because primary schools were delaying their start dates.
 - one teacher highlighted that Learning Support is available only during term time, whereas many ECEs are open year-round, and children attend year-round.
 - Parents want experienced staff with a range of qualities to look after and teach their children, including qualified ECE teachers. The Review was told that:
 - parents want qualified teachers to work with their children, and want people who genuinely care for their children, make them feel safe and get to know the family.
 - Some parents want and / or need services that are “outside of the mainstream”. The Review was told that:
 - parents have varied preferences and choice and diversity in the market is therefore important.
 - there is high demand for Kōhanga Reo and Puna Reo that cannot currently be met.
 - there is demand for correspondence ECE that cannot be met by the current provider (Te Kura), partly because of government eligibility criteria.
 - some parents need services that fit around shift work.
16. In addition, an underlying theme from the direct engagement related to the needs of children and how critical ECE was in responding to them. Stakeholders of all types spoke about the criticality of the first 1000 days of a child’s life and the important role ECE plays in children’s wellbeing, development and learning. Some stakeholders said that the Review should consider its recommendations against whether they are in the best interests of children.



People who look after children

15. The bullet points below summarise the problems raised about the ECE workforce and requirements placed on them.
- ECE teachers are burning out. These issues were raised more commonly than others, mostly by teachers but also by some representative groups and service providers. The Review was told that the “joy has been taken out of the job”. Multiple causes of this were referenced during direct engagement by both service providers and teachers, generally relating to working conditions. These causes included:
 - working in environments with too few adults to children, meaning they could not meet children’s needs or capitalise on teachable moments. The phrase “crowd control” was used. *Proposed solution: regulate for higher ratios of adults to children, reduce the regulated maximum service size, regulate group size.*
 - not having enough time to complete the high volume of paperwork. This is both taking them away from spending time with the children and meaning they are completing unpaid work. *Proposed solution: reduce the volume of paperwork² and regulate for higher ratios of adults to children.*
 - ECE teachers are spending too much time on compliance activities and not enough time with children. This issue was raised more commonly than others, mostly by service providers and representative groups. *Proposed solution: remove some of the compliance activities,³ reduce the volume of paperwork and regulate for higher ratios of adults to children.*
 - There are not enough adults working in ECE centres to ensure children are safe and being taught and developing as they should. This issue was raised more commonly than others, mostly by teachers, and some service providers and representative groups. *Proposed solution: regulate for higher ratios of adults to children.*
 - ECE teaching is not seen and respected as a profession, which drives poor conditions. This issue was raised more commonly than others, mostly by teachers and some service providers and representative groups. *Proposed solution: a mix of solutions across various problems were referred to when talking about this.*
 - Kōhanga Reo, Puna Reo and Pacific led services do not have access to enough staff with the language fluency required, and the qualification requirements in the regulatory framework are limiting their workforce. *Proposed solution: change the requirements for teacher registration.*
 - There are not enough qualified ECE teachers available and working in ECE services to ensure children are being taught and developing as they should. This issue was raised more commonly than others, mostly by service providers. The Review was told that:
 - qualified ECE teachers are required to work with pre-school children to set children up for life-long learning and ensure they start school with the required

² The questionnaires and written submissions have a high volume of proposed specifics for this solution.

³ Ibid.



literacy, numeracy, social and emotional skills. One teacher talked about having worked in the sector for many years without the ECE teaching qualification and the difference having the qualification made to her interactions with children and the quality of her work. This was mostly said by teachers, but also by some service providers. *Proposed solution: regulate for a different minimum proportion of qualified teachers than current.*

- some groups and individuals said that 100% of staff at ECE centres should be qualified teachers. This was mostly said by teachers and some service providers. *Proposed solution: regulate for this.*
- rural and provincial areas have more trouble finding qualified staff than urban areas. This was said by service providers. The Review was told of one example where an ECE centre closed due to not being able to recruit and retain enough qualified staff.
- the sector has become increasingly reliant on relief teachers, who are not able to form the attachments children need to learn and develop and place additional burden on permanent staff. This was said by one representative group and some teachers.
- Home-based services do not have access to enough educators to sustain their services and meet demand. Home-based service providers told the Review that home-based services are closing at a high rate every month due to the qualification requirements in the regulatory framework (this is covered more in the public policy intervention section). *Proposed solution: change the current qualification requirements to be more flexible.*

Places children go

16. The bullet points below summarise the problems raised about ECE facilities during direct engagement.
- The physical conditions and environment of ECEs are critical to children's learning and development, and some current conditions and environments are not good enough. One group submitted that some ECE environments elevate the cortisol levels of children, which can have detrimental short- and long-term effects. The Review was told that calm, home-like environments are required, particularly given the length of time children spend at ECE. These issues were said by one representative group, as well as some teachers and service providers. The Review was told that some current ECE centres:
 - do not have enough indoor and outdoor space for children. *Proposed solution: regulate for higher minimums for indoor and outdoor space.*
 - do not use space well, particularly outdoor space. *Proposed solutions: provide more / better guidance for how to use outdoor space well.*
 - have low air-quality and are too loud due to the location of centres and how many children attend them at one time. *Proposed solution: reduce the regulated maximum service size.*



Points of difference in service offerings

17. The bullet points below summarise the problems raised about barriers to entry to the market, expansion and innovation during direct engagement. These areas are more fully covered in written submissions, and were not discussed much during direct engagement.
- There is a lack of innovation in the ECE market. One service provider group told the Review that this was both in terms of looking at new ways of doing things or new models of delivery to meet parents' and children's needs. *Proposed solution: one suggestion of a new model was a home-based model allowing for 2 educators and up to 8 children, instead of the current 1 educator to 4 children.*
 - The number of home-based places and home-based services is declining, partly because it is too hard to enter the market. *Proposed solution: make regulatory requirements easier to understand through condensing and summarising licencing criteria, change the current qualification requirements to be more flexible.*
 - Property costs and building costs are barriers to service providers expanding.

Picture perfect information

18. The bullet points below summarise the information asymmetry⁴ the Review was told about in the ECE market during direct engagement. These issues were raised by representative groups and some service providers, and were not discussed much during direct engagement.
- Some parents do not know the importance of ECE, and of quality ECE, for children's life-long learning and development. This impacts how they choose ECE for their children.
 - Some parents do not know what good quality ECE looks like.
 - Some parents do not know how to complain, or do not feel comfortable to complain to their service provider or the regulator.
 - There is a lack of transparency about whether ECE centres are performing well or not, how fees are set and what fees and funding are used for. *Proposed solution: government to require greater transparency in these areas.*

Prices and accessibility

19. The bullet points below summarise the problems the Review was told about the affordability and accessibility of ECE services. In this context accessibility means both accessibility due to affordability as well as other factors. Affordability of services was not a key feature of the direct engagement and is more fully covered in written submissions.
- Some children are effectively excluded from ECE because of living in poverty, being from a low-income family or having parents with needs including drug and alcohol addiction, mental health issues and family violence. Some service providers told the Review that affordability of ECE was about the fees as well as being able to pay for transport, food and clothing.

⁴ Information asymmetry is where markets can be ineffective if one party has significantly more information than the other.



- Some areas of the country are over-supplied with ECE places, while others are under-supplied. The Review was told that Auckland potentially has an over-supply of centre-based ECE places. This was said by one large service provider.

Public policy interventions

20. Public policy interventions need to find the best tool available to address presenting problems – including the numerous problems with the ECE market outlined in the preceding sections. The appropriate tool may be regulatory or another type of intervention.
21. The Review has heard through its direct engagement that the current public policy interventions in ECE are:
 - not delivering the services and outcomes children and families want and need (supply not meeting demand) or not delivering the learning, development and wellbeing outcomes for children that submitters think Government should be aiming for
 - not addressing presenting problems sufficiently
 - creating new problems through unintended consequences.
22. Alongside these issues, some stakeholders told the Review that the regulatory framework is fit-for-purpose, but how the framework has been implemented is an issue. This was said by some service providers, representative bodies and teachers at the three teachers' forums.
23. The table attached as **Appendix B** summarises what the Review has been told about the failure of public policy interventions, proposed solutions and alternative approaches through its direct engagement, using the categories of issues outlined above.

General sentiment about the Review

24. During direct engagement, the Review heard different views about the Review itself, and its potential outcomes. Some service providers and service provider groups were enthusiastic, seeing it as having potential to address many of the problems they and the sector are facing. Other groups and individuals expressed concern about intent of the Review and what the outcomes might be. Concern was predominantly expressed by teachers and groups that represent them.
25. The concerns expressed included that:
 - a. the timeframe of the Review, and its associated engagement timeline, was too short
 - b. changes to the regulatory framework could: put children at risk of physical or developmental harm; fail to sufficiently enhance children's development, learning and wellbeing; or fail to address the most pressing issues facing ECE.



Next Steps

26. The information contained in this report is being considered alongside other sources of evidence by the Review team in their analysis. Included in that is the information from the written submissions process, which continues to be analysed. You will receive a further report summarising themes from all engagement in mid-October.



Appendix A – list of who the Review has directly engaged with

This Appendix contains a list of organisations and people that the Review has engaged with since commencing its targeted in-depth engagement, which started in June 2024.

Group	Method of engagement
Ministry of Education Advisory Groups	
Early Learning Regulatory Review Advisory Group	Presentation and discussion at two meetings to date
Early Childhood Advisory Committee	Presentation and discussion at three meetings to date
Peak bodies and advocacy groups	
Advocates for Early Learning Excellence	Online meeting
ECE Parents Council	In-person meeting
Office of Early Childhood Education	In-person meeting
ECE Reform	In-person meeting
NZEI Te Riu Roa	Two in-person meetings Two online teachers' forums
Te Rito Maioha Early Childhood New Zealand	Online teachers' forum
Service providers	
Barnardos	In-person meeting
BestStart	Online meeting
Central Kids	Online meeting
Evolve Education Group	Online meeting
Home-based provider group (13 service providers)	Online meeting
KidsFirst Kindergartens	Online meeting
Montessori Aotearoa	Online meeting
Playcentre NZ	Two online meetings
Te Aho o Te Kura Pounamu	Online meeting



Group	Method of engagement
Daisy's	Online meeting
The Little School	In-person meeting
Māori and Pacific providers and representatives	
Te Kōhanga Reo National Trust	Three in-person meetings
Ngā Puna Reo o Aotearoa	One in-person meeting, two online meetings
Pacific providers	In-person fono in Auckland with 27 representatives of Pacific organisations
Conferences	
Office of Early Childhood Education Summit	Attendance at three relevant presentations
Early Childhood Council Conference	Attendance at the conference and presentation and discussion via a workshop
Kindergartens Aotearoa Forum	Presentation and discussion
Visits to ECE settings	
Private ECE centres	Four visited
Community-based ECE centres	One visited
Kindergarten	Three visited
Home-based	Two visited
Hospital-based	One visited
Playcentre	One visited
Pacific provided ECE centre	Visit planned
Kōhanga Reo	Visit planned
Puna Reo	Visit planned



Appendix B – public policy intervention themes the Review was told about during direct engagement

Category	Public policy intervention	Issue the Review has been told about
<p>Public policy interventions are not delivering services or outcomes families want or not delivering the learning, development and wellbeing outcomes for children that submitters think Government should be aiming for</p>	<p>The Education and Training Act and Education (Early Childhood Services) Regulations 2008 as a whole</p>	<p>The impact on children’s learning, development and wellbeing of the current regulatory framework has not been sufficiently considered, including that it is not based on up-to-date evidence.</p> <p><i>Proposed solution: This was talked about mostly in relation to stakeholders submitting that minimum ratios should be higher, proportion of qualified teacher staff requirements should be higher, maximum service size should be smaller, group size should be regulated and indoor and outside space minimum requirements should be higher.</i></p>
		<p>The regulatory framework (consisting of the primary and secondary legislation) is fit-for-purpose; however, it is not achieving its objectives because the implementation is poor. This was more commonly raised than other points, predominantly by teachers and some service providers.</p> <p><i>Proposed solution: covered in the sections below about how the regulatory framework is monitored and enforced.</i></p>
		<p>One group said that with good systems and processes compliance with the regulatory framework was not overly burdensome.</p>
		<p>The regulatory framework takes a one-size-fits-all approach which does not work for some types of service (that are sought by parents). This includes particularly parent-led services such as Playcentre, home-based services, Kōhanga Reo, Puna Reo and Pacific led services. Some of those services submitted that they would like their own licencing criteria, and home-based services said the regulatory framework is designed for centres and home-based is a “tack on”.</p> <p><i>Proposed solution: specific licencing criteria for some types of services, greater consideration of service type differences when making policy decisions.</i></p>



Category	Public policy intervention	Issue the Review has been told about
	Qualification requirements for centres	<p>Some submitters do not think current qualification requirements (that at least 50% of required staff hold a recognised qualification) are high enough to respond to the development and learning needs and objectives of pre-school children. This was said by some service providers and teachers.</p> <p><i>Proposed solution: some said that the requirement should be that 100% of required staff hold a recognised qualification. This was submitted on the basis that for children to be able to develop and learn as they should, they needed to have qualified teachers in front of them.</i></p>
	Ratio requirements for centres	<p>Current ratio requirements are too low and / or dividing ratios into only two age groups is too blunt. This means that services that operate at minimum requirements cannot keep children safe (including meet current minimum health and safety requirements), and cannot deliver good learning, development and wellbeing outcomes based on evidence of the importance of the first 1000 days in a child's life. This was more commonly raised than other issues, predominantly by teachers and some service providers.</p> <p><i>Proposed solution: regulate for higher ratios. Submitters made different suggestions for appropriate ratios, including drawing from other jurisdictions. These were also submitted as part of the written submissions process.</i></p>
	Service size maximums for centres	<p>Current service size maximums are too high. Service providers operating with high numbers of children cannot deliver good learning, development and wellbeing outcomes. This was raised by some representative groups.</p> <p><i>Proposed solution: regulate for smaller service size.</i></p> <p>One large service provider said the last increase in maximum service size was a very sensible change.</p>
	Indoor and outdoor space requirements	<p>Current indoor and outdoor space minimums are too low. Services that operate at minimum requirements are not providing sufficient opportunities for children to move, engage in different</p>



Category	Public policy intervention	Issue the Review has been told about
		<p>activities and have access to nature in line with up-to-date evidence. This was raised by some representative groups and some service providers.</p> <p><i>Proposed solution: Submitters made different suggestions for appropriate minimum requirements, and also said more / better guidance was needed about good use of space. Detailed suggestions were submitted as part of the written submission process.</i></p>
Public policy interventions are not addressing existing problems	Stated gap in current interventions	<p>The needs of disabled, neurodivergent and medically fragile children are not being met in ECEs and they are being turned away by service providers. The Review was told this by service providers and people who work in ECE. This issue was more commonly raised than others, by service providers, teachers and some representative groups.</p> <p><i>Proposed solution: most solutions suggested were related to funding and training.</i></p>
	Stated gap in current interventions	<p>Pacific service providers are “invisible” in the system and need a regulatory framework that reflects their worldview and enables them to deliver ECE to meet the needs of their communities. This was raised by Pacific providers.</p> <p><i>Proposed solution: specific licencing criteria / a specific regulatory approach to Pacific services.</i></p>
	Stated gap in current interventions	<p>Group size should be regulated in centres alongside ratios. This intervention would put limits on the number of children that could be in one physical space at a time and is something that is regulated in other jurisdictions. This was submitted as an intervention that would improve conditions for children in ECE centres in line with current evidence. This was raised by teachers and some representative groups.</p> <p><i>Proposed solution: regulate group size.</i></p>
	Stated gap in current interventions	<p>One service provider said that there should be regulatory requirements for the exclusion and restraint of children in ECE. This was submitted as an intervention that would provide teachers and other workers with rules to work within when physically intervening in children’s behaviour, to protect children and teachers. In relation to exclusion, this was submitted as an intervention that would put ECE in line with the compulsory school system where exclusion of children can happen only in specific circumstances. The position submitted was that currently exclusion and restraint</p>



Category	Public policy intervention	Issue the Review has been told about
		<p>happen, but without any governing framework meaning practice is varied. These issues were submitted particularly to be about the protection of disabled, neurodivergent and medically fragile children.</p> <p><i>Proposed solution: put regulatory requirements in place for the exclusion of children from ECE and for the restraint of children in ECE.</i></p>
	Licencing and action the regulator can take when there is non-compliance found	<p>There should be more regulatory tools available to the regulator to address poor performance.</p> <p>There were some different views about this. The more common view was that the regulator (the Ministry of Education) was overly compliance focused, with the minority view from some representative groups that it should be monitoring services more closely.</p> <p><i>Proposed solution: an approach to regulation that was more supportive to service providers, a higher-trust approach to regulation, different / more tools (the only specific suggestions here were not licensing in perpetuity and having fines and prosecution available for non-compliance).</i></p>
	Qualification requirements	<p>Various issues were raised with the qualification requirements by service providers, saying that the requirements were a barrier to solving the workforce supply issue. These issues included that:</p> <ul style="list-style-type: none">• The English language requirements for recognised qualifications mean that language immersion services are not able to hire staff who are fluent in the relevant language and have other qualities they are seeking. This is particularly for Pacific and Māori service providers. <i>Proposed solution: change the English language requirements.</i>• Home-based providers said that the home-based qualification requirements mean someone working towards a degree level qualification does not count towards the “qualified educator” requirements. However, a level 4 qualification that does fall within the definition can be attained within six months. <i>Proposed solution: expand the definition of a “qualified” home educator / make the requirements more flexible.</i>• Overseas Montessori qualifications are not recognised for registration. <i>Proposed solution: recognise overseas Montessori qualifications.</i>



Category	Public policy intervention	Issue the Review has been told about
Public policy interventions creating new problems through unintended consequences	The Education and Training Act and Education (Early Childhood Services) Regulations 2008 and associated licencing criteria as a whole	Public policy interventions change with each new government, which creates sustainability issues for service providers and the wider sector. Frequent change is hard to keep up with. This was raised by service providers.
		The licencing criteria are unclear and repetitive, making it difficult for service providers to understand what is required. <i>Proposed solution: review the licencing criteria with the intention to condense and summarise. Specific suggestions were made in the written submissions process.</i>
		One group submitted that the gazetted enrolment criteria for correspondence ECE unduly limited who could enrol in correspondence ECE. <i>Proposed solution: change the enrolment criteria.</i>
		One service provider said that greater expectations needed to be set at a sector level that service providers and centre managers are responsible for managing health and safety and noticing what is happening across their services. They said that due to current system settings there was a lack of ownership and governance across the sector.
	There are inconsistent requirements at a system level of government. Examples given included door handle height, fridge temperatures, emergency risk assessments, child protection approaches, safe sleep and choking. This was raised more commonly than other issues and was raised by service providers. <i>Proposed solutions: specific suggestions have been made in the written submissions process.</i>	
	Documentation requirements	Several issues were raised with documentation requirements, including that:



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		<ul style="list-style-type: none">• some requirements place administrative burdens on teachers and service providers and do not sufficiently benefit children (i.e., the benefit to children does not outweigh the cost to children)• there are some documentation requirements that could / should be digitised (electronic signatures from parents in particular)• storage of physical documentation places financial costs on service providers• some of the burden is created by service providers in how they implement the documentation requirements, or when they choose to go above the minimum requirements. <p>These issues were raised more commonly than others and by all types of groups, most commonly by service providers.</p> <p><i>Proposed solutions: specific suggestions have been made in the written submissions process.</i></p>
	Safety checking of staff requirements	<p>A range of issues were raised by service providers with the safety checking processes, including that:</p> <ul style="list-style-type: none">• the police vetting part of the process is too slow meaning there are delays for staff being able to start working• every new employer having to do a new safety check is overly burdensome• having to keep all the related paperwork is unnecessary• all ECE workers being “core workers” and therefore requiring additional checks is overly burdensome for non-child facing roles. <p><i>Proposed solutions: ECE should be on the priority list for police vetting, the Australian “blue card” system was suggested as an alternative system by a few submitters.</i></p>
	Licencing model and requirements	<p>One group submitted that the licencing model does not provide sufficient incentives for service providers to provide quality ECE.</p> <p><i>Proposed solution: a detailed proposal for Quality Based Contracting has been submitted by this group as part of the written submission process.</i></p>



Category	Public policy intervention	Issue the Review has been told about
	Requirements for temporary relocation licences	<p>The process for obtaining a temporary relocation licence (usually so service providers can complete renovations on their facilities) is too difficult and in many instances the maximum length of the licence is not long enough for service providers to complete their renovations. One service provider also raised that there was no capacity to temporarily not meet licencing requirements in order to make facility improvements.</p> <p><i>Proposed solution: regulate for a longer possible period for temporary relocation licences, regulate to allow requirements not to be met on a short-term basis for longer-term improvements.</i></p>
	Qualification requirements for home-based services	<p>The requirement that will applied from 1 January 2025 - that 80% of educators on a licence must hold a Level 4 qualifications - is stopping the growth of home-based services because it means they can have only 20% unqualified educators or educators in training at any point in time. This prevents them taking on new staff and growing their services. It also increases administrative burden without benefiting the children attending the services because service providers simply move educators around different licences to ensure each licence meets the requirement.</p> <p>This issue was raised by all home-based service providers.</p> <p><i>Proposed solution: simpler and more flexible qualification requirements for home-based services.</i></p>
	Person responsible requirements	<p>A small number of issues were raised by service providers about the person responsible requirements (more were raised through the written submissions process). These included:</p> <ul style="list-style-type: none"> • the requirements for centres are not practicable • home-based providers would like a more flexible approach to person responsible requirements, including in relation to “on duty” and “on call hours” as well as other issues. <p><i>Proposed solution: only general comments were made and more specific suggestions have been submitted in the written submissions process.</i></p>
	Premises and facilities requirements: noise control in centres	<p>The acoustic requirements, assessed by Health New Zealand – Te Whatu Ora – are inconsistently applied, unclear, difficult to comply with and result in high costs to service providers. Service</p>



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		<p>providers told us that different assessors had different standards, or that the standard was almost impossible to achieve. This issue was raised more commonly than others.</p> <p><i>Proposed solution: provide clarity on the requirements and how they will be implemented.</i></p>
	Health and safety requirements: choking guidelines and other food requirements	<p>Several issues were raised by some service providers and teachers about the requirements about food preparation and supervision of children while eating. These included:</p> <ul style="list-style-type: none"> • for some models with mixed age groups, they meant older children were treated the same as younger children, limiting their access to harder foods, and for others who use rolling meal times the supervision requirements were difficult to implement • it is unclear why / how the guidelines became regulatory requirements • that supervision had been interpreted very strictly. <p><i>Proposed solution: change how 'supervision' is interpreted, provide more flexibility for the preparation of hard foods.</i></p>
	Health and safety requirements: excursions	<p>Excursion requirements are too burdensome. For home-based specifically, submitters said the process needed to be more straightforward given they take children on excursions frequently. This was raised only by service providers.</p> <p><i>Proposed solution: only general comments were made and more specific suggestions have been submitted in the written submissions process.</i></p>
	Implementation of licence boundaries for home-based licences	<p>MoE's regional boundaries mean that home-based licences cannot cross different regions. This means home-based service providers set up additional networks for Visiting Teachers, requiring more Visiting Teachers, which is a cost to providers.</p> <p><i>Proposed solution: allow more flexibility / change how regional boundaries and licences interact.</i></p>
	Monitoring, compliance and enforcement of the regulatory requirements (all	<p>The Ministry of Education's (MoE) approach to regulating ECE is low trust, inconsistent, focuses on the wrong areas and seeks to find fault and not provide support to service providers.</p> <p>Some service providers described productive and respectful relationships with MoE.</p>



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	<p>issues in this category were more commonly raised than others and were predominantly raised by service providers and some representative groups)</p>	<p><i>Proposed solution: an approach to regulation that was more supportive to service providers, a higher-trust approach to regulation, a change in focus of the regulator.</i></p> <p>The Education Review Office’s (ERO) approach is inconsistent, focused on the wrong areas and seeks to find fault and not support.</p> <p>Some service providers described positive experiences with ERO and referenced their adding value to their practice.</p> <p><i>Proposed solution: a change in focus of ERO.</i></p> <p>MoE and ERO interpret the same regulatory requirements differently causing confusion.</p> <p><i>Proposed solution: more collaboration across agencies to provide clarity for service providers.</i></p> <p>The roles and responsibilities of agencies with regulatory functions seem to overlap, causing a perceptive of government “double handling” information and service providers and people who work in ECE having to meet an additional administrative burden. A few submitters said ERO taking on a compliance function caused confusion about who the regulator was.</p> <p>Some reporting requirements to MoE appear unnecessary to service providers.</p> <p><i>Proposed solution: only general comments were made.</i></p> <p>MoE and ERO staff are not culturally competent, meaning that their assessment of Māori and Pacific services is not done with understanding of their values, customs and culture.</p> <p>There were some improvements with how MoE implemented regulatory requirements during the height of the COVID pandemic, but that flexibility was then reversed, though service providers thought it was working well.</p>



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		<p>MoE and ERO staff do not understand different service types and teaching philosophies and therefore inappropriately apply the requirements. This was particularly referenced in relation to home-based care.</p> <p>One group submitted that an alternative government structure should be put in place across with responsibilities across the early years of children's lives to address the current issues.</p> <p><i>Proposed solution: a Ministry for the Early Years. This group has submitted a detailed written proposal through the written submission process.</i></p>