



Australian Children's
Education & Care
Quality Authority™



Annual Report 2019–2020



Australian Children's
Education & Care
Quality Authority

We acknowledge the Gadigal peoples of the Eora Nation, the Traditional Custodians of the lands on which we are located. We pay our respects to the past, present and emerging Traditional Custodians of the nation. We recognise the rich and diverse culture of Aboriginal and Torres Strait Islander peoples, and the valuable contribution this diversity brings.

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Our purpose

Australian Children's Education and Care Quality Authority

An independent national statutory authority with a vision to ensure children have the best start in life through high quality early childhood education and care.

Our purpose is to work with all stakeholders to achieve the objectives of the National Quality Framework:

- Ensure the safety, health and wellbeing of children attending education and care services
- Improve the educational and developmental outcomes for children attending education and care services
- Promote continuous improvement in the provision of quality education and care services
- Improve public knowledge, and access to information, about the quality of education and care services
- Establish a system of national integration and shared responsibility between participating jurisdictions and the Commonwealth in the administration of the national education and care services quality framework
- Reduce the regulatory and administrative burden for education and care services by enabling information to be shared between participating jurisdictions and the Commonwealth



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30 September 2020

The Hon James Merlino MP
Chair
Education Council
PO Box 202
Carlton South Vic 3053

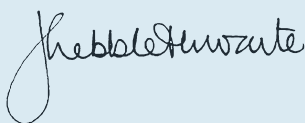
Dear Minister

The Board of the Australian Children’s Education and Care Quality Authority (ACECQA) has pleasure in submitting to the Education Council the 2019–20 ACECQA Annual Report.

The report is presented in accordance with section 279 of the *Education and Care Services National Law* (the National Law) and conforms to its requirements.

The National Law requires that the Education Council make arrangements for tabling the ACECQA Annual Report in the Parliament of a participating jurisdiction, as determined by the Council. ACECQA is advised that South Australia has been confirmed as the participating jurisdiction for tabling purposes. Accordingly, the 2019–20 Annual Report has been prepared to meet the tabling requirements of that jurisdiction.

Yours sincerely

A handwritten signature in black ink, reading 'Judy Hebblethwaite'. The signature is written in a cursive style with a large initial 'J'.

Judy Hebblethwaite
Chair

Supporting the sector 2019–20

Stakeholder engagement

2710

NQA ITS service desk enquiries

- ✓ **98%** satisfaction for regulatory authority users
- ✓ **93%** satisfaction for sector users



660,000

visits to

StartingBlocks.gov.au

58% increase on previous year

27,257

i customer service enquiries answered



comprised of **14,165** phone enquiries



13,092 email enquiries

24%

increase in ACECQA website users



42,000

newsletter subscribers

14% increase on previous year

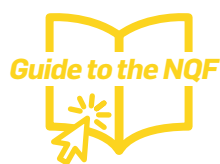


48

conference and sector event presentations



124,000



downloads of the Guide to the NQF

ACECQA functions

42

Excellent rated services



81%

overall satisfaction with the NQA ITS for regulatory authority users **71%** overall satisfaction with the NQA ITS for public users

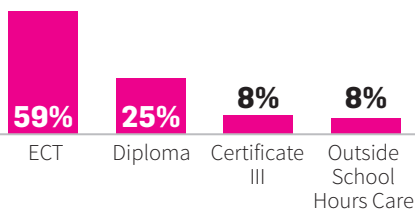


210

NQA ITS enhancements

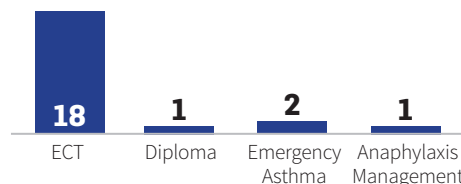
926

Individual qualification applications



22

Higher education and other provider qualification applications



25

finalised second tier review applications

93%

Authorised Officers very satisfied or satisfied with training



106

skilled migration skills assessments

465

provisional skills assessments

Foreword from the Chair

On behalf of the ACECQA Board, I would like to present our annual report for 2019–20.

In a year that has brought drought, bushfires, flood and the COVID-19 pandemic, I would firstly like to acknowledge the incredible work of our sector in continuing education and care for children during these crises. The close relationships and familiar routines educators provide are essential for children's health, safety and wellbeing, particularly during times of uncertainty and rapid change in our communities.

I am also very pleased that at ACECQA, we have continued to deliver our services, meet our commitments under the Education Council's Letter of Expectation and support our government partners, services, families and the community through new services and programs. Our staff are dedicated to working with all stakeholders to achieve the national goal of high quality education and care for every child.

This has been a significant year for our organisation on many fronts. In December, the Education Council endorsed the findings of the independent review of ACECQA which found that we are an integral part of both the national regulatory ecosystem and the quality journey by promoting national consistency and driving continuous improvement, with widespread support for our role as a collaborative national body.

The Board also welcomed the Australian Government's decision to fully fund ACECQA on an ongoing basis from 1 July 2020. This decision will enable us to continue to fulfil our functions and work with government partners in developing new national strategies to address sector challenges including addressing workforce supply and quality, reducing complexity and red tape by expanding the National Quality Agenda IT System, and helping families to make informed choices to best meet the needs of their children.

In light of these significant challenges, the Board undertook a review of the organisation's strategic plan to provide clarity about how the organisation would meet the current and future demands of a growing and essential sector. The new [ACECQA Strategic Plan 2020–24](#) provides direction on our areas of focus of



improvement over the next five years and ensures accountability for our performance against our vision, purpose and success criteria.

The Board also conducted a comprehensive review of the [Qualification Assessment Guidelines](#) and endorsed our new role as a skilled migration assessment authority. This role aligns with our strategic priority to develop, support and maintain a high quality children's education and care workforce, while streamlining processes and reducing unnecessary regulatory complexity for overseas educators seeking to work in Australia's more than 16,000 approved services.

In my second term as Chair, I have the continued privilege of working with a dedicated Board whose members demonstrate extensive knowledge, experience and insight in the conduct of our work. I acknowledge the significant contributions of outgoing members Jackie Wilson and Naomi Wilson and welcome new members Marc de Rosnay, Akiko Jackson and Jane Prentice.

I would also like to thank our CEO and staff, our government partners and all in the sector, for their perseverance and commitment during a very demanding year. I am confident the resilience and cooperation demonstrated will make a significant difference to the children for whom we all aspire to have the best start in life.

Judy Hebblethwaite
Chair

Report from the CEO

The strength and resilience of the education and care sector has been highlighted during this past year, as well as the willingness of all to adjust, adapt and collaborate so children continue to receive great care and high quality programs.

Throughout 2019–20, we have dedicated our resources to support governments, services, teachers, educators and sector organisations to work together for the benefit of children and their families. The review of ACECQA by the Education Council and the Australian Government's commitment to fund us on an ongoing basis have been significant watershed moments enabling certainty for staff and the sector, and longer term planning to achieve the objectives of the national system in partnership.

In this report, we have measured our achievements against the strategies set by our Board in 2017, underpinned by a commitment to our own continuous quality improvement, continuity of service and remaining 'fit for purpose' for our stakeholders.

Collaboration and partnerships

To achieve national reach with more than 16,000 approved services, working in partnership with governments and the sector is vital in delivering our functions and services in the best interests of children.

Facing the challenges of recent natural disasters and the pandemic, we have worked with our government partners and relevant stakeholders to:


- develop a national early childhood workforce strategy to support the attraction, retention, sustainability and enhanced professionalisation of early childhood teachers (ECTs) and educators. While consultation and engagement have been delayed by the pandemic, we are well prepared to commence the co-development of the strategy as soon as possible in line with our *Progressing a national approach to workforce* report;



- deliver options for a national model for the registration of ECTs and for Australian Professional Standards for Teachers that are inclusive of ECTs in non-school settings, both recommendations from AITSL's *One Teaching Profession: Teacher Registration in Australia*;
- support the Regulatory Practice Committee (RPC) to respond efficiently and effectively to the unique circumstances of communities and services in accordance with national objectives and assessed risk;
- establish a national 1800 helpline to assist families, including essential workers and those with vulnerable children, to find available education and care services in their area during the pandemic;
- introduce new National Quality Agenda IT System (NQA ITS) functionality to capture critical data, such as notification of service closures and reductions in attendance; and
- provide new advice and resources on the health and safety of children and educators during the pandemic, in accordance with advice from the Australian Health Protection Principal Committee (AHPPC) and information for families about activities for their children's learning at home.

Quality improvement

Our role in awarding the Excellent rating, and working across Australia as a national body, provides unique opportunities to identify exceptional practice and



emerging trends in the education and care sector. We share these insights widely to inform and inspire continuous quality improvement, to report on progress against the National Quality Standard (NQS) and to improve our own programs, services and resources.

In 2019, we published our third Annual Performance Report, which highlights examples of quality improvement and the upward trend for Australian services in Meeting or Exceeding the NQS.

We also commissioned and published research, led by Macquarie University, on the characteristics of services that had improved their overall quality rating at reassessment. The findings of the research are informing the development of new resources focused on service leadership and its impact on sustained quality improvement.

Our seventh occasional paper – *Quality ratings by socio-economic status of areas* – explores the quality of children’s education and care services based on the socio-economic status of the area in which they are situated.

Our Board reviewed and updated the guidelines that support our qualification assessment function. This function includes approval of ECT/educator courses delivered by universities and training providers, and qualifications held by individuals wishing to work in approved services. The update ensures these courses continue to align with latest practice and supports the supply of a professional and well trained workforce.

In response to service demand and in partnership with the New South Wales Department of Education, we will deliver the successful Quality Support Program for a further two years.

Evidence-based decisions and consistency

In December 2019, the Education Council responded to the sector’s request for a review of the national approved learning frameworks to ensure they continue to align with the children’s education

and care environment and Australian Curriculum requirements. We have worked with governments to develop evidence-informed advice on how this review could be progressed.

The national meeting of regulatory authorities (RA) through RPC enables the identification and management of emerging operational issues in a way that promotes consistency and reduces unnecessary regulation.

In 2019–20, we have supported this work to deliver new Exceeding NQS guidance for the sector, agreement for an annual national survey to identify professional development needs for RA staff, a plan for NQA ITS enhancements and national work on reducing risks for children attending services in multi-storey buildings.

Our role in providing a review of quality rating decisions provides an opportunity for national oversight of assessment and rating practices. In 2019–20, we saw the highest number of applications for review since the National Quality Framework commenced indicating a maturing of the system, with approved providers more likely to challenge their rating.

Accountability and responsiveness

As an independent statutory authority, we are accountable for our performance in meeting the priorities of the Education Council, the terms of our funding agreement with the Australian Government and in the delivery of our functions, efficiently and effectively, under the National Law.

Given its importance for governments and approved providers, we have worked to increase the effectiveness of the NQA ITS so that it continues to grow to meet the needs of all stakeholders. This has included the implementation of a range of enhancements to increase functionality and reporting capabilities for improved decision making.

Our quarterly *Snapshot* shows the evolving nature of the sector and, in 2019, recorded an important milestone. Since December 2019, the percentage of



services rated Meeting NQS or above has reached 80 per cent. The quality of education and care services also continues to improve as almost two thirds (65 per cent) of services previously rated Working Towards NQS improved their overall quality rating after their second assessment. These figures highlight the commitment of the sector and our government partners to ensure children are receiving high quality education and care.

The *Snapshot* content is regularly reviewed and now includes information on all visits undertaken by RAs, the level of change between draft and final quality ratings, and the proportion of ratings that result in a review.

Our Starting Blocks website is a key tool to raise awareness among families and the public about the importance and benefits of quality early childhood education. In early 2020, we published a series of short videos showcasing how quality early learning can support a child's development, learning and wellbeing. The website also provides resources for parents on their child's development and things they can do at home with their child.

Our Enquiries line provides insight into difficult issues facing educators and is a crucial free resource for sector guidance as well as a source of data to inform the development of new resources and government initiatives.

Innovation

We know great organisations are constantly reflecting on the needs of their stakeholders, adapting and innovating in response, and improving their performance against their goals. We also strive to do this.

In November 2019, we were pleased to gain a new function relating to qualifications, taking on the role of assessing authority for skilled migration visa applications for two occupations – Child Care Centre Manager and Child Care Worker (group leaders only). This new responsibility reduces red tape for applicants and enables us to undertake an assessment of their education and care qualifications and employment experience to determine comparability against the assessment standards for a skilled worker in the nominated occupation.

Throughout the year, we have responded to the needs of RAs by developing further authorised officer training resources, professional development for RA staff and additional training in Quality Area 1 and assessing and rating at the Exceeding NQS level. We are working with the Queensland Department of Education to deliver a regulatory quality and consistency program for departmental staff, building upon the assessment and rating program we deliver to authorised officers.

We have also developed and published additional guidance for services to help them develop high quality service-level policies and procedures that align with the National Law and the NQS.

From March 2020, we introduced new innovative work practices which have enabled continuity of our services as well as the remote delivery of additional projects, programs and resources during the pandemic. It is a credit to the leadership of our Executive team and all staff that they have remained committed, hardworking, positive and productive throughout the year. Their safety and wellbeing is always of paramount importance and their outstanding performance through these tough times is evidence of their dedication to children's optimal development and safety.

Of course, this high level of performance could not be possible without the strategic direction, generosity and wisdom of our Chair and Board. Their considered guidance, expertise and knowledge are always deeply appreciated.

Gabrielle Sinclair
Chief Executive Officer



Responding to the COVID-19 pandemic

In response to the COVID-19 pandemic, we continued to deliver all our functions, and worked rapidly and closely with governments, regulatory authorities, service providers, peak bodies and higher education institutions to support the continuation of high quality education and care to children in Australia during a time of uncertainty.

Establishing the Find Child Care Family Helpline

The Australian Government Department of Education, Skills and Employment asked us to establish and maintain the Find Child Care Family Helpline (1800 291 041). This Helpline went live on 21 April 2020 and supports families to find nearby open education and care services.

Enhancing the NQA ITS

The NQA ITS was enhanced to enable approved providers to categorise a range of activities and applications as being related to emergency management, such as an outbreak of COVID-19. These changes were rapidly developed and implemented to ensure that regulators were able to access accurate and up-to-date data about the impact of COVID-19 as the crisis was unfolding.

The enhancements included:

- allowing approved providers and regulatory authorities to categorise the following incident types and activities as relating to the COVID-19 health emergency or another emergency type:
 - temporary closure and reduction in number of places

- attendance of additional children
- circumstances posing risks to the safety, health and wellbeing of children attending the service
- temporary waivers and suspensions of service approval
- changes in operating hours
- allowing approved providers to notify their regulatory authority that they have re-opened after a period of temporary closure.

All system changes were implemented with accompanying guidance for sector and regulatory authority system users.

Although these changes have been developed in response to the needs of regulators to access information about the impact of COVID-19 on approved services, they have also been designed to cater for a broader set of natural, human and health emergencies. Approved providers can use the new functionality to notify their regulatory authority that they are responding to a range of emergency management scenarios including: health emergency, flood, bushfire, cyclone or local emergency.

Delivering online regulatory authority staff training for assessment and rating

In response to travel restrictions and requests from jurisdictions, the three-day face-to-face component of national authorised officer training was repackaged and delivered online through videoconferencing and interactive technologies. While this training was more resource intensive and required a longer delivery timeframe (four days), it proved to be an effective interim strategy to meet the training needs of our regulatory authority partners.

Convening COVID-19 Regulatory Practice Committee meetings

We continued to work with and support regulatory authorities via the Regulatory Practice Committee (RPC), holding frequent meetings during the COVID-19 pandemic crisis to identify and address emerging operational issues across jurisdictions, and facilitate

These changes were rapidly developed and implemented to ensure that regulators were able to access accurate and up-to-date data about the impact of COVID-19 as the crisis was unfolding.

regulatory agreement and communications with the sector. A key outcome of these meetings was to agree four critical areas for time-limited regulatory action: waiving of fees and charges for COVID-19 related applications, fast-tracking qualification waivers, suspending new assessments, and making operational adjustments as required. When making operational adjustments, children’s health, safety and wellbeing is the paramount consideration.

Supporting higher education providers, students and early childhood education and care service providers

Following consultation with higher education institutes and other key stakeholders, we [modified](#) our supervised professional experience requirements for students graduating in 2020.

The modifications represent a 25 to 33 per cent reduction in the amount of supervised professional experience that we usually require. All higher education institutes offering approved early childhood teaching qualifications were informed of the modifications in May 2020.

In our communications, we have encouraged higher education institutes to undertake other meaningful forms of technology and scenario-based assessment, such as tele-presence, simulations and work-integrated placements. And also to undertake traditional supervised professional experience placements as soon as these become possible.

We also continue to work with higher education institutes as part of our flexible and proportionate approach to course assessment and approval, to



ensure they fully understand our requirements and are able to offer high quality initial teacher education appropriate to their individual contexts and student cohorts.

Enhancing and expanding information for parents and carers through new dedicated COVID-19 webpage on the Starting Blocks website

StartingBlocks.gov.au refocused its marketing activities in March 2020 to help families find information and resources related to the pandemic.

We launched a new StartingBlocks.gov.au Information on Coronavirus (COVID-19) page on 1 April 2020 to share newly developed resources. This page had 8700 page views by 30 June 2020.

StartingBlocks.gov.au also updated its Find Child Care tool to display information about 'open services' only and the newly established Find Child Care Family Helpline provided support to families using this tool.

As the national authority overseeing the NQF, we reminded families in need of an alternative option

for their child's early learning to be mindful of quality, particularly the need for providers or individuals offering temporary options or services to meet minimum regulatory requirements, including working with children checks.

Resources and information published on the StartingBlocks.gov.au [Coronavirus \(COVID-19\) information](#) page from 1 April to 30 June 2020 included:

- Conversations with children about Coronavirus (COVID-19)
- Activities to do at home with children
- Education and care services
- Health information from the Australian Government
- Wellbeing
- Information from the Australian Government on COVID-19 symptoms
- Find Child Care Family Helpline.

These resources were promoted on StartingBlocks.gov.au social media and through online advertising.

With many families working from home with their children, it wasn't a surprise that the 'activities to do at home with your child during the COVID-19 outbreak' resource was the most popular article, with 75,300 page views.

Enhancing support for providers and educators through new dedicated COVID-19 webpage on our website

In March 2020, we refocused our usual communications and started developing COVID-19 resources and guidance to support providers, services, educators and their families.

In April 2020, we created a dedicated [COVID-19 page](#) on our website, featuring links to health information from the Australian Government Department of Health and sector-specific COVID-19 and relief package information from the Department of Education, Skills and Employment. The webpage also featured the following resources and information from April to 30 June 2020:

- Find Child Care Family Helpline – 1800 291 041
- Latest news
- Resources for vacation care services
- Supporting educator wellbeing
- Risk assessment and management
- Incident notifications and applications/
Emergency notifications and applications
- Information for families and activities to do at home (linking to [StartingBlocks.gov.au](#))
- Modifications to ACECQA's supervised professional experience requirements
- First aid training during COVID-19
- ACECQA Newsletter.

There were over 9245 visitors to this page between 1 April and 30 June 2020, with over 2000 accessing the [First aid training during COVID-19](#) information.

Our COVID-19 webpage and resources are regularly updated to reflect our response to the pandemic and our sector support, the latest government health advice, and changes to reporting requirements for providers and services.

A key outcome of these meetings was to agree critical areas for time-limited regulatory action, including waiving of fees and charges for COVID-19 related applications, fast-tracking qualification waivers, suspending assessment and ratings, and making operational adjustments as required.

Tailoring approach to the Quality Support Program

In partnership with the NSW Department of Education, we provide free professional development and support to eligible NSW services rated Working Towards NQS, with six or more NQS elements 'not met', under the Quality Support Program (QSP).

One impact of the pandemic was that QSP service support visits were unable to proceed. Working with the NSW Department of Education, we modified the program and continued to support services via video-conference, phone calls and email. Our quality support facilitators continued to tailor their approach to meet each service's needs and in some cases shifted the focus of support, identified prior to COVID-19, to a responsive model. This included assisting service leaders with issues arising from the pandemic, such as staffing and supervision requirements, physical distancing and the adoption of further outdoor play models and relationships with families and the community.

The QSP team also promoted its Risk Assessment and Management resource on our website as a useful guide for all service leaders during the pandemic.





PART 1:

Our governance and operations



1.1 Our role and functions

The Australian Children's Education and Care Quality Authority (ACECQA) is an independent statutory authority established under Part 11 of the [Education and Care Services National Law](#) (the National Law). Our overarching function under the National Law is to guide the implementation and administration of the National Quality Framework (NQF) and to monitor and promote national consistency. To achieve this, we must perform the functions described in Section 225 of the National Law, including:

- conducting national audits relating to the administration of the NQF
- keeping national information on the assessment, rating and regulation of education and care services
- establishing, maintaining and publishing national registers of approved providers and education and care services
- promoting and fostering continuous quality improvement by education and care services
- making determinations with respect to the highest level of rating for approved education and care services – the Excellent rating
- educating and informing education and care services and the community about the NQF
- publishing guides and resources to support parents and the community in understanding the importance of quality early education and care
- publishing guides and resources to support education and care services in understanding the NQF
- training state and territory regulatory authority staff
- establishing the qualifications required to be an educator in the sector.

Under the National Law (Part 5, Division 4 – ‘Review by Ratings Review Panel’), we are also responsible for managing the sector’s second tier review function.

Within Australia’s federated model for the regulation and quality improvement of children’s education and care, we are the body responsible for guiding nationally consistent outcomes.

We work with jurisdictions to facilitate the work of, and deliver support services to, state and territory regulatory authorities, which have primary responsibility for regulation and quality assessment of children’s education and care services. This includes delivering authorised officer training and testing on assessment and rating, providing operational and strategic policy advice on NQF matters and managing the National Quality Agenda IT System (NQA ITS) to provide an efficient and effective online business tool for governments and the sector.

Letter of Expectation

The Education Council’s Letter of Expectation 2019–20 (**Appendix A**) is the foundation for our Work Plan 2019–20 and informs our strategic plan.

Reporting requirements

We are required to produce the following reports and plans under the National Law, the Education Council’s Letter of Expectation 2019–20 and our funding agreement with the Australian Government.

Strategic Plan

The purpose of our strategic plan is to clearly demonstrate our priority areas for overseeing the implementation of the NQF. The Board undertook a comprehensive review of our strategic plan during the reporting period.

Our new Strategic Plan 2020–2024 provides direction on areas of focus for the next five years and communicates to our stakeholders how we will work with them to deliver our programs, services and resources. The plan also refreshes our vision, includes our new organisational values and sets out our success indicators.

The Review found that ‘ACECQA plays an integral role in the regulatory ecosystem that oversees the provision of children’s education and care in Australia.’

Forward Work Plan

Our forward work plan is informed by the Education Council’s Letter of Expectation, the National Law, our strategic plan and our funding agreement with the Australian Government. The work plan outlines our key deliverables and timelines for implementation. Our final progress report for our Work Plan 2019–20 demonstrates how we have met our obligations and delivered a substantial program of work assisting the Early Childhood Policy Group (ECPG) to progress a number of new projects and supporting the sector, regulatory authorities and families during the COVID-19 pandemic crisis. The final report for 2019–20 was noted by the Education Council in August 2020.

Annual report

Under Section 279 of the National Law, we must submit an annual report to the Education Council. The 2019–2020 report is our ninth report. Under section 279 (2) of the National Law, the annual report must include:

- an audited financial statement for the period to which the report relates
- a report about the performance of our functions under this Law during the period to which the annual report relates
- an assessment of the implementation and administration of the NQF
- all directions given to us by the Ministerial Council and our response
- all directions given to the regulatory authorities by the Ministerial Council and the regulatory authorities’ responses



- a report on any committees established by the Board
- any other matter determined by the Ministerial Council.

Ministerial directions

Under section 222 (1) of the National Law, the Education Council may give directions to our Board in relation to carrying out its functions under the law. Section 222 (2) also permits the Education Council to give directions to a regulatory authority with respect to the administration of the NQF. No directions were given to us or a regulatory authority by the Education Council in 2019–20.

ACECQA Review

In December 2019, the Education Council endorsed the independent [ACECQA Review report](#). The Review found that ‘ACECQA plays an integral role in the regulatory ecosystem that oversees the provision of children’s education and care in Australia’.

The Review also found ACECQA is delivering all of its functions under the National Law and the Education Council’s Letter of Expectation 2019–20, and that there is strong and unanimous support for the continued operation of ACECQA and the essential role it plays in the national system.

All stakeholders consulted as part of the Review value the existence of an independent national body to support and connect governments in administering the NQF and in particular the role ACECQA has played in driving national consistency.



1.2 Our Board and Sub Committees

Our Board

The Board is responsible to the Education Council for our overall strategy, governance and performance. The Board comprises up to 13 members appointed by the Education Council. Membership of the Board is outlined at **Appendix C**, with Jenni Perkins, Jackie Wilson and Naomi Wilson's appointments finishing in the reporting period and Joce Nuttall (for her second term), Marc de Rosnay, Jane Prentice and Akiko Jackson joining the Board in 2019–20.

The Board held five meetings in 2019–20. Board meeting attendance is outlined at **Appendix D**.

Key undertakings for the Board in 2019–20 include overseeing and guiding:

- the review and development of a new five-year strategic plan
- our response to the COVID-19 pandemic crisis
- our Business Continuity Plan (BCP) and operations during the COVID-19 pandemic crisis
- our new skilled migration assessment function
- our work to progress a national approach to the children's education and care workforce
- the review of our qualification assessment guidelines
- our financial performance
- our support and assistance for the ACECQA Review
- our performance against our strategic and forward work plans
- the conduct of a national audit as part of our role to monitor and promote consistency
- the delivery of a Qualifications and Workforce Symposium in support of sector workforce development

- the continued successful delivery of the Quality Support Program in conjunction with the NSW Department of Education, aimed at assisting identified services to Meet or Exceed the NQS
- the Supporting Regulatory Quality and Consistency project in conjunction with the Queensland Department of Education, to deliver a competency-based training and assessment program to Queensland regulatory authority staff
- the [Quality Improvement Research Project](#).

Board Sub Committees

Audit, Finance and Risk Sub Committee

The purpose of the Audit, Finance and Risk Sub Committee is to assist our Board by closely overseeing and monitoring the organisation's financial performance and governance, legal and reporting accountability requirements; as well as its risk and control frameworks. Membership of the Committee and details of meetings held throughout 2019–20 are outlined at **Appendix E**.

Priorities for the Sub Committee during the reporting period included:

- reviewing and endorsing our BCP prior to, and during, the COVID-19 pandemic crisis
- reviewing COVID-related organisational risks
- reviewing and endorsing the financial statements
- reviewing and monitoring our financial and corporate governance policies and strategies, including the risk management plan, investment policies, procurement policies, fraud control plan, financial delegations, and legal and compliance reporting
- overseeing an internal audit of our payroll function.

Performance and Remuneration Sub Committee

In 2019–20, the Performance and Remuneration Sub Committee provided advice on performance and remuneration matters. Membership of the Sub Committee and details of meetings held throughout 2019–20 are outlined at **Appendix E**.

Strategy Sub Committee

In 2019–20, the Strategy Sub Committee provided strategic advice to the Board, particularly in relation to direction and oversight to assist with the ACECQA Review. Membership of the Sub Committee and details of meetings held throughout 2019–20 are outlined at **Appendix E**.

Enterprise Agreement Sub Committee

The Enterprise Agreement Sub Committee did not have cause to meet in 2019–20 but corresponded on the finalisation of the Enterprise Agreement 2019–2022. Membership of the Sub Committee is outlined at **Appendix E**.

Qualifications Sub Committee

The Qualifications Sub Committee did not have cause to meet in 2019–20, and the amendment of supervised professional experience requirements for students graduating in 2020 was considered by the Board as a whole.



1.3 Our operations

Organisational structure and staffing

We are led by Chief Executive Officer Gabrielle Sinclair and we comprise of four business groups to deliver our functions:

- Business Services
- Educational Leadership
- Policy and Strategic Programs
- Strategy, Communications and Consistency.

The Educational Leadership group, led by National Educational Leader Rhonda Livingstone, delivers the following functions:

- provides advice on quality programs, practices and policies in early childhood education and school age care services and contributes to national reform processes
- collaborates with regulatory authorities to develop and deliver training and testing for

authorised officers in assessing and rating against the NQS

- assesses and promotes excellence in the delivery of early childhood and school age care services to support continuous quality improvement
- develops and delivers (in collaboration with regulatory authorities and peak organisations) programs and resources to build a shared understanding of the requirements and expectations of the NQF and promote quality practice.

The Strategy, Communications and Consistency group, led by General Manager Michael Petrie, delivers the following functions:

- develops evidence-informed resources to inform families and the community about the benefits of early childhood education and care, and what quality looks like in approved services



Figure 1: Organisational Structure, 30 June 2020

- provides information to educators and approved services through a national Enquiries service
- monitors, assesses and reports on the implementation of the National Quality Framework through a national audit program and the regular publication of reports
- approves educator qualification courses being offered by institutions
- determines the equivalence of individuals' qualifications who seek to work in the sector, particularly those with overseas qualifications
- assesses applications for skilled migration to work in Australia as a Child Care Centre Manager or Child Care Worker (Group Leaders only) occupations.

The Policy and Strategic Programs group, led by General Manager John Mason, delivers the following functions:

- leads our national policy and strategic programs to support governments, regulatory authorities and the sector
- works with governments and the sector to provide strategic advice and support in the effective implementation of the NQF, including operational policy advice

- in collaboration with government partners, develops and delivers new programs and services which will improve quality in approved education and care services
- manages the quality rating second tier review function including coordination of independent second tier review panel members.

The Business Services group, led by Chief Operating Officer Angela Buchanan, delivers corporate services functions, including:

- ICT services, and information and records management
- Finance
- Human resources and facilities.

This group also includes the education and care systems team, which provides maintenance and development of the National Quality Agenda IT System (NQA ITS) for the NQF, including sector and regulatory authority support.

In March 2020, Lisa McCoy joined our Executive team, working in partnership with the Queensland Department of Education as our Queensland Early Childhood Lead Educator.



Lisa’s project work with Queensland allows a focus on exploring systemic levers to increase and sustain quality at the local service level through key mechanisms such as:

- engaging and consulting with relevant stakeholders to identify issues and opportunities to improve outcomes for Queensland children; and
- increasing the capability of the ECEC workforce through strategies that align with relevant national sector initiatives.

Specific priorities include informing the COVID-19 recovery at a national and state level, the 2019 NQF Review, the development of the co-designed National Children’s Education and Care Workforce Strategy, and identifying ways to improve quality outcomes through leadership capability. An additional priority is leading national work across the building and education portfolios focused on identifying further safeguards to ensure the health and safety of children in multi-storey buildings.

The Board and Governance team, led by Board and Company Secretary Michelle Edwards, supports our Board and manages FOI, intellectual property, legal, governance, planning, and reporting and accountability requirements across the organisation, including our participation in inter-governmental working groups.

The number of FTE staff at 30 June 2020 was 108, inclusive of employees on parental and unpaid leave. A breakdown of the workforce profile by FTE, headcount and gender is at Table 1.

Table 1: Workforce Profile – FTE and headcount by gender, 30 June 2020.

	Female	Male	Total
FTE	77.4	30.6	108.0
Headcount	82	31	113
% of workforce (headcount)	73%	27%	100%

Human Resources

In 2019–20, the Human Resources team continued to support our people through strategic and operational services designed to promote engagement, development and performance.

Most notably, the major milestones were:

- finalising bargaining, agreement and approval processes for our Enterprise Agreement 2019–2022 and updating supporting policies and procedures
- finalising implementation of remaining modules of the human resources information system, including recruitment, learning, performance, and analytics.

In addition, the team supported the organisation to transition to remote working during the COVID-19 pandemic by providing advice and support, internal communications and implementing modifications to processes for remote working.

Financial Management

In 2019–20, our operational funding was provided by the Australian Government and this comprised the majority of our revenue (approximately 79 per cent).

In addition to this operational funding, income streams in 2019–20 mainly included:

- fee revenue under the National Law relating to our functions of assessing educator qualifications and undertaking second tier reviews
- fee revenue of assessing skills for the Child Care Centre Manager and Child Care Worker (Group Leaders only) occupations under the skilled migration program
- funding for continuing the delivery of a quality support program to build quality in education and care services from the NSW Government
- funding for delivering specific programs and services to governments
- sale of NQF educational resources.

We operated in accordance with the Board-approved budget to deliver on the strategic priorities contained

We continued to deliver all functions and forward work plan commitments during this time, while providing an increased volume of additional work to support regulators and the sector in responding to the pandemic.

in the Education Council's Letter of Expectation for 2019–20. The operating result for the 2019–20 financial year was a deficit of approximately \$4.6 million, which is primarily due to timing differences in funding receipts. Our \$6.7 million operational funding and \$1.2 million Quality Support Program funding for 2019–20 was recognised in 2018–19, offset by \$3.5m operational funding for 2020–21 being recognised this year in advance.

Funding from the Australian Government recognised in 2019–20 was approximately \$10.4 million. We also received own-source revenue of approximately \$2.8 million, mainly from services delivered under the National Law on a fee-for-service basis, funding for delivering programs and services for governments, the sale of NQF educational resources and interest income.

The total expenditure for the 12 months was \$17.9 million. The main expenditure items were:

- salaries and on-costs (approximately 73 per cent)
- ICT costs (approximately 10 per cent)
- occupancy costs and related outgoings (approximately 7 per cent).

The 2019–20 Financial Statements report a \$10.9 million accumulated surplus as at 30 June 2020 and total assets of approximately \$17.5 million. The accumulated surplus includes approximately \$3.5 million funding received in advance from the Australian Government, which will be progressively spent in 2020–21, as well as required working capital to remain solvent. As an independent statutory authority, adequate working capital is crucial to our



financial viability to ensure we can arrange supplier contracts, declare solvency and cover any funding shortfall or funding delays.

Information and Communication Technologies

ICT Operations manages all technical matters for the organisation and provides technical NQA ITS support for our external stakeholders. During 2019–20, the ICT Operations team delivered a number of high priority projects including:

- developing a new skilled migration assessment online application for the Qualifications team
- facilitating the successful technical review of our website for Web Content Accessibility Guidelines (WCAG) compliance
- equipping all staff for working from home (WFH) arrangements through the procurement and set-up of devices and relevant software
- establishing a new 1800 Find Child Care Family Helpline during the COVID-19 pandemic to assist parents and families with access to services.

The ICT Operations team continues to prioritise ICT security and conducts regular reviews and tests across ICT Systems, and partners with experts within the market.

Business Continuity Planning

In 2019, we undertook a full review and test of our Business Continuity Plan (BCP) to provide assurance that appropriate measures were in place in the event of a business disruption. The management and testing of the BCP established business resilience, increased effective management and provided a proactive business continuity culture.

Due to the COVID-19 pandemic, our BCP was activated during the reporting period. This was the first time we had to implement our plan, transition our staff to work from home and close the office.

We continued to deliver all functions and forward work plan commitments during this time, while providing an increased volume of additional work to support regulators and the sector in responding to the pandemic. We also prioritised and remained responsive to urgent and emerging national work from

jurisdictions relating to COVID-19, in conjunction with business as usual activities.

Throughout the pandemic, we monitored our business continuity plan to ensure it continued to work effectively and to enable us to deliver against all our functions and commitments.

Health, Safety and Wellbeing

We are committed to a strong work health and safety (WHS) culture through arrangements which include consultation, supporting policies and procedures, workplace inspections, ergonomics, training and emergency procedures.

Management reports to the Board and its Audit, Finance and Risk Sub Committee on WHS incidents, hazards and issues. In 2019–20, WHS due diligence training was provided for the Board and Executive members in line with their responsibilities under the *Work Health and Safety Act 2011*.

During 2019–20, work health and safety was supported through activities that included:

- delivering an Employee Assistance Program for confidential counselling services
- delivering an influenza vaccination program
- managing workplace hazards through regular workplace inspections, ergonomic assessments and consultation
- ensuring emergency preparedness through building warden activities, first aid officers and services, and maintaining associated reporting mechanisms
- supporting staff working remotely during the COVID-19 pandemic with collaboration and communication tools, health promotion activities and engagement activities
- supporting home workstation set-up and ergonomics during remote working arrangements
- supporting charities and community events including the Children’s Hospital, National Reconciliation Week, Aboriginal Literacy Foundation, NAIDOC Week, R U OK? Day, Movember and the Vinnies Bushfire Appeal.

Throughout the pandemic, we monitored our business continuity plan to ensure it continued to work effectively and to enable us to deliver against all our functions and commitments.

Reconciliation Action Plan and Indigenous Participation Plan

Our 2019–2020 [Innovate Reconciliation Action Plan \(RAP\)](#) is designed to promote positive relationships, enhance respect and build on opportunities that drive reconciliation through our business activities, services and programs.

Our RAP is a reflection of our belief that reconciliation along with cultural awareness, safety and competency need to be embedded across the work we do as well as in the work with education and care stakeholders. We expect the initiatives within our RAP will grow and evolve as new opportunities are identified and developed.

Our Indigenous Participation Plan 2019–2020 (IPP) reflects our commitment to building on opportunities and outcomes for Aboriginal and Torres Strait Islander peoples, particularly in the areas of employment and procurement of Aboriginal and Torres Strait Islander businesses. We aspire to be a workplace that encourages Aboriginal and Torres Strait Islander employment and is sought out for employment opportunities. We are committed to our Aboriginal and Torres Strait Islander Business procurement targets and increasing our partnerships and spend with Aboriginal and Torres Strait subcontractors and suppliers.

Freedom of Information

Freedom of information requests

The National Law and National Regulations apply and modify the *Commonwealth Freedom of Information Act 1982* (FOI Act). Table 2 shows the status of Freedom of Information applications for the reporting period 1 July 2019 to 30 June 2020.

Table 2: FOI application status

Applications considered	Number
On hand as at 1 July 2019	4
Received	8
Granted in full	2
Granted in part	2
Access refused	2
Dealt with administratively	1
Withdrawn by the applicant	5
Transferred to another agency	0
On hand as at 30 June 2020	0
Appeals to the National Education and Care Services Freedom of Information Commissioner	0
Appeals to the relevant Administrative Tribunal	0

Information Publication Scheme

The Information Publication Scheme (IPS) applies to agencies that are subject to the FOI Act. We take a pro-active approach to the publication of information on our website. The [IPS webpage](#) includes details of our:

- Information Publication Plan
- organisational structure
- governance
- Board members
- Executive team
- statutory appointments
- employee enterprise agreement

- opportunities for employment
- reports and research
- operational information
- priorities
- submissions
- policies
- operational activity data.

Privacy

The National Law applies the *Privacy Act 1988* (Cth) (the Privacy Act) to regulatory bodies that undertake the administration of the ‘national education and care services quality framework’, including us. The National Law and National Regulations modify the way the Privacy Act applies to the national education and care services quality framework and to us. Our [Privacy Policy](#), published on our website, provides information on:


- type of personal information we collect and hold
- how we collect and hold personal information
- purposes for which we collect, hold, use and disclose personal information
- how the public may access personal information held by us and seek its correction.

During 2019–20, we did not receive any privacy complaints. In addition, no investigations were undertaken by the National Education and Care Services Privacy Commissioner.

Education and Care Services Ombudsman

The Education and Care Services (ECS) Ombudsman is an independent, statutory officer appointed by the Education Council under the National Law. The Ombudsman is responsible for independently examining complaints and concerns about the administrative actions we undertake. In 2019–20, we worked with the ECS Ombudsman to resolve a second tier review matter raised with her office, in which the Ombudsman upheld our original decision.





PART 2: **Reporting** **on our** **functions and** **administration** **of the NQF**



2.1 Guiding administration of the National Quality Framework

Continuous quality improvement

Reviewing the NQF

In 2019, governments commenced their second review of the NQF, identifying areas for improvement, and to ensure the NQF continues to meet the objectives set out in the National Law.

The Review's terms of reference provide for consideration of the ongoing effectiveness and sustainability of the NQF in light of the continuing evolution of the early childhood education and care sector.

In 2019–20, we supported all governments with the NQF Review process, including contributions to sector engagement and publication of the consultation summary [report](#), highlighting the findings from the initial stakeholder engagement process.

We also contributed policy and data analysis capability, concentrating on those areas with most national benefit or impact, as well as topics where we hold specific expertise gained through our own regulatory functions, including sector workforce qualification requirements.

In April 2020, the NQF Review was put on hold due to COVID-19. We look forward to supporting governments to obtain stakeholder feedback on a Consultation Regulation Impact Statement (CRIS) during a second phase of public consultations in 2021.

Demonstrating and assessing Exceeding National Quality Standard – refined guidance and additional resources

Children's education and care services with an Exceeding National Quality Standard (NQS) quality rating have been assessed as going above and

beyond what is expected at the Meeting NQS level. That higher level of quality is assessed against each of the 15 NQS Standards using three Exceeding themes.

Sector feedback has indicated that additional information on what each Exceeding theme looks like in practice and across different service types would be beneficial. As part of our ongoing commitment to promoting consistency, reliability and transparency in quality rating decisions, we worked with state and territory regulatory authorities to develop new resources and refine guidance for both the sector and state and territory authorised officers on Exceeding NQS.

Our activity during 2019–20 laid the groundwork for new resources with practical and illustrative examples of Exceeding NQS practice for each Standard. These resources will be published in the first half of the 2020–21 financial year and will include case studies covering each Exceeding theme and a variety of settings such as prior to school age and school aged centre-based services, as well as family day care services.

More case studies will be developed to increase understanding and confidence in Exceeding NQS level quality, and inspire discussion and reflection on ways that practice can be improved.

Additionally, a new resource for authorised officers to promote consistency in assessing and rating at the Exceeding NQS level was developed by regulatory authorities. The resource is a series of questions for authorised officers to consider against all of the evidence that has been gathered during the quality rating process, to help determine if all Exceeding themes are demonstrated for each quality Standard. This new resource was implemented by regulatory authorities in early 2020 and these questions are now included in the [Guide to the NQF](#).

Working with our government partners

As detailed in our Letter of Expectation, the Education Council expects us to work collaboratively with all jurisdictions to ensure effective implementation of the NQF. During the past year we have continued

We supported all governments with the NQF Review process, including contributions to sector engagement and publication of the consultation summary report, highlighting the findings from the initial stakeholder engagement process.

to identify ways to support regulatory authorities and details of current joint projects are provided throughout this section of the report.

Regulatory Practice Committee

We established the Regulatory Practice Committee (RPC) in 2017 to provide a forum for state and territory regulatory authorities, the Australian Government and ACECQA to share better practice regulatory ideas, improve national consistency and reduce red tape impositions for the sector.

In 2019–20, the RPC and its working groups continued to provide members with a ‘community of practice’ for informing and/or authorising a range of functions and services provided on behalf of all RPC members.

In the 2019–20 financial year, the RPC supported priority areas of regulatory work including:

- agreeing time-limited regulatory action during the COVID-19 pandemic crisis
- setting priorities for the ongoing development of the NQA ITS, including new COVID-19 related functionality and reporting capacity
- agreeing the subject of national audits and implementing findings
- developing a national regulatory authority staff survey to identify areas for nationally consistent professional development

In 2019–20 we worked with all governments to complete the preliminary requirements needed to update both ALFs.



- developing authorised officer and sector guidance on regulatory practice issues
- refining Exceeding NQS themes guidance.

Several working groups continue to progress work on behalf of RPC relating to the NQA ITS, the work of lead assessors and investigators, and national communications.

Early Childhood Policy Group

The Early Childhood Policy Group (ECPG) comprises senior representatives from each state and territory and the Australian Government department with responsibility for early childhood development policy. The ECPG reports and provides strategic policy advice to the Australian Education Senior Officials Committee (AESOC) on early childhood related matters. We consult with ECPG on policy and high level operational matters prior to reporting to AESOC and the Education Council.

During 2019–20, in addition to consulting with ECPG on our formal reporting obligations, we have been an active member of several ECPG sub-groups supporting work on the following priority areas:

- national workforce strategy – in consultation with the sector, establishing the need for a national approach
- approved learning frameworks update – advice on developing terms of reference and an agreed approach

- children’s safety, health and wellbeing – analysing options for a more nationally consistent, coordinated and ‘joined up’ approach to approval processes under the NQF and Family Assistance Law
- vulnerable and disadvantaged children – exploring the implications of extending the Disability Standards for Education (DSE) to education and care services under the NQF.



2.2 Reporting on NQF quality ratings

Sector overview

There were 16,107 education and care services [approved to operate](#) under the NQF at the end of the 2019–20 financial year, representing an annual increase of one per cent (in line with the annual growth in number of approved services in 2018–19 and 2017–18). As at 30 June 2020:

- 15,600 centre-based care¹ services and 507 family day care² services were approved to operate
- the number of approved family day care services had decreased by 13 per cent since the end of the 2018–19 financial year
- 81 per cent of providers (5899 out of 7258) were approved to operate a single service.

- 1 Centre-based care services include most long day care, preschool/kindergarten and outside school hours care services. They do not include preschools in Tasmania or Western Australia that are outside the scope of the NQF, or other services that are not regulated under the Education and Care Services National Law.
- 2 Family day care services provide education and care in residences or venues. They are sometimes known as family day care schemes and are administered and supported by central coordination units.

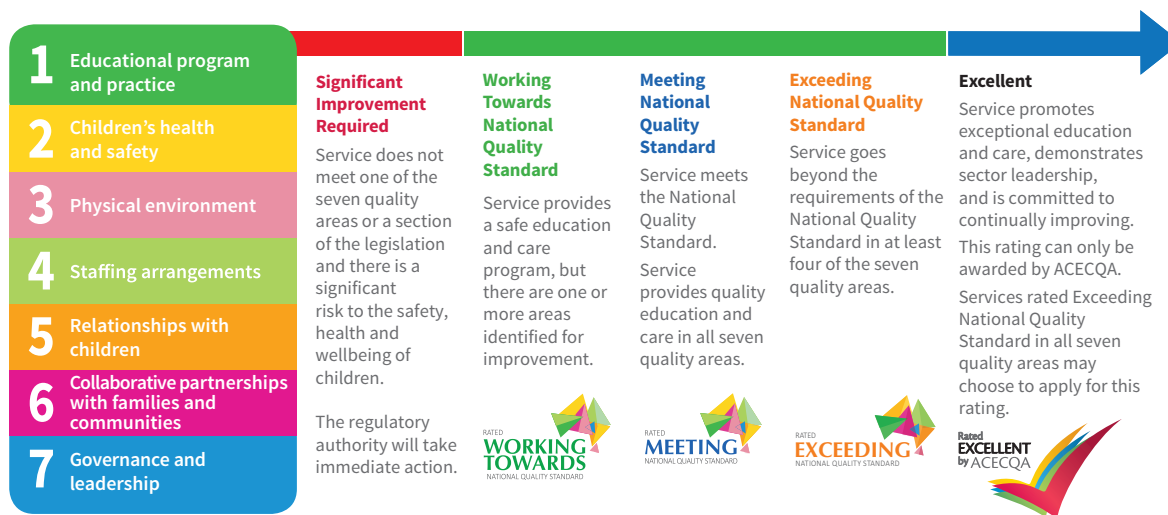
Quality ratings

Under the NQF, in addition to robust provider and service approval processes, and ongoing compliance, monitoring, enforcement and investigation activities, regulatory authorities in each state and territory [quality assess and rate](#) services against the National Quality Standard (NQS).

As at 30 June 2020:

- 81 per cent of services were rated Meeting NQS or above, with 30 per cent rated Exceeding NQS or above

Figure 2: National Quality Standard – quality areas and quality ratings



- 11,034 quality rating reassessments had been completed, with just under two thirds of reassessments of services previously rated Working Towards NQS resulting in a higher overall rating
- 48 per cent of services had been quality rated against the 2018 NQS.

Table 3: Overall quality ratings by jurisdiction

	Significant improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent rated	TOTAL
ACT	1	81 (25%)	88 (27%)	154 (47%)	2	326
NSW	5	1172 (23%)	2655 (51%)	1318 (26%)	14	5164
NT	0	52 (24%)	125 (58%)	37 (17%)	1	215
QLD	1	379 (13%)	1624 (57%)	836 (29%)	8	2848
SA	0	169 (15%)	429 (37%)	550 (48%)	8	1156
TAS	2	61 (28%)	86 (40%)	68 (31%)	0	217
VIC	2	566 (14%)	2181 (54%)	1252 (31%)	10	4011
WA	0	316 (29%)	600 (54%)	192 (17%)	0	1108
TOTAL	11	2796 (19%)	7788 (52%)	4407 (29%)	43	15,045

Figure 3: Proportion of services rated Meeting NQS or above³

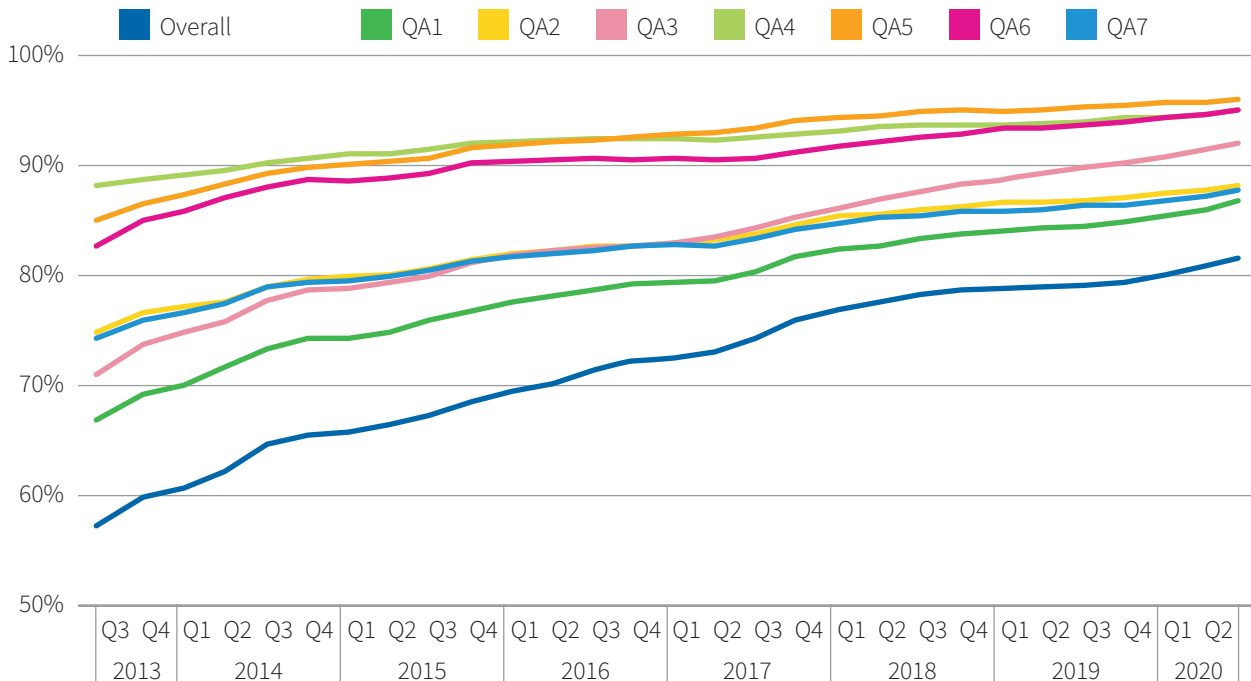
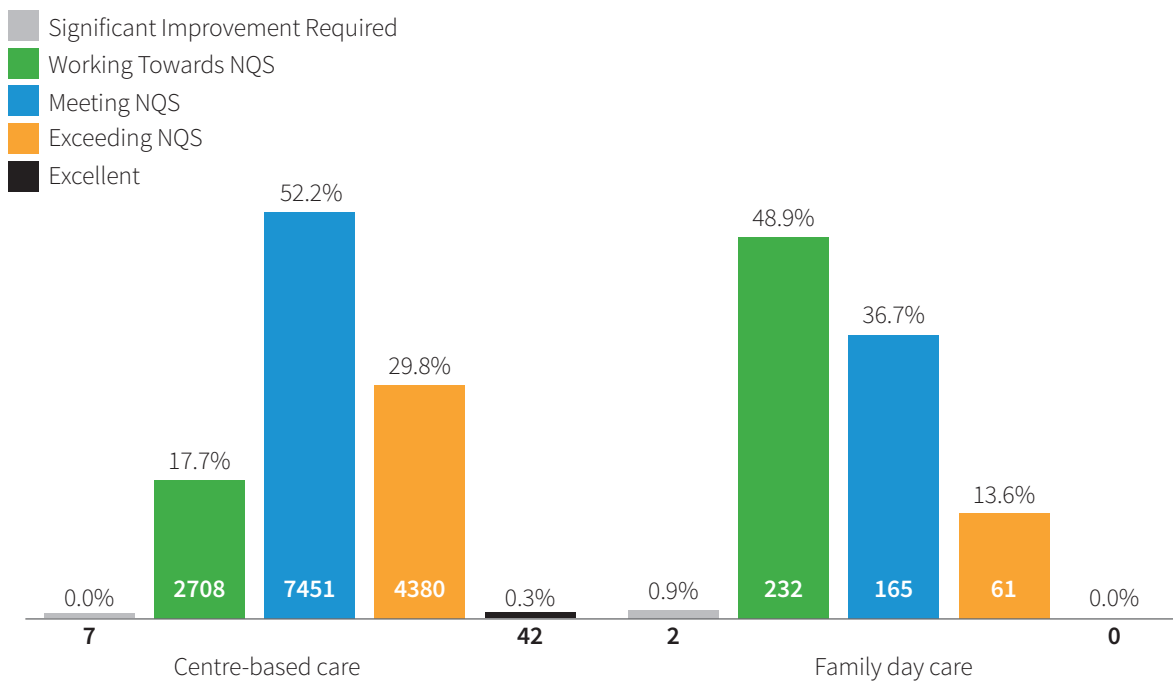
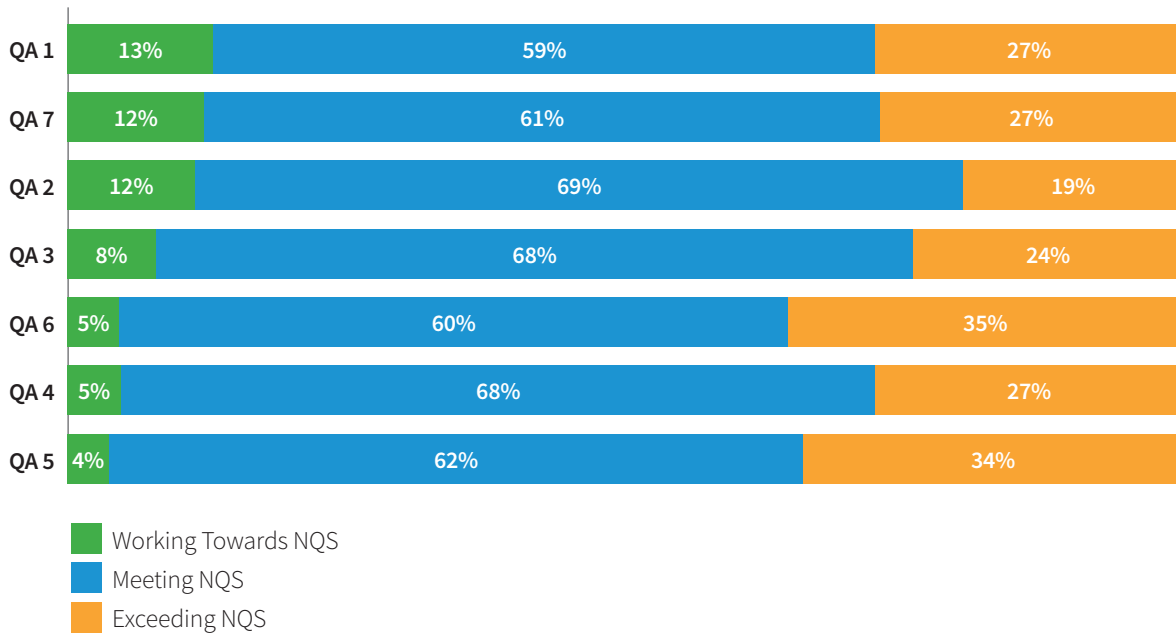


Figure 4: Overall quality ratings by service type



³ QA1 – Educational program and practice; QA2 – Children’s health and safety; QA3 – Physical environment; QA4 – Staffing arrangements; QA5 – Relationships with children; QA6 – Collaborative partnerships with families and communities; QA7 – Governance and leadership.

Figure 5: Quality area ratings





2.3 Reporting on national quality improvement

Research and evaluation strategy

In 2019–20, we continued to progress our [research and evaluation strategy and implementation plan 2017–21](#). This five-year plan outlines our approach to research and evaluation under the NQF, providing a summary of progress to date, as well as our current and future priorities.

The plan complements the [NQF Evaluation Framework](#), a shared framework developed in collaboration with all Australian governments and endorsed by education ministers. The framework provides governments and the sector with a common way of considering to what extent the objectives of the NQF are being met.

Universities, research institutions, government agencies and departments, approved services and other stakeholders contribute to the NQF evidence

base by commissioning, undertaking and publishing research in line with the shared framework.

Our own research and evaluation activities align to one or more of the objectives of the NQF to contribute to the NQF evidence base and inform the development and improvement of our programs, services and resources.

Our research and evaluation strategy and the evaluation framework are available on the [research and reports page](#) of our website, which provides a repository of NQF related research and evidence.

NQF annual performance report

In December 2019, following endorsement by education ministers, we published our third [annual performance report](#) on the NQF. The report provides strong evidence of quality improvement, including:

- more services are meeting or exceeding the National Quality Standard than ever before – 79 per cent in 2019, compared to 56 per cent in 2013
- educational program and practice, the most challenging area assessed under the National Quality Standard, has improved across all service types
- services in the most disadvantaged areas have improved in their assessment and rating results, meaning children in most need are benefitting from increased quality.

The report also examined the ongoing challenges of raising public awareness of quality in education and care services through understanding service ratings and the critical importance of a highly skilled and consistent workforce in delivering quality outcomes for children. The report was accompanied by a range of supporting resources, including a video, slides and interactive content.

NQF Snapshots

Our quarterly [NQF Snapshot](#) provides analysis and information on the profile of the sector, as well as the quality ratings of services by service and provider management type, and geographic location. In May 2020, we published our 29th *Snapshot*.

We continue to add new content to both the PDF version and the interactive [Online Snapshot](#). In August 2019, new analysis was introduced that tracked changes in quality ratings over time, and a new dataset, which combines all historical *Snapshot* data into a single Excel file, was made available to download from our website.

Occasional papers

Our [seventh occasional paper](#), published in June 2020, analysed quality ratings by socioeconomic status of areas.

Children from more disadvantaged backgrounds are more likely to be developmentally vulnerable and there is strong national and international evidence showing that they receive the greatest benefits from attending high quality education and care services.

Our own research and evaluation activities align to one or more of the objectives of the NQF to contribute to the NQF evidence base and inform the development and improvement of our programs, services and resources.

The paper highlighted that, while the quality of services continues to improve since the introduction of the NQF in 2012, there are differences in the overall quality ratings of services located in high and low socio-economic status areas. Services in relatively disadvantaged areas are slightly more likely to be rated Working Towards NQS, and notably less likely to be rated Exceeding NQS than those in relatively advantaged areas.

All of our occasional papers are available on the [research and reports page](#) of our website.

NQF national audits for 2019–20

In 2019–20, we completed one national audit examining serious incidents that involved a child being mistakenly locked in or out of a service's premises.

Our audit involved analysing trends and characteristics of serious incidents that involved a child being mistakenly locked in or out of a service's premises since the NQF commenced in January 2012.

The audit found that this type of serious incident is relatively rare and more likely to happen:

- between 4 and 6 pm
- during pickup and drop off times, excursions and transition times
- in outdoor play areas, transport, bathroom/toilet areas and sheds
- to younger (2–3 year old), male children.



Our audits align with our objectives of guiding the administration of the NQF, and monitoring and promoting national consistency. They also align with the [evaluation questions](#) in the [NQF Evaluation Framework](#).

Our audit topics focus on areas that have been identified and agreed as high priority, and the outcomes, learnings and good practice are shared with state and territory regulatory authorities.

Quality improvement research

Promoting continuous improvement in the provision of quality education and care services is one of the primary objectives of the NQF.

Last year, we commissioned Macquarie University, in partnership with Queensland University of Technology and Edith Cowan University, to undertake research on the drivers of quality improvement.

The [research](#), published in May 2020, focused on long day care services that had improved their overall quality rating, with associated improvements in educational program and practice, and governance and leadership.

The research found genuine and sustained quality improvement is a shared responsibility, with approved providers, service leaders, educational leaders, teachers and educators all playing a vital role. It identified five priority areas to support and sustain quality improvement:

1. Role of the approved provider and organisational support
2. Service leadership
3. Role of the educational leader
4. Role of individual educators
5. National Quality Standard assessment and rating tools.

We developed an [information sheet](#) to accompany the research, which includes practical ideas to support quality improvement across all service types.



2.4 National registers and IT system

One of our key functions is the collection and publication of national data on the assessment, rating and regulation of education and care services. We deliver this through the National Quality Agenda IT System (NQA ITS) for regulatory authorities and the sector, which is the primary business tool for regulation under the National Law. We also publish national registers to provide information to the public on education and care services and providers.

National registers

We publish two national registers on [our website](#):

- Education and Care Services – this register lists all services approved to operate under the NQF, and includes each service’s nature of care type as well as previous and current ratings
- Approved Providers – this register details individuals or entities authorised to operate an approved education and care service.

The two registers include search and export functionality for ease of use by the public. The register information is also available on our [Starting Blocks website](#).

National Quality Agenda IT System

The NQA ITS is maintained and improved through an ongoing program of technical updates and functional improvements via scheduled releases. During the 2019–20 financial year, there were 20 releases, which included over 210 improvements, new features, bug fixes and reporting updates. These included:

- emergency management changes
- enhancements to application and notification forms to include the capture of information about services offering transportation
- monitoring and compliance changes
- software solution updates

- generation and distribution of annual fees invoices
- a range of significant data reporting functionality and infrastructure enhancements.

During the 2019–20 financial year, there were 20 releases, which included over 210 improvements, new features, bug fixes and reporting updates.

NQA ITS governance

The Regulatory Practice Committee (RPC) is the governance committee which assists with the strategic direction of the NQA ITS. Reporting to RPC is the National IT Systems Steering Group (NSG) which comprises representatives from all state and territory regulatory authorities, the Australian Government and ACECQA. The NSG is responsible for:

- making recommendations to the RPC regarding the system’s strategic priorities
- considering operational decisions and significant matters regarding the NQA ITS
- managing data quality and consistency issues for the regulatory authorities.

Typically, the NSG meets biannually to discuss the current status of the NQA ITS, its future direction and priorities, and other technical and operational matters. This year, due to the COVID-19 pandemic, NSG met more frequently to share information and ensure priority changes were progressing.

The NQA ITS priorities are formulated through input from and discussions with the NSG, technological changes and high-level direction from the RPC. Our strategic plan and Letter of Expectation also informs the annual NQA ITS forward work plan’s development. The work plan outlines agreed system enhancements in a delivery schedule for the year. Both the work plan and the State of the System report are reviewed by the NSG, then endorsed by RPC.

NQA ITS usage

The NQA ITS public portal is public-facing, allowing the sector to perform the following actions:

- register and link a provider and service, including the ability to update their details
- submit applications and notifications, including emergency notifications
- provide supporting documentation where relevant
- pay annual fees or any application-related invoice.

The online public portal is widely used by approved providers, with data showing that in 2019–20, 96.6 per cent of approved providers had registered, with one or more user accounts to use the portal.

Applications and notifications

In 2019–20, 97 per cent of all applications and notifications submitted by approved providers to regulatory authorities were online through the NQA ITS. Figure 6 shows the number of applications and notifications submitted for the reporting period.

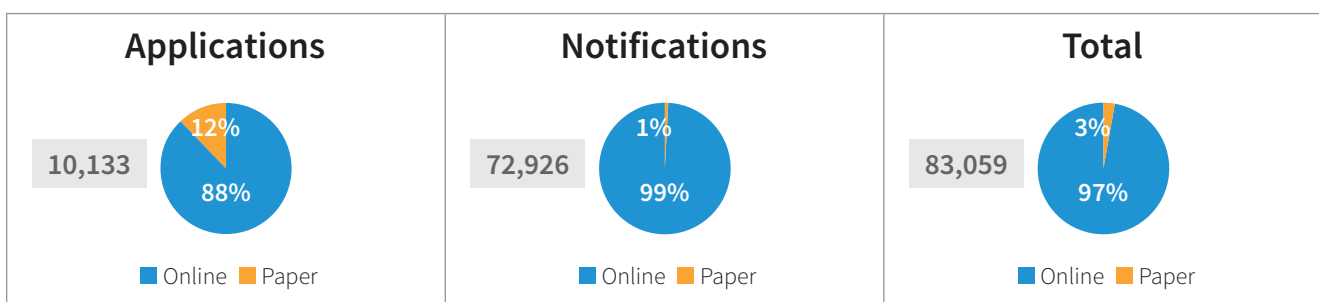


Figure 6: Applications and notifications submitted 2019–2020



NQA ITS service desk and training support

The NQA ITS service desk provides technical assistance to both the sector and regulatory authorities via email and phone calls. In 2019–20, the service desk responded to 2710 enquiries from users, which represents a decrease of approximately 25 per cent from 2018–19, suggesting users have become more proficient as the NQA ITS matures.

Training and support are provided to the regulatory authorities as needed through face-to-face training, online modules, interactive courses, training videos and quick-reference help guides. The sector also receives guidance documents where necessary. Early in 2020, focus shifted to providing sector and regulatory authority guidance on system enhancements related to the COVID-19 pandemic as well as other emergency management changes. The

emergency management scenarios covered health emergencies, floods, bushfires, cyclones and local emergencies.

The NQA ITS Satisfaction Survey for 2019 was distributed in November to regulatory authority and sector users. The survey seeks feedback on NQA ITS functionality, the service desk, as well as training. Its results inform the forward work plan and guide system improvements and enhancements.

Survey engagement was at 38 per cent for regulatory authority users and 14 per cent for sector users (a rise of four and a drop of six percentage points from the previous year respectively).

Service desk satisfaction remained high at 98 per cent for regulatory authorities and 93 per cent for the sector.

Participation by regulatory authorities in training sessions was at 68 per cent, similar to the previous year. The online self-paced interactive courses saw a positive feedback rate of 90 per cent.

Overall satisfaction with the system was rated at 81 per cent by regulatory authority users, while 71 per cent of public users reported that the NQA ITS met ‘all’ or ‘most’ of their needs.



2.5 Excellent rating and second tier reviews

Excellent rating

Awarding the highest quality rating of Excellent is one of our functions under the National Law to acknowledge services that have developed and implemented exceptional programs and practices. To be eligible to apply for the Excellent rating, a service must have received a quality rating of Exceeding National Quality Standard (NQS) in all seven quality areas from their state or territory regulatory authority.

As at 30 June 2020, we have received 254 applications for the Excellent rating since the legislative provisions enabling this function began in April 2013. Over this time, 111 services have been awarded the Excellent rating (this includes re-awarding).

Since the 2018 changes to the eligibility benchmark (rising from an *overall* rating of Exceeding to a rating of Exceeding NQS in *all* quality areas), there has been a reduction in the number of applications we have received. In 2019–20, we received 13 applications,

down from 21 in 2018–19 and 64 in 2017–18. Of the 13 applications received, eight were from the 14 services eligible to reapply and five from services applying for the first time.

Applications and re-applications are assessed against the following three criterion determined by our Board:

- **Criterion 1:** The service exemplifies and promotes exceptional education and care that improves outcomes for children and families across at least three of the agreed themes.
- **Criterion 2:** The service demonstrates leadership that contributes to the development of a community, a local area, or the wider education and care sector.
- **Criterion 3:** The service demonstrates commitment to sustained excellent practice through continuous improvement and comprehensive forward planning.

Table 4: Source of applications received 2019–20

Total 2019–20 applications	Number	% of applications
Qld	7	54%
NSW	2	15%
Vic	2	15%
SA	1	8%
NT	1	8%
ACT	0	0
Tas	0	0
WA	0	0

Excellent rated service profile

Following assessment of the 13 applications, 11 services were awarded the Excellent rating in 2019–20.

We awarded the Excellent rating for a third time to the following services:

- John Paul College Outside School Hours Care
- Warrawee Care Centre
- Bribie Island Community Kindergarten.

The following services were re-awarded the Excellent rating:

- Everton Park Child Care and Development Centre
- Rosie’s Early Learning Centre
- The Southport School.

The following services were awarded the Excellent rating for the second time:

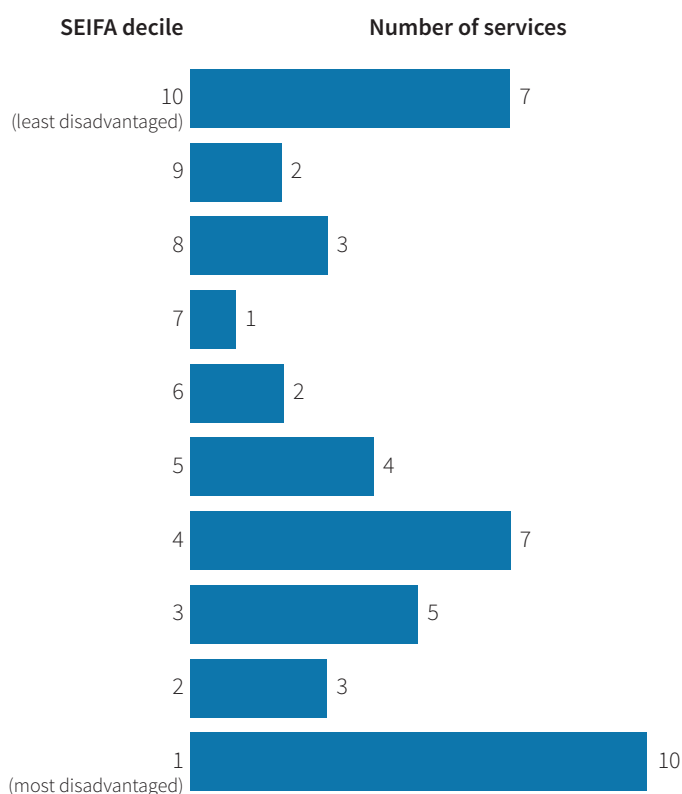
- Gowrie Victoria Broadmeadows Valley
- Learning Link’s Preschool
- Yirrkala Preschool
- Keithcot Farm Children’s Centre for Early Childhood Development and Parenting
- John Brotchie Nursery School.

As at 30 June 2020, the 42 services with the Excellent rating include long day care, preschool/kindergarten and outside school hours care services, across a

range of socio-economic areas. There are no family day care services rated Excellent at this time.

We continue to write to approved providers of services eligible to apply for the Excellent rating, providing information about eligibility and the application process. In 2019–20, we wrote to more than 140 services about their eligibility to apply, down from more than 200 in the previous year, a direct result of the higher eligibility benchmark introduced in 2018 and the reduction in assessment and rating visits and decisions from March 2020 due to the COVID-19 pandemic.

Figure 7: Number of centre-based services⁴ rated Excellent by Socio-Economic Indexes for Areas (SEIFA) Index of Relative Disadvantage



Excellent rating information enhances practice across Australia

In 2019–20, we were committed to sharing examples of unique and exceptional practices from Excellent rated services with the sector, stakeholders and regulatory authorities. We captured Excellent

⁴ Family day care services are excluded from SEIFA classification because their operation is not specific to one location.

rated practices and environments from a range of Excellent rated services through our *Voices of Children* filming project. Examples are shared in newsletters, publications, presentations, workshops and through social media to promote quality children’s education and care, and to encourage eligible services to apply for the Excellent rating. Footage from Excellent rated services and interviews with families, service leaders, educators and staff is also used to promote quality early learning to families through targeted promotions.

Second tier reviews

If an approved provider of an education and care service disagrees with the rating level awarded through the quality assessment and rating process, they may apply to their regulatory authority for review. This first tier review offers an opportunity for approved providers to seek review by the regulatory authority of the awarded ratings following assessment and rating.

If the first tier review does not resolve an approved provider’s concerns, they may apply to us for a second tier review, which is conducted by a [ratings review panel](#).

Applications received and finalised

In 2019–20, we received 22 applications for second tier review and finalised 25 applications. This is the highest number of applications received and finalised within a year since the commencement of the NQF. The increase in second tier review applications may be indicative of a more mature quality rating system in which services are receiving a second (and sometimes third) quality rating and, therefore, more likely to seek a ratings review when there is a negative variation.

Of the 25 finalised applications for 2019–2020, 16 received a higher overall quality rating in their previous assessment and rating. Of this number, 13 were from services previously rated Exceeding NQS under the 2012 National Quality Standard.

Of the finalised applications in 2019–20, the ratings review panels, by consensus, decided to:



- amend the service’s overall rating in four cases
- partially amend the service’s ratings in six cases, which did not impact the service’s overall rating
- confirm all service ratings in 15 cases.

Twelve of the 25 finalised applications were from services with a Working Towards NQS rating after first tier review, and 11 were from services with a Meeting NQS rating. Two applications were from services with an overall Exceeding NQS rating, seeking Exceeding in an additional one or more standards.

Of the 22 applications received in 2019–20:

- 18 were centre-based long day care services, three were outside school hours care services and one was a preschool/kindergarten
- 16 were from NSW and two were from Western Australia and Victoria respectively; one was from Queensland and one from South Australia.

De-identified [decision notices](#), setting out each panel’s reasons, are published on our website. Information is also published to help approved providers submit a second tier review application.



2.6 Educate and inform

Engagement with families – Starting Blocks

We are committed to increasing families' and public's understanding of the importance of early childhood development and the benefits of giving children the best start in life. We share examples of what quality education and care looks like under the NQF and information about how teachers and educators work with families to understand and support children's development and learning.



Five years of brand growth and continuing...

Starting Blocks (StartingBlocks.gov.au) turned five in April 2020 and has a great growth story to tell.

Launched in April 2015, the website has hosted approximately 1.5 million sessions with over a million

users having visited the website as at the end of June 2020. In 2019, Starting Blocks achieved public recognition as a NSW state finalist at the Public Relations Institute of Australia (PRIA) Golden Target Awards 2019.

The website hosted over 660,000 sessions during 2019–20, representing a 58 per cent increase on the previous year.

New resources

Starting Blocks' tagline 'Your first step into early childhood education and care' reflects our ongoing commitment to supporting parents to understand the benefits of quality early learning for their children.

To position Starting Blocks as a source of comprehensive, independent and trusted information, new content is added to the website regularly, including:

- guest blogs from organisations including the Australian Early Development Census (AEDC), Little Scientists and the Office of the eSafety Commissioner, covering important subjects like brain development, importance of STEM education and screen safety tips
- resources we developed on the NQS quality areas, and tips for choosing an OSHC service.

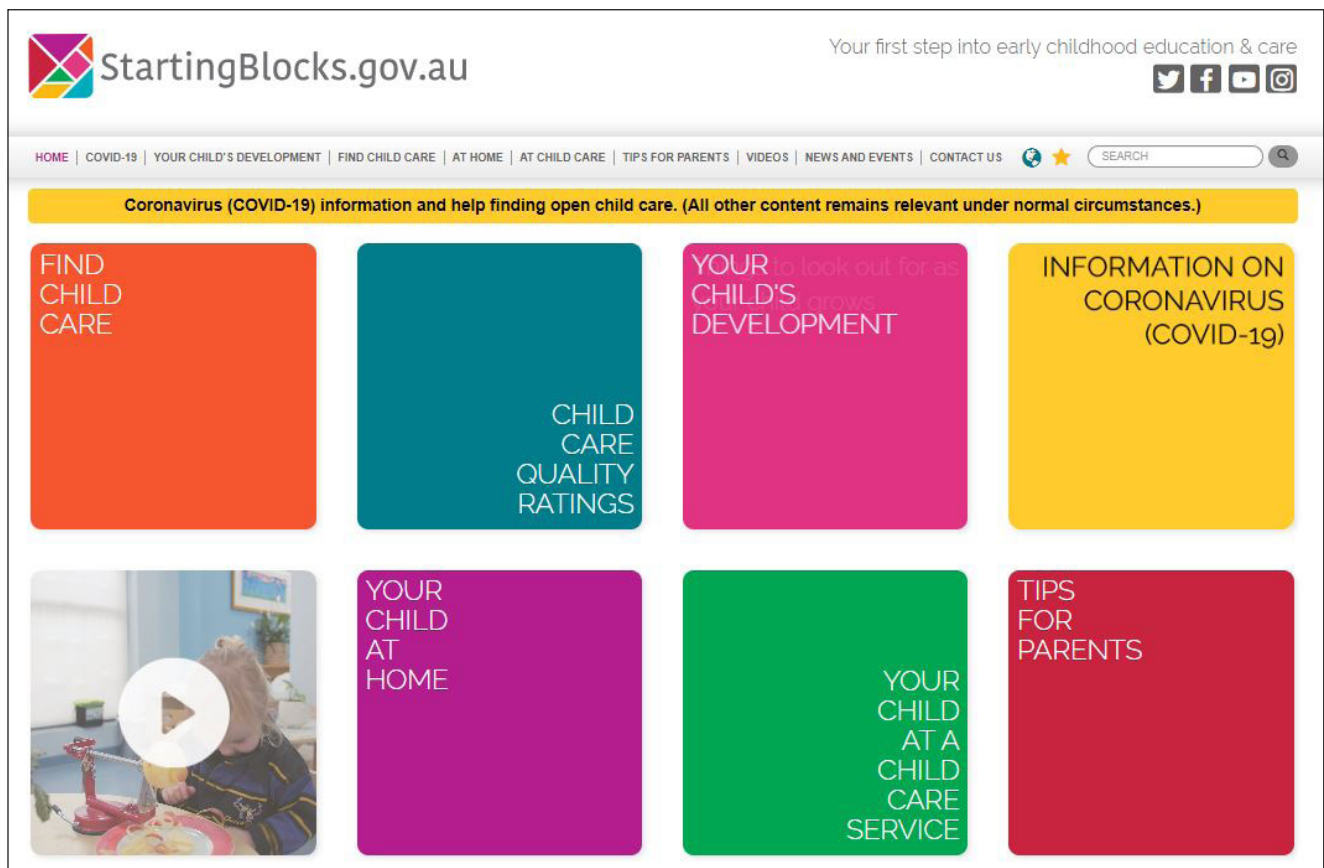
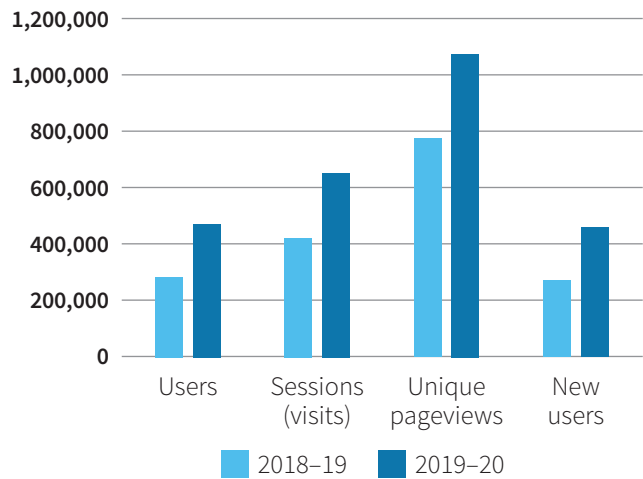
Website updates

Starting Blocks was audited for WCAG 2.1 AA accessibility compliance in 2018–19 and made improvements to achieve WCAG 2.1 AA compliance certification in 2019–20.

Other website updates included:

- enhancement to the Find Child Care tool to display services that are open during the COVID-19 outbreak
- new 'Information on Coronavirus (COVID-19)' section and resources to support families.

Figure 8: StartingBlocks.gov.au statistics



The Starting Blocks family-friendly website.



Blogger engagement

Starting Blocks' brand awareness and audience engagement also increased as a result of advertising campaigns with Mum Central, Facebook Mums Groups, Stay at Home Mum, Kinderling Digital Radio, Babyology, Ellaslist and Mum's Grapevine. This advertising included blogs on websites, social media posts, digital radio and newsletters.

Print advertising

Starting Blocks is also committed to increasing awareness of the NQF and NQS among Aboriginal and Torres Strait Islander families. We advertised the brand in two editions of the *Koori Mail* in 2019–20 (November 2019 and June 2020), reaching a readership of approximately 80,000 nationwide.



The Starting Blocks video campaign, available at:

www.acecqa.gov.au/resources/supporting-materials/videos/videos-families

Videos

Starting Blocks launched a video campaign in February 2020 showcasing how quality early learning can support a child's development, learning and wellbeing. The objective was to inform families' decisions about their children's early years.

Featuring the authentic and diverse voices of children, families, teachers and educators, these engaging videos highlight unique and inspiring quality early learning experiences. They showcase the development of supportive relationships and opportunities for children's learning and development.

Stakeholder engagement

Peaks and large providers

We work collaboratively with key sector stakeholders that operate at a national and state level to inform our NQF functions. Throughout the year, we met with peak bodies and large providers that represent the diversity of the sector to share information and gain insight into how the NQF is experienced, as well as consulting on professional development and workforce matters.

In 2019–20, we continued to communicate with approved providers and services through a range of online platforms, resources and engagement activities to promote quality, continuous improvement and the requirements of the NQF. From April 2020, we partnered with governments to focus our communications on timely information and guidance about COVID-19 to support services, their educators and families during the pandemic.

ACECQA Workforce Forum 2019

As part of our broader strategic priority for developing and supporting a high quality workforce in the children's education and care sector, we hosted a national forum in September 2019. The forum was attended by 80 sector stakeholders, including employers, peak bodies, governments, unions, teacher registration authorities and higher education providers.

Sector leaders spoke about current challenges, opportunities and innovative strategies in place to support education and care service providers to attract, develop and retain a high quality workforce. Stakeholders were encouraged to provide feedback on priority areas and future options for achieving a high quality and sustainable workforce. Findings from this event informed the final report to governments – *Progressing a National Approach to the Children's Education and Care Workforce*.

Conferences and speaking engagements

During 2019–20, our staff presented at 48 conferences and sector events. Topics included early childhood education and care, self-assessment, quality improvement planning, educational leadership, inclusion in practice and workforce challenges. These events provided important opportunities for professional development and a continued focus on quality improvement in all service types. Our staff also delivered presentations in China and Brazil on the structure and delivery of Australia's National Quality Framework.

Reflecting our ongoing support to the sector in the promotion of quality, we partnered with Family Day Care Australia (FDCA) to deliver eight National Engagement Program workshops on the role of home visits in family day care settings. These workshops were developed to support family day care providers, coordinators and educators to improve their understanding of the NQS. The workshops focused on the use of home visits to support compliance, quality improvement and educator autonomy.

From late February 2020, we suspended the delivery of sector presentations, workshops and events due to the COVID-19 pandemic. Planned sector presentations and workshops were rescheduled in collaboration with stakeholders.



2019 NQF Review ‘Have Your Say’ website

We are delivering ongoing communications and engagement services for the 2019 NQF Review process.

This review aims to ensure that the NQF is current, fit-for-purpose and implemented through best practice regulation. Over a million children currently attend education and care services across Australia, and it is important that the NQF operates in a way that ensures these children are safe and supported in their educational and developmental outcomes.

Families, communities, educators, services, providers and peak bodies are all invited to be part of informing government decision making during the 2019 NQF Review.

In December 2019, the Consultation Summary Report on the first consultation phase (April to June 2019) was published on the www.nqfreview.com.au online engagement platform. We built the ‘Have Your Say’ website to encourage participation in the review process by the sector, families and communities.

During 2019–20, there have been nearly 900 downloads of the Consultation Summary Report and over 5000 visits to www.nqfreview.com.au.

In April 2020, the review process was paused due to COVID-19. As this reporting year ends, we are planning for release of a Consultation Regulation Impact Statement (CRIS) for feedback during the second phase of public consultations in early 2021.

As COVID-19 impacted Australia, we created a new dedicated webpage to support families and services with reliable and relevant information, updates and resources.

Enquiries line

Our customer service team is often our first point of contact with stakeholders.

During 2019–20, we received a total of 27,257 enquiries, made up of 14,165 phone calls and 13,092 emails. This is slightly lower than 2018–19’s total of 29,462 enquiries, primarily as we temporarily suspended our 1300 422 327 phone line on 17 March 2020 when working from home arrangements were activated. A recorded message encouraged callers to send an email to enquiries@acecqa.gov.au and, during April to June 2020, we received 3739 email enquiries.

We received fewer enquiries overall during this period, but over a thousand additional email enquiries.

As part of our Customer Service Charter, we aim to respond to enquiries within five days and our average response time in 2019–20 was well below this at 1.9 days.

We welcome and value contact from the sector as it continually informs our website content, newsletter articles, information sheets, blogs and social media posts. This helps us deliver relevant and responsive communications to our broader audience.

ACECQA website

Our website is a trusted and increasingly popular source of information, particularly for our key stakeholders including educators, approved providers and peak organisations. In 2019–20, our website users increased by 24 per cent. We added new sections to the website including the new skilled migration assessment process, qualifications related pages and Meeting the NQS page of resources.

Our sector

16,144 APPROVED SERVICES


15,048 SERVICES RATED

80% MEETING OR ABOVE NATIONAL QUALITY STANDARD

7279 APPROVED PROVIDERS

Data as at 31 March 2020

[View NCR snapshot](#)




[Watch more videos](#)

Visit our family-focused website

[StartingBlocks.gov.au](#)

About Excellent Rated Services


The Excellent rating is the highest rating an education and care service can achieve



[About excellent rated services](#)

National registers


The national registers contains searchable information about approved education and care services, providers and certified supervisors.



[See national registers](#)

ACECQA Newsletter

ACECQA's monthly newsletters highlight the latest news and information on the National Quality Framework and the education and care sector.



[Latest newsletter](#)

ACECQA's Values

ACECQA's values are based on putting children at the centre of everything we do. Our organisational focus is on how we can improve outcomes for children across Australia. Our commitment is to keep in sight how our decisions and actions will improve outcomes for children and lead to long-term benefits for individuals, families and communities.

Our values influence all decisions and actions we take, from how we deliver corporate services to how we deliver services to our partners and the sector. Our values guide our interactions with our team and stakeholders, and inspire a reciprocal commitment from them to our organisation, purpose and vision. Our values complement, and position us to deliver on, our strategy – as articulated in ACECQA's strategic plan.

- [ACECQA's Governance](#)
- [The ACECQA Board](#)
- [The ACECQA Executive](#)
- [ACECQA's Values](#)

Integrity

We act honestly, take responsibility and lead by example.

Commitment


We build and maintain relationships to achieve our vision and purpose.





Respect

We consider and value the opinions, perceptions and expectations of others.

Collaboration

We work together to achieve better outcomes.




Videos for families:

[StartingBlocks.gov.au](#) has developed exciting new quality early learning videos for families and the community about the importance and benefits of early childhood education and quality early learning.


StartingBlocks.gov.au also has a range of resources for parents, carers and families about early childhood education and care, children's learning and development, and the National Quality Framework and National Quality Standard.



[Video transcript](#)

Quality early learning gives children new experience

Children are fast learners, and when you provide them with great learning opportunities, they thrive!



[Video transcript](#)

Belonging, being and becoming in quality early learning

Quality early learning creates a sense of belonging and gives children experiences with other cultures and communities.

Video transcript – Quality early learning gives children new experiences


Children are fast learners, and when you provide them with great learning opportunities, they thrive! This video shows how quality early learning helps children develop self-confidence by experiencing success.

00:00 – 00:04
Audio: [Background chatter] [little girl laughs] [old id]
Visual description: Little girl wearing her service's uniform - purple and black embroidered - as an early learning service is using a hand crank apple peeler. She looks happy after she finishes peeling an apple.

00:05 – 00:07
Audio: [Upbeat music]
Visual description: Message appears on an orange background: 'Your child is learning fast!'

00:08 – 00:09
Audio: [Background] and what are you doing right now?
Visual description: Two girls in their service's outdoor setting are carving something onto small stones.

Watch



[Quality early learning gives children new experiences](#)

During the reporting year, we also implemented accessibility improvements to our content and user experiences, achieving our Web Content Accessibility Guidelines (WCAG 2.1 AA) certification in February. We continue to update our website to make it even more accessible. In early 2020, we updated our home page, videos page, research page and introduced new menu behaviour for accessibility compliance.

As COVID-19 impacted Australia, we created a new dedicated webpage to support families and services with reliable and relevant information, updates and resources.

Social media

Our social media platforms, Facebook and Twitter, are continually driving increased engagement with our communications.

During this reporting year our social media content has regularly reached more than 55,000 people a week.

Our Facebook followers (52,000 as at 30 June 2020) have grown by almost 7000 on the previous year and our Twitter followers (5049 as at 30 June 2020) have grown by over 300 on the previous year.

In March 2020, we paused our social media strategy due to COVID-19. We published information from the Australian Government, regulatory authorities and state-based organisations as well as resources for services. The 99 posts across Facebook and Twitter achieved a total reach of over 675,000.

Our social media channels also remain an effective tool to promote our research and reports, achieving a reach of over 120,000 on Facebook throughout 2019–20. These posts were promoted with a new campaign-based model of posting which will feature in our 2020–21 social media engagement strategy.

Newsletter

Our monthly newsletters provide regular updates on our activities and events to subscribers, promoting quality early education and care and increasing awareness of our role.

In particular, we aim to inform education and care professionals of key updates and changes that may affect them.

As at 30 June 2020, the newsletter has more than 42,000 subscribers, a 14 per cent increase on 2018–19.

From March to May 2020, we released three COVID-19 special editions to share essential information from the Australian Government and resources to support services and providers in a time of crisis.

We recognise the busy schedules and information load of sector professionals, and are continually responding to user behaviours and feedback to improve our communications. This has resulted in an increased audience and positive feedback.

Our *We Hear You* blog shares a range of perspectives and insights into NQF topics from educators in services and our National Education Leader. Feature articles and guest posts from a variety of contributors from the children's education and care sector are published regularly. It has been viewed almost 315,000 times during this reporting period.

Sector resources

Resources that support services to improve their understanding of the NQF and Meet and Exceed the NQS are fundamental to achieving quality outcomes for children. Improving policies, programs and professional practices directly benefits children's learning, health, safety, wellbeing and development.

To help us more strongly align our resource development to the professional learning needs of educators and service leaders, we conducted a survey in June–July 2019. This identified a number of important NQF areas for educators including quality improvement, assessment and rating, compliance and enforcement, and educational leadership.

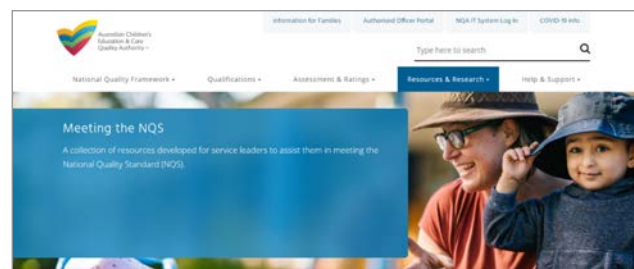
Reflecting these survey results and our ongoing support to regulatory authorities, we delivered a range of new resources in 2019–20. These included posters, information sheets and educational games, such as the Quest for Quality knowledge game extension pack about the Educational Leader role.

Recognising the importance of an improved understanding of the NQS across all service types, we published a collection of resources for providers and service leaders aspiring to Meet NQS.

We have also been developing a risk assessment and management tool to help providers, leaders and staff assess and manage risk as an ongoing part of daily practice. To assist family day care and outside school hours care, we are developing dedicated chapters and resources to enhance [The Educational Leader Resource](#) and provide additional guidance and practical support to leaders.

Two important resources produced this year include:

Meeting the NQS



Recognising the importance of an improved understanding of the NQS across all service types, we published a [collection of resources](#) for providers and service leaders aspiring to Meet NQS. The resources were initially developed for education and care services rated Working Towards NQS as part of a professional development program. With a focus on building knowledge and confidence with the NQS and the quality improvement process, the range includes:

- detailed introductions to the NQF and the seven NQS quality areas



- presentations with speaking notes
- guides on reflective sessions and regular meetings
- information sheets and summary sheets
- videos and infographics.

The resources have been regularly updated throughout the year to reflect the latest information and guidance. With over 34,000 unique visits, the resources have been used by the sector to improve their quality improvement processes and planning. We will continue to enhance these resources to support and encourage service leaders to reflect on quality improvement within their unique service context.

Educator wellbeing posters

The COVID-19 pandemic has highlighted the importance of supporting the wellbeing of the educators and staff critical to quality outcomes

for children, families and communities across Australia. Along with an [information sheet](#) to support educators during challenging times, we developed a [poster series](#) to build and promote confidence and wellbeing in education and care teams. Aligned with the seven NQS quality areas, the posters help providers and service leaders to empower educators, create inclusive environments and build on respectful and collaborative relationships with children and families.

Guide to the NQF

Our [Guide to the NQF](#) is a key reference used in most services across Australia. It is designed to help education and care providers, educators and authorised officers understand and apply the requirements of the NQF. It provides information for all types of service in all states and territories, and remains an increasingly popular resource.



During 2019–20 there were 124,000 downloads of information from the online version on our website. We suggest using this version to access the most up to date information, as we update it regularly.

We released an update to the *Guide to the NQF* in January 2020. We added information on regulation updates related to the inclusion of a ‘suitably qualified person’ in educator-to-child ratios, along with other minor changes.

Quality Support Program

In 2019–20, we continued to deliver our partnership with the NSW Department of Education to provide free professional development and support to eligible services rated Working Towards NQS, with six or more NQS elements ‘not met’, under the Quality Support Program (QSP).

During the course of 2019, the NSW Department of Education announced an extension of the QSP for an additional two financial years which will see support provided to up to 400 eligible services. Eligibility was extended to include outside school hours care (OSHC) and preschool services.

Throughout 2019–20, support was given to approved providers and service leaders of long day care, family day care, OSHC and preschool services. We delivered tailored one-on-one support and bespoke resources to help improve practice, deepen understanding of the NQS, and prepare for the next quality rating. The goal we share with the NSW Department of Education is that over time, all services will meet or exceed the

Among the findings was that services who participated in the QSP were almost three times more likely to achieve a rating of Meeting NQS compared to similar non-participating services.

NQS, leading to improved outcomes for children and their families.

We also produced a range of resources to assist service leaders, including [NQS-focused videos](#), information sheets and eLearning modules. A number of these were made available [nationally on our website](#).

A summary of key findings and learnings from a preliminary evaluation of the QSP is available on the NSW Department of Education’s [website](#). Among the findings was that services who participated in the QSP were almost three times more likely to achieve a rating of Meeting NQS compared to similar non-participating services. Service leaders also became more confident following their participation in the QSP and reported they felt better prepared for the assessment and rating process.



2.7 Support and training for authorised officers

Authorised officer training

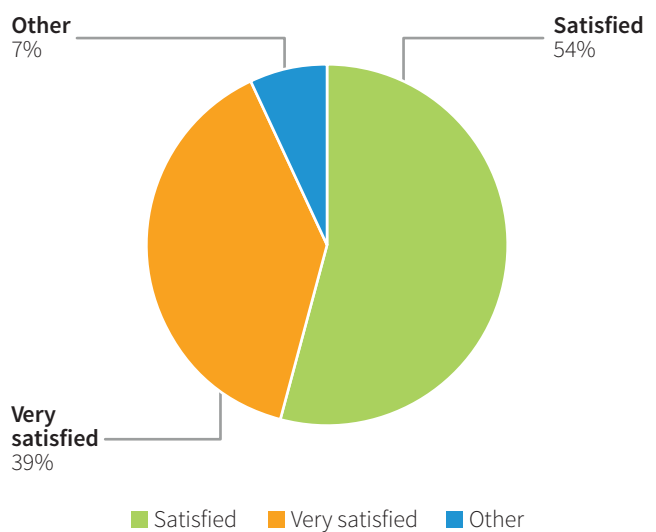
In 2019–20, we fulfilled our responsibilities under the National Law to provide assessment and rating training, support and testing to regulatory authorities in all jurisdictions.

This year, we delivered the authorised officer training package eight times to 96 participants from seven jurisdictions, including two jurisdiction-specific sessions. Due to COVID-19, the authorised officer training face-to-face component was successfully delivered remotely for two sessions (each over four days).

More than 90 per cent of authorised officer survey participants were satisfied (54 per cent) or very satisfied (39 per cent) with the training.

In addition to the existing authorised officer training package, an additional practice assessment test and a new follow-up webinar were successfully

Figure 9: Authorised officer training satisfaction



developed and implemented to further build the skills and knowledge of new authorised officers.

Authorised officer testing and support

As part of the national authorised officer training package, we provided individual tailored support to new authorised officers undergoing reliability testing. In addition, 438 drift tests were administered to authorised officers to ensure ongoing assessment and rating reliability and to further promote a nationally consistent approach to the assessment and rating process.

In 2019–20, we developed resources and support materials to further strengthen national consistency. This included the development of a new suite of Bush Kinder eLearning modules, five *RA Update* newsletters, and four new guidance notes to support authorised officers. In addition, eLearning modules are in development for topics such as Exceeding National Quality Standard, NQF Fundamentals and the role of the Educational Leader.

Lead Assessor Network

In 2019–20, we undertook the chairing and secretariat responsibilities for the Lead Assessor Network (LAN). The LAN provides a forum for cross-jurisdictional networking and a community of practice for representatives from all regulatory authorities as nominated by the Regulatory Practice Committee. Lead assessors meet to workshop, plan and contribute to the development of eLearning courses, discuss operational issues (including the impact of COVID-19) and strategies to support services during and post major events such as the current pandemic. In 2019–20, two meetings were held, one face-to-face and one online.

Supporting Regulatory Quality and Consistency Project

In 2019–20, we were engaged by the Queensland Department of Education to develop a training and assessment program to support regulatory officer capability. The Supporting Regulatory Quality and Consistency (SRQC) project will provide access to skill development opportunities to ensure consistent induction and training on core regulatory functions to regulatory authority staff across all Queensland regions.

More than 90 per cent of authorised officer survey participants were satisfied (54 per cent) or very satisfied (39 per cent) with the training.

The project involves the development and delivery of online and face-to-face training opportunities, eLearning modules, and a range of resources for on-the-job training and assessment.

Since the project commencement in February 2020, we developed one Introductory and 12 Foundational level eLearning modules and an accompanying workbook. In addition, a baseline survey was undertaken to inform a rigorous evaluation of the project.

A key deliverable is the establishment of an objective system for assessing regulatory officer capability for the purposes of authorisation under the National Law. This will build on the national authorised officer training we provide for assessment and rating, to further support Queensland regulatory officers to develop their capability across the full scope of their work.

In 2020–21, all state and territory regulatory authorities will benefit from access to a range of resources produced as part of the SRQC project.



2.8 Educator qualifications

NQF applications from individuals

One of our key functions is determining and approving the qualifications needed to work in children's education and care services. These include:

- early childhood teaching qualifications
- diploma level education and care qualifications
- certificate III level education and care qualifications
- working with school age children qualifications
- first aid qualifications
- anaphylaxis management training
- emergency asthma management training.

We maintain a [list](#) of current and formerly approved qualifications, as well as state and territory specific [lists](#) of qualifications for working with school age children.

Individuals who do not hold qualifications on our published lists and are not recognised by former state and territory laws can [apply](#) to us to have their qualifications assessed for equivalence.

In 2019–20, we received 926 applications from individuals seeking to have their qualifications assessed, down from 1101 applications last year. More than half (59 per cent) of the applications were from individuals seeking equivalence to early childhood teaching qualifications, with a further quarter (25 per cent) for diploma level qualifications.

Most applications were from individuals with qualifications from overseas, notably the UK (26 per cent of all applicants), New Zealand (12 per cent) and Ireland (9 per cent).

More than one quarter (28 per cent) of the applications were from individuals looking to work in NSW, followed by Victoria (23 per cent), Queensland (18 per cent) and Western Australia (13 per cent).

In 2019–20, we approved 568 individuals. This included 220 early childhood teachers, 201 diploma level educators, 101 certificate III level educators and 46 educators working with school age children. The overall approval rate was 71 per cent, down from 75 per cent last year.

NQF applications from organisations

Organisations, such as universities and registered training organisations, can apply to have an early childhood education program or relevant training added to our approved lists.

In 2019–20, we received 22 applications from organisations wanting their qualifications or training assessed for equivalence, down from 28 applications last year.

Most applications involved early childhood teaching qualifications, with three relating to asthma and anaphylaxis management training, and one being a diploma level qualification.

Of the 22 applications received, 14 had been finalised by 30 June 2020. One of these was for an early childhood teaching qualification from New Zealand. All of the finalised applications were approved.

We publish quarterly updates of data relating to our NQF applications as part of our [operational activity report](#). The report is available on the [research and reports page](#) of our website.

In August 2019, our Board conducted a scheduled review of our qualification assessment guidelines and requirements for early childhood teaching qualifications. Our new [requirements for early childhood teaching program assessments](#) are available on our website. The new requirements will apply to all applications received from 1 July 2020.

Skilled migration assessments

On 16 November 2019, we became the skills assessing authority for the Child Care Centre Manager and Child Care Worker (Group Leaders only) occupations.

The purpose of skills assessing authorities is to assist in the delivery of Australia's skilled migration program

We have continued our collaborative work with AITSL to promote national consistency in the recognition and assessment of early childhood teachers in Australia.

by completing skills assessments for occupations published on the Department of Home Affairs [skilled occupation list](#).

To apply for a visa under the skilled migration program, individuals require a skills assessment to be completed for their nominated occupation. Skills assessments determine whether the individual's skills, qualifications and experience meet the Australian standards for their nominated occupation.

Some skilled occupations include the Temporary Graduate visa (subclass 485). This visa is for international students who have recently graduated with skills and qualifications that are relevant to specific occupations Australia needs. To apply for this visa, individuals require a provisional skills assessment to be completed by the relevant skills assessing authority. We complete provisional skills assessments for the Child Care Centre Manager occupation only.

Between 16 November 2019 and 30 June 2020, we received 106 applications from individuals wanting their skills, qualifications and employment experience to be assessed for skilled migration purposes. Almost two-thirds (64 per cent) of the applications were for the Child Care Centre Manager occupation.

Of the 106 applications received, 69 had been finalised by 30 June 2020. Thirty-seven were approved as suitable for the nominated occupation of Child Care Centre Manager and 26 were approved as suitable for the nominated occupation of Child Care Worker (Group Leaders only). Five applications were withdrawn by the applicant. The overall approval rate was 98 per cent.



Between 16 November 2019 and 30 June 2020, we also received 465 provisional skills assessment applications from individuals wanting their qualifications assessed for the purposes of the Temporary Graduate visa (subclass 485).

Of the 465 applications received, 392 had been finalised by 30 June 2020. All of the finalised applications were approved.

Collaboration with partner bodies

Australian Institute for Teaching and School Leadership (AITSL)

We have continued our collaborative work with AITSL to promote national consistency in the recognition and assessment of early childhood teachers in Australia. In December 2019, we commenced a collaborative project to look at options for a nationally consistent and sustainable model for the registration of early childhood teachers, as well as a set of teacher standards that are relevant to, and inclusive of, them. Our findings will be presented to Education Ministers in the second half of 2020.

In addition, we continue to provide advice to inform AITSL's strategic teaching and leadership initiatives through the Teacher Qualification Expert Standing Committee (TQESC), and School Leadership and Teaching Expert Standing Committee (SLTESC).

SkillsIQ

During 2019–20, SkillsIQ continued their review of the children's education and care sector qualifications. These qualifications include the Certificate III and Diploma in Early Childhood Education and Care.

Public consultation on the final draft qualifications is scheduled to commence in August 2020, with the qualifications expected to be submitted to the [Australian Industry Skills Committee](#) for endorsement in late 2020. As a member of both SkillsIQ's Industry Reference Committee and Technical Advisory Committee, we have provided feedback and input to the review process since it commenced in 2017.

Progressing a national approach to the children's education and care workforce

In line with the priorities identified in the Education Council's Letter of Expectation, in 2019 we undertook research and analysis to progress a national approach to supporting children's education and care service providers to attract, develop and retain a high quality workforce.

Our report was endorsed by Education Ministers in December 2019. Since then, COVID-19 has had a substantial impact on the children's education and care sector in Australia. This impact, as well as the associated restrictions resulting from it, has varied over time and across the country, and this may well continue to be the case.

Our report is a point-in-time analysis of the children's education and care workforce. While it does not take account of the impact of the COVID-19 global pandemic, its content remains relevant and of use when considering the children's education and care workforce.

A key recommendation from our report is the development of a new national workforce strategy. The co-designed development of this strategy with the sector is scheduled to take place throughout 2020–21.









PART 3:

Financial Report and Financial Statements

Financial Statements for the period ended 30 June 2020

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INDEPENDENT AUDITOR'S REPORT

To the Education Council

Opinion

In my opinion, the financial statements of the Australian Children's Education and Care Quality Authority ('the Entity') for the year ended 30 June 2020 present a true and fair view in all material respects, the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, as required by subsection 279(3) of the *Education and Care Services National Law Act 2010*.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by Chair, Chief Executive Officer and Chief Operating Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising an Overview and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Board's responsibility for the financial statements

The Board of the Entity is responsible for the preparation of financial statements that give a true and fair view and that comply with Australian Accounting Standards– Reduced Disclosure Requirements, as required by subsection 279(3) of the *Education and Care Services National Law Act 2010*. The Board is also responsible for such internal control as they determine is necessary to enable the preparation that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, The Board is responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern as applicable and using the going concern basis of accounting unless the Board either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Peter Kerr

Executive Director

Delegate of the Auditor-General

Canberra

30 September 2020

Financial Statements for the period ended 30 June 2020

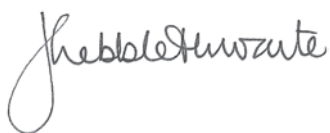
STATEMENT BY CHAIR, CHIEF EXECUTIVE OFFICER AND CHIEF OPERATING OFFICER

In our opinion, the attached general purpose financial statements for the Australian Children's Education and Care Quality Authority ('ACECQA'):

- comply with Section 279 subsection (3) of the *Education and Care Services National Law Act 2010* and relevant Australian Accounting Standards;
- are based on properly maintained financial records; and
- present a true and fair view of the financial position of ACECQA as at 30 June 2020 and the results of its financial performance and cash flows for the financial year ended 30 June 2020.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Children's Education and Care Quality Authority will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board.



Judy Hebblethwaite
Chair of the Board
30 September 2020



Gabrielle Sinclair
Chief Executive Officer
30 September 2020



Angela Buchanan
Chief Operating Officer
30 September 2020

Statement of Comprehensive Income for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
NET COST OF SERVICES			
Expenses			
Employee benefits	1.1A	12,467	10,950
Suppliers ¹	1.1B	4,254	5,454
Finance costs	1.1C	48	2
Depreciation and amortisation ¹	2.2A	1,174	194
Total expenses		17,943	16,600
Own-source revenue			
Revenue from contracts with customers ²	1.2A	2,613	621
Interest	1.2B	187	303
Other revenue		1	11
Total own-source revenue		2,801	935
Gains			
Gains from sale of assets		-	1
Other gains		118	-
Total gains		118	1
Net cost of services		15,024	15,664
Funding and other revenue from Governments ²	1.2C	10,405	14,699
(Deficit) / Surplus		(4,619)	(965)
Other comprehensive income		-	-
Total comprehensive income		(4,619)	(965)

1. ACECQA adopted AASB 16 using the modified retrospective approach. Accordingly, the comparative information has not been restated and continues to be reported under the previous AASB.

2. ACECQA adopted AASB 15 and AASB 1058 using the modified retrospective approach. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	2.1A	4,796	4,334
Trade and other receivables	2.1B	4,611	419
Other investments	2.1C	4,289	11,789
Total financial assets		13,696	16,542
Non-Financial Assets			
Buildings – right of use ¹	2.2A	2,674	–
Leasehold improvements	2.2A	334	452
Plant and equipment	2.2A	272	127
Other current asset – inventory		2	5
Prepayments		549	632
Total non-financial assets		3,831	1,216
Total assets		17,527	17,758
LIABILITIES			
Payables			
Suppliers – trade creditors and accruals		393	317
Other payables	2.3	1,391	766
Total payables		1,784	1,083
Interest bearing liabilities			
Leases ¹	2.4	2,680	–
Total interest bearing liabilities		2,680	–
Provisions			
Employment provisions	3.1	2,092	1,400
Other provisions	2.5	75	73
Total provisions		2,167	1,473
Total liabilities		6,631	2,556
Net assets		10,896	15,202
EQUITY			
Retained surplus		10,896	15,202
Total equity		10,896	15,202

1. For leasing office space.

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the period ended 30 June 2020

	Total Equity	
	2020	2019
	\$'000	\$'000
Retained surplus		
Opening balance as at 1 July	15,202	16,167
Adjustment on initial application of AASB 16	313	–
Adjusted opening balance	15,515	16,167
Comprehensive income		
(Deficit) / Surplus for the period	(4,619)	(965)
Other comprehensive income	–	–
Total comprehensive income	(4,619)	(965)
Closing balance as at 30 June	10,896	15,202

The above statement should be read in conjunction with the accompanying notes.

Cash Flow Statement for the period ended 30 June 2020

	2020 \$'000	2019 \$'000
OPERATING ACTIVITIES		
Cash received		
Revenue from Governments ¹	6,905	14,810
Sales of goods and rendering of services ¹	3,503	688
Interest	215	291
Total cash received	10,623	15,789
Cash used		
Employees	(12,043)	(10,693)
Suppliers	(4,404)	(6,225)
Interest payments on lease liabilities ¹	(45)	–
Net GST paid	(51)	(484)
Total cash used	(16,543)	(17,402)
Net cash (used by) / from operating activities	(5,920)	(1,613)
INVESTING ACTIVITIES		
Cash received		
Proceeds from investments	7,500	3,500
Total cash received	7,500	3,500
Cash used		
Purchase of property, plant and equipment	(229)	(38)
Total cash used	(229)	(38)
Net cash from / (used by) investing activities	7,271	3,462
FINANCING ACTIVITIES		
Cash used		
Principal payments of lease liabilities ¹	(889)	–
Total cash used	(889)	–
Net cash (used by) / from financing activities	(889)	–
Net increase in cash held	462	1,849
Cash and cash equivalents at the beginning of the reporting period	4,334	2,485
Cash and cash equivalents at the end of the reporting period	4,796	4,334

2.1A

1. ACECQA adopted AASB 15, AASB 1058 and AASB 16 using the modified retrospective approach. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

The above statement should be read in conjunction with the accompanying notes.

Overview

The Basis of Preparation

The financial statements are general purpose financial statements and are required by Section 279 subsection (2) of the *Education and Care Services National Law Act 2010*.

The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no

allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian Dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

New Accounting Standards

No accounting standard has been adopted earlier than the application date as stated in the standard.

The following new standards issued by the Australian Accounting Standards Board and applicable to the reporting period had a material impact on ACECQA's financial statements:

Standard / Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
<p>AASB 15 <i>Revenue from Contracts with Customers</i> / AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i> and AASB 1058 <i>Income of Not-For-Profit Entities</i></p>	<p>AASB 15, AASB 2016-8 and AASB 1058 became effective 1 July 2019.</p> <p>AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 <i>Revenue</i>, AASB 111 <i>Construction Contracts</i> and Interpretation 13 <i>Customer Loyalty Programmes</i>. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.</p> <p>AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of AASB 1004 <i>Contributions</i> and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives, and where volunteer services are received.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

Standard / Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 16 <i>Leases</i>	<p>AASB 16 became effective on 1 July 2019.</p> <p>This new standard has replaced AASB 117 <i>Leases</i>, Interpretation 4 <i>Determining whether an Arrangement contains a Lease</i>, Interpretation 115 <i>Operating Leases—Incentives</i> and Interpretation 127 <i>Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>.</p> <p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

Application of AASB 15 Revenue from Contracts with Customers / AASB 1058 Income of Not-For-Profit Entities

ACECQA adopted AASB 15 and AASB 1058 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Under the new income recognition model, ACECQA shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are ‘sufficiently specific’. If an enforceable agreement exists and the promises are ‘sufficiently specific’ (to a transaction or part of a transaction) to enable ACECQA to determine when they have been satisfied, ACECQA applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, ACECQA shall consider whether AASB 1058 applies.

In relation to AASB 15, ACECQA elected to apply the new standard to all new and uncompleted contracts from the date of initial application. ACECQA is required to aggregate the effect of all of the contract modifications that occur before the date of initial application.

In terms of AASB 1058, on initial recognition of an asset received, ACECQA is required to recognise immediately in profit or loss for the excess of the initial carrying amount of the asset over the related amounts recognised under other accounting standards and volunteer services.

Set out below are the amounts by which each financial statement line item is affected as at and for the period ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058. The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

Transitional disclosure	AASB 15 / AASB 1058 \$'000	Previous AAS \$'000	Increase / (decrease) \$'000
Revenue			
Revenue from contracts with customers	2,613	2,674	(61)
Net cost of services	15,024	15,085	(61)
Liabilities			
Other payables	1,391	1,330	61
Total Liabilities	6,631	6,570	61
Retained earnings	(4,619)	(4,680)	(61)

Under the new income recognition model, ACECQA recognises assessment revenue when an outcome decision is made on an application and communicated to the applicant, not when a complete application and its related payment are received.

Application of AASB 16 Leases

ACECQA adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2020 is not restated, that is, it is presented as previously reported under AASB 117 and related interpretations.

ACECQA elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under AASB 117 were not reassessed. The definition of a lease under AASB 16 was applied only to contracts entered into or changed on or after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. ACECQA applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Apply a single discount rate to a portfolio of leases with reasonably similar characteristics
- Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date
- Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under AASB 136 *Impairment of assets* as at the date of initial application, and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessee, ACECQA previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under AASB 16, ACECQA recognises right-of-use assets and lease liabilities for most leases. However, ACECQA has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

On adoption of AASB 16, ACECQA recognised a right-of-use asset and lease liability in relation to the lease of office space which had previously been classified as an operating lease.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using incremental borrowing rate as at 1 July 2019. ACECQA does not borrow from the market. We receive funding from the governments and manage our spending withing the funding envelope. The NSW Treasury Corporation (TCorp) rates are used as ACECQA's incremental borrowing rates. The TCorp rate applied to ACECQA's lease was 1.42% on 1 July 2019.

The right-of-use asset (i.e. sublease for ACECQA's office) was measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

Impact on transition

On transition to AASB 16, ACECQA de-recognised the previous lease straight line provision and recognised additional right of use assets and lease liabilities, with the difference recognised in retained earnings. The impact on transition is summarised below:

ACECQA	1 July 2019
Derecognition of lease straight line provision	313
Recognition of right-of-use asset – building	3,646
Recognition of lease liabilities	(3,646)
Retained earnings	313

The following table reconciles ACECQA's minimum lease commitments disclosed in its 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:

	1 July 2019
Minimum operating lease commitment at 30 June 2019	4,124
Less: GST	(375)
Undiscounted lease payments excluding GST	3,749
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(103)
Lease liabilities recognised at 1 July 2019	3,646

All other new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on ACECQA's financial statements.

Taxation

ACECQA is not subject to income tax. ACECQA is liable for Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Impact of COVID-19

As at 30 June 2020, ACECQA assessed the impact of COVID-19 on its assets and liabilities. It has been determined there are no known events that would have a material impact on the financial statements.

Events After the Reporting Period

No events have occurred after balance date that should be brought to account or noted in the 2019–20 financial statements.

Financial Performance

This section analyses the financial performance of ACECQA for the period ended 30 June 2020.

1.1: Expenses

	2020 \$'000	2019 \$'000
1.1A: Employee Benefits		
Wages and salaries	10,702	9,818
Superannuation	1,105	970
Leave and other entitlements	660	162
Total employee benefits	12,467	10,950

Accounting Policy

Accounting policies for employee related expenses are contained in the People and relationships section.

	2020 \$'000	2019 \$'000
1.1B: Suppliers		
Goods and services		
Consultants	478	451
Contractors	150	181
Travel	286	384
Information and communication technology	1,826	1,682
Publishing	138	428
Other	680	808
Total goods and services	3,558	3,934

Other expenses are general administration costs including stakeholder engagement, professional development and recruitment.

	2020 \$'000	2019 \$'000
Other suppliers		
Operating lease rentals ¹	-	916
Workers compensation expenses	67	58
Payroll tax expenses	629	546
Total other suppliers	696	1,520
Total suppliers	4,254	5,454

1. ACECQA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Leasing commitment – office accommodation

ACECQA has one lease for its office space. The lease commenced on 1 January 2016 for a period of 7 years and 3 months. At the end of lease, ACECQA is required to pay \$80k in lieu of a makegood clause.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C, 2.2, 2.4 and 2.5.

Accounting Policy

Short-term leases and leases of low-value assets.

ACECQA has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). ACECQA recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2020 \$'000	2019 \$'000
1.1C: Finance Costs		
Interest on lease liabilities	46	–
Unwinding of discount – make good provision	2	2
Total finance costs	<u>48</u>	<u>2</u>

ACECQA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 2.2 and 2.4.

1.2: Own-Source Revenue

	2020 \$'000	2019 \$'000
Own-source revenue		
1.2A: Revenue from Contracts with Customers		
Sales of goods	53	436
Rendering of services ¹	2,560	185
Total sale of goods and rendering of services	<u>2,613</u>	<u>621</u>

Disaggregation of revenue from contracts with customers

Major products / services:

Sales of publications	53	436
Assessment services	276	185
Service delivery	2,252	–
Training services	32	–
	<u>2,613</u>	<u>621</u>

Type of customer:

Government entities	2,276	–
Non-government entities	337	621
	<u>2,613</u>	<u>621</u>

Timing of transfer of goods and services:

Over time	8	–
Point in time	2,605	621
	<u>2,613</u>	<u>621</u>

1. ACECQA adopted AASB 15 and AASB 1058 using the modified retrospective approach. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Accounting Policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer.

Refer Overview section for overall policies relating to when a contract is in scope of AASB 15.

The following is a description of principal activities from which ACECQA generates its contract revenue:

Major products / services:	Principal activities	Timing of satisfaction of performance obligations	Payment term
Sales of publications	Selling National Quality Framework related resources published by ACECQA	Point in time when goods are dispatched	Payment upfront
Assessment services	Assessing applications under the Education and Care Services National Law and other assessments	Point in time when assessment decision is made	Payment upfront
Service delivery	Delivering specialised services to government partners and Education and Care sector stakeholders	Over time when the customer simultaneously receives and consumes the services as ACECQA performs or point in time when service is delivered	Payment upfront or 30 days from a correctly rendered tax invoice
Training services	Providing training services to government partners and Education and Care sector stakeholders	Point in time when training is provided	Payment upfront or 30 days from a correctly rendered tax invoice

The transaction price is the total amount of consideration to which ACECQA expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The output method is used to measure ACECQA's progress towards complete satisfaction of a performance obligation. If a performance obligation is not satisfied over time, then it is satisfied at a point in time when ACECQA has an enforceable right to payment for performance completed.

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

1.2B: Interest

	2020 \$'000	2019 \$'000
Deposits	187	303
Total interest	187	303

Accounting Policy

Interest revenue is recognised using the effective interest method.

1.2C: Funding and Other Revenue from Commonwealth, State and Territory Governments

	2020 \$'000	2019 \$'000
Funding and other revenue from Commonwealth Government	10,405	13,446
Funding and other revenue from State and Territory Governments	-	1,253
Total funding from Governments	10,405	14,699

In 2020, there are changes to timing of receiving funding from the Australian Government. \$3.5m operational funding for the next financial year is recognised in 2020 (\$6.7m in 2019).

ACECQA adopted AASB 15 and AASB 1058 using the modified retrospective approach. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations. Other revenue for goods and services from contracts with governments in 2020 are shown in Note 1.2A.

Accounting Policy

ACECQA recognises funding as revenue immediately in profit or loss for the excess of the initial carrying amount of funding over the related amounts recognised in accordance with other accounting standards.

Funding receivables are recognised at their nominal amounts.

1.2D: Unsatisfied Obligations

ACECQA expects to recognise as income any liability for unsatisfied obligations associated with revenue from contracts with customers within the following periods:

	2020 \$'000
Within 1 year	1,115
Total unsatisfied obligations	1,115

Financial Position

This section analyses ACECQA's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1: Financial Assets

	2020 \$'000	2019 \$'000
2.1A: Cash and Cash Equivalents		
Cash on hand or on deposit	4,796	4,334
Total cash and cash equivalents	4,796	4,334

Accounting Policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand;
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

	2020 \$'000	2019 \$'000
2.1B: Trade and Other Receivables		
Goods and services	4,073	182
Contract assets	429	–
Net GST receivables	70	184
Interest	25	53
Other Receivables	14	–
Total trade and other receivables (gross)	4,611	419
Less impairment loss allowance	–	–
Total trade and other receivables (net)	4,611	419

The contract assets are associated with direct costs to fulfil contracts with customer.

Contract assets at 1 July 2019	–
Plus: Contract Assets recognised	429
Contract assets at 30 June 2020	429

Refer Note 2.3 for information relating to contract liabilities.

Credit terms for goods and services were within 30 days (2019: 30 days).

Accounting Policy

Financial Assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

	2020 \$'000	2019 \$'000
2.1C: Other Investments		
Term deposits	4,000	11,500
Security deposit for bank guarantee	289	289
Total investments	4,289	11,789

Accounting Policy

Investments are term deposits held at fixed interest rates to maturity. Interest income from investments is recognised on an effective interest rate basis.

2.2: Non-Financial Assets

2.2A: Property, Plant and Equipment

Reconciliation of the opening and closing balances of property, plant and equipment for 2020

	Buildings – Right of Use \$'000	Leasehold Improvements \$'000	Plant & equipment \$'000	Total \$'000
As at 1 July 2019				
Gross book value	–	871	333	1,204
Accumulated depreciation and impairment	–	(419)	(206)	(625)
Net book value 1 July 2019	–	452	127	579
Recognition of right of use asset on initial application of AASB 16	3,646	–	–	3,646
Adjusted total as at 1 July 2019	3,646	452	127	4,225
Additions – by purchase	–	2	227	229
Depreciation expense	–	(120)	(82)	(202)
Depreciation on right-of-use assets	(972)	–	–	(972)
Net book value 30 June 2020	2,674	334	272	3,280
Net book value as of 30 June 2020 represented by:				
Gross book value	3,646	873	559	5,078
Accumulated depreciation and impairment	(972)	(539)	(287)	(1,798)
Net book value 30 June 2020	2,674	334	272	3,280
Carrying amount of right-of-use assets	2,674	–	–	2,674

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated at Note 2.2B. In June 2020, an independent valuer conducted the revaluation and there was no adjustment arising.

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition.

Asset Recognition Threshold

Purchase of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to the accommodation sublease taken up by ACECQA where there exists an obligation to pay a fixed amount in lieu of a 'make good' clause. The cost is included in the value of ACECQA's Leasehold Improvements with a corresponding provision for the recognition of payment.

Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by ACECQA as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16, ACECQA has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that

shows indicators of impairment. No right of use lease asset was impaired at the time of initial application or at the period ended 30 June 2020. Lease ROU assets continue to be measured at cost after initial recognition in ACECQA's financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the fair value of the assets as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class. Upon revaluation, any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to ACECQA using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated over the lease term.

Depreciation rates (useful lives), residual value and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset Class	2020	2019
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 to 20 years	3 to 20 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment as at 30 June 2020. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is

not primarily dependent on the ability to generate future cash flows, and the asset would be replaced if ACECQA was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

ACECQA's intangibles comprise purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Purchases costing less than \$100,000 (2019: \$100,000) are expensed in the year of acquisition other than where they form part of a group of similar items which are significant in total.

Software is amortised on a straight-line basis over its anticipated useful life.

All software assets were fully amortised as at 30 June 2020 and 30 June 2019.

2.2B: Fair Value Measurements

	Fair value measurements at the end of the reporting period	
	2020	2019
	\$'000	\$'000
Non-financial assets		
Leasehold improvements	334	452
Plant and equipment	272	127
Total non-financial assets	606	579
Total fair value measurements of assets in the statement of financial position	606	579

All property, plant and equipment (excluding ROU assets) is measured at fair value in the Statement of Financial Position. When estimating fair value, market prices were used where available. Where market prices were not available, depreciated replacement cost was used.

The remaining non-financial assets and liabilities reported by ACECQA in the Statement of Financial Position do not apply the fair value hierarchy.

2.3: Payables

	2020 \$'000	2019 \$'000
2.3: Other Payables		
Salaries and wages	188	89
Superannuation	19	87
Contract liabilities	1,115	164
Lease Liability	–	344
Accruals and other payables	69	82
Total other payables	1,391	766

The contract liabilities are associated with revenue received in advance under contracts with customers where performance obligations are not satisfied.

Contract liabilities at 1 July 2019	164
Less: satisfied obligations	(164)
Plus: Unsatisfied obligations	1,115
Contract liabilities at 30 June 2020	1,115

Refer Note 2.1B for information relating to contract assets.

Lease liability under Other Payables is an accrual for recognising ACECQA's operating lease payments and the related GST on a straight-line basis over the lease term under AASB 117.

On transition date to AASB 16, the accrual was de-recognised as an adjustment to the opening balance of retained earnings in Equity and accruals and other payables for GST.

ACECQA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Accounting Policy

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

2.4: Interest Bearing Liabilities

	2020 \$'000	2019 \$'000
2.4: Lease		
Lease Liabilities	2,680	–
Total leases	2,680	–

ACECQA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The total cash outflow for the lease for the period ended 30 June 2020 was \$1,029k inclusive of GST.

Accounting Policy

Refer Overview section for accounting policy on leases.

2.5: Other Provisions

	2020 \$'000	2019 \$'000
<u>2.5: Provision for Make Good</u>		
As at 1 July	73	72
Additional provisions made	-	-
Unwinding of discount	2	2
Rounding	-	(1)
As at 30 June	75	73

ACECQA has a sublease agreement which requires ACECQA to pay a fixed amount (\$80k) in lieu of a make good clause at the conclusion of the lease. ACECQA has made the provision to reflect the present value of this obligation.

People and Relationships

This section describes a range of employment and post employment benefits provided to ACECQA's staff and ACECQA's relationships with other key people.

3.1: Employment Provisions

	2020 \$'000	2019 \$'000
3.1: Employment Provisions		
Leave	1,975	1,315
On-costs	117	85
Total employment provisions	2,092	1,400

Accounting Policy

Liabilities for short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Unless otherwise stated, other long-term employee benefits are measured as the net total of the present value of the defined benefit obligation at the end of the reporting period.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, including the employer superannuation contribution rates and applicable on-costs, to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined using the shorthand method. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made or to be made by ACECQA to employees' externally managed superannuation funds as nominated by them.

The liability for superannuation recognised as at 30 June 2020 represents outstanding contributions due but not yet paid.

On-costs

Employment on-costs are payroll tax and workers' compensation insurance which are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other suppliers' and are not included as part of 'Employee benefits'. The related liability is included in the 'On-costs' provision.

3.2: Key Management Personnel Remuneration

	2020 \$	2019 \$
3.2A: Senior Executive Remuneration		
Short-term employee benefits	1,278,744	1,160,502
Post-employment benefits	147,632	136,602
Other long-term benefits	34,127	32,733
Total employment benefits	1,460,503	1,329,837

ACECQA's key management personnel are ACECQA Board members and Senior Executives.

The total number of Senior Executives that are included in the above table are 6 in 2020 (2019: 5).

Staff who have acted in a Senior Executive role for a period of less than three months have been excluded in the note.

For part of 2019–20, there was an additional short term Executive appointee to deliver a sector leadership framework for Queensland. This position, separately funded through an agreement with the Queensland Government, is included in the note as it was for more than 3 months.

Short-term employee benefits include salaries, paid annual leave and sick leave, accrued annual leave entitlements, benefits under salary sacrifice arrangements and non-monetary benefits. Other long-term benefits include accrued long service leave entitlements.

3.2B: Board Member Remuneration

	2020 \$	2019 \$
Total Board remuneration	188,624	235,092

Board remuneration is the payments received or due and receivable by ACECQA Board members in 2019–20.

Remuneration for the Board is determined by the Education Council.

There were changes to the composition of the ACECQA Board in 2019–20. The highest number of Board members in 2019–20 was 13 (2018–19: 13).

3.3: Related Party Disclosures

Related party relationship

ACECQA is a national statutory body predominantly funded by the Australian Government Department of Education, Skills and Employment. Its Board Members are appointed by the Education Council. Related parties to ACECQA are Board Members and Senior Executives.

Transactions with related parties

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by ACECQA, it has been determined that there are no related party transactions to be separately disclosed.

Managing Uncertainties

This section analyses how ACECQA manages financial risks within its operating environment.

4.1: Contingent Assets and Liabilities

A bank guarantee was provided by ACECQA to the sublessor in relation to its leased premises. The value of the bank guarantee is \$289,124 (2019: 289,124) and will be released upon termination of the sublease agreement.

The bank guarantee is secured by a term deposit of the same amount.

ACECQA had no other quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2020 (2019: nil).

4.2: Financial Instruments

	2020 \$'000	2019 \$'000
4.2A: Categories of Financial Instruments		
Financial assets at amortised cost		
Cash and cash equivalents	4,796	4,334
Trade and other receivables	4,541	235
Term Deposits	4,000	11,500
Security deposit for bank guarantee	289	289
Total financial assets at amortised cost	13,626	16,358
Total financial assets	13,626	16,358
Financial Liabilities		
Financial liabilities measured at amortised cost:		
Trade creditors	393	127
Other payables	69	616
Total financial liabilities measured at amortised cost:	462	743
Total financial liabilities	462	743

Financial assets exclude GST receivables and Contract Assets.

Financial liabilities exclude GST payables and Contract Liabilities.

Accounting Policy

Financial Assets

ACECQA classifies its financial assets in the following categories:

- a) financial assets measured at amortised cost
- b) financial assets at fair value through profit or loss
- c) financial assets at fair value through other comprehensive income.

The classification depends on both ACECQA's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when ACECQA becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

- 1) the financial asset is held in order to collect the contractual cash flows; and
- 2) the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade and contract receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the writeoff directly reduces the gross carrying amount of the financial asset.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Amortised Cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Trade and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

2020	2019
\$'000	\$'000

4.2B: Net Gains or Losses on Financial Assets

Financial assets at amortised cost

Interest revenue	187	303
Net gains / (losses) on financial assets at amortised cost	187	303

Other Information

5.1: Aggregate Assets and Liabilities

	2020 \$'000	2019 \$'000
<u>Assets expected to be recovered in:</u>		
No more than 12 months	14,247	17,179
More than 12 months	3,280	579
Total assets	17,527	17,758
<u>Liabilities expected to be settled in:</u>		
No more than 12 months	2,728	1,405
More than 12 months	3,903	1,151
Total liabilities	6,631	2,556

End of Financial Statements

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Appendices



Appendix A

Letter of Expectation 2019–20



Ms Judy Hebblethwaite
Chair
Australian Children's Education and Care Quality Authority Board
PO Box A292
Sydney NSW 1235

Dear Ms Hebblethwaite

Australian Children's Education and Care Quality Authority: Letter of Expectation.

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

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

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

Purpose

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

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

The Letter sets the Education Council's strategic directions and key performance expectations for ACECQA, and recognises that the ACECQA Board and Chief Executive Officer are responsible for how ACECQA exercises its functions to achieve these directions and expectations.

The Letter provides direction about the nature of activities ACECQA is expected to undertake and should inform the development of ACECQA's strategic plan and forward Work Plan.

Context

This Letter is developed in the context of evidence demonstrating that engagement in quality education and care, particularly in the early years, leads to better health, education and employment outcomes in later life.

It is for this reason jurisdictions have demonstrated commitment to the National Quality Agenda (NQA), which includes the NQF, as a consistent national regulatory system for the early childhood education and care sector.

Since the inception of the NQA, considerable expertise, particularly in relation to the NQF, has been developed within ACECQA and state and territory Regulatory Authorities (RAs). Execution of this Letter is predicated on ACECQA utilising and capitalising on expertise that resides in RAs in the delivery of its functions. Recognising the primacy of RAs in regulating the early childhood education and care sector, ACECQA and RAs are expected to meaningfully collaborate and support one another in pursuit of the aims of the NQF.

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

ECPG is entrusted by Council to provide high-level strategic policy advice on all early childhood policy matters, therefore ACECQA must consult with ECPG prior to progressing any policy matters to Education Council. Within this context, the relationship between ACECQA and ECPG is vital to successful administration of the NQA. This Letter stipulates a specific role for ECPG in guiding ACECQA in prioritising Education Council's strategic directions and developing a forward Work Plan for addressing these priorities.

ACECQA's relationship with RAs, which have operational responsibility for the NQF, is critical to effective regulation of early childhood services and national consistency under the National Law. Productive and meaningful collaboration between RAs, ACECQA, and its various working groups (e.g. Regulatory Practice Committee) is essential to identify ways to support RAs in regulating the sector. This collaboration is paramount to improving outcomes for children and successful implementation of the NQF.

Term

This Letter outlines the Education Council's expectations for ACECQA for the period 1 January 2019 to 30 June 2020. This reflects the current funding arrangements for ACECQA that ensure core funding until 30 June 2020.

The early childhood development environment is changing, with an evolving and complex service profile and sustained expansion. As such, the aims and efficacy of the NQF are constantly being reviewed by jurisdictions. This process of review will influence future decisions regarding the NQF, and therefore the regulatory system environment beyond 2020 is not certain.

Future Letters of Expectation will reflect resultant changes in the strategic directions of the Education Council.

Principles

The health, safety and wellbeing of children is the paramount consideration of the strategic directions articulated in this Letter and are the critical foundation to improved outcomes for life and learning through quality education and care experiences.

ACECQA will have regard to the following core ideals:

- a transparent, fair, accountable, efficient and effective system
- streamlined governance arrangements and clearly defined accountabilities
- collaboration with jurisdictions in decision making
- a single NQF with consistent implementation of the National Law, to apply to all early childhood education and care services within the system
- consistent application of the National Quality Standard (NQS)
- ongoing investment in research and evaluation, reflecting Education Council priorities and taking into account work underway in jurisdictions, as essential to providing an evidence base for national decision making a continuous focus on quality improvement.

In performing its functions, ACECQA will:

- ensure it acts in accordance with the decisions of the Education Council; and
- progress advice to the Council in accordance with protocols, procedures and/or arrangements agreed to by the Education Council, or the Australian Education Senior Officials Committee (AESOC) on behalf of the Council.

Strategic Directions

The strategic directions outlined below acknowledge the commitment to ensuring the NQF is an integrated and consistent national system. ACECQA will prioritise pursuit of these directions through the development of a forward Work Plan. This plan will detail key deliverables, timeframes and budgets for approval by Education Council and determine key actions for immediate delivery compared to those with a longer lead time.

Achieving NQF system and reporting improvements

- Evaluate the NQF in collaboration with all jurisdictions, and provide regular advice to RAs, ECPG and AESOC in relation to the collection of information and the evaluation of the NQF
- Develop streamlined and reliable systems, including the identification and collection of relevant data in the NQA IT System (NQA ITS), to monitor and identify any emerging issues or risks and develop practical operational solutions in collaboration with jurisdictions.
- Explore changes to the NQA ITS to better support jurisdictions in undertaking regulatory activities, including record keeping and archiving, investigations, compliance capabilities and sharing appropriate information with and between RAs.
- Ensure that protocols for protecting NQA ITS and clear reporting requirements around national data are in place.

Assist with the 2019 NQF Review and implementation of the outcomes

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

Assist with implementation of the outcomes of the 2014 NQA Review

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

Assist with the 2019 ACECQA Review

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

Provision of ongoing support to jurisdictions to improve quality outcomes for children, including for Regulatory Authorities to enable regulatory best practice

The following strategic directions are predicated on the notion that ACECQA has a critical role in supporting RAs to improve quality outcomes for children and achieve consistency of approach, noting the recent exponential growth in early childhood education and care services.

As such, ACECQA should continue to work with and support each RA in recognition of the different operating environments across jurisdictions and the need for flexible and nuanced approaches for effective regulatory practice. In doing so, ACECQA should avoid duplicating work already undertaken by RAs and capitalise on their existing expertise to ensure effective use of resources.

- Implement effectively and efficiently any actions agreed by Education Council to improve compliance and provider understanding in family day care.
- Develop evidence-based guidance in line with the NQS for approved providers on quality education and care programs and practices. Operate advisory and support structures, including the Regulatory Practice Committee, the Lead Assessors Network and the Lead Investigators Network, in collaboration with states and territories to promote transparency and accountability, with a view to ensuring outcomes are maximised and participation achieves a net benefit for all parties.
- Identify ways to better support RAs to coordinate and manage key issues, deliver best practice regulation and achieve comparable outcomes in the administration of approvals, assessment and rating, compliance and enforcement, and ad hoc requests for advice about the NQF.
- Develop options for promoting consistency and validity in respect to assessment and rating nationally, including proposals for leveraging lead assessor skills, experience, capabilities and understandings across jurisdictions.
- Review existing training to ensure high quality, flexible and risk-based professional development is provided for jurisdictions including:
 - identifying ways to increase authorised officer capability and maintain consistency of regulatory practice, recognising the full scope of regulatory functions, and
 - consideration of flexible IT training arrangements in respect to NQA ITS to support jurisdictions in their work
- Implement, in consultation with all jurisdictions, a mutually agreed national audit program aimed at promoting national consistency, operational enhancements and improved outcomes for children.
- Develop and maintain an evidence base to inform early childhood education and care policy decision making and improve quality outcomes for children.
- As owner on behalf of jurisdictions, manage the NQA ITS, including: day-to-day administration; resolving data quality issues; consideration and facilitation of enhancements, including potential new reporting capabilities.
- Provide RAs with information and tools, where required, to enhance their regulatory activities.

Promoting education and awareness

Given education and awareness is a key mechanism to increasing visibility and consistent implementation of the NQF, ACECQA is primarily responsible for communicating with parents and the community. From an operational perspective, RAs are directly responsible for communicating and engaging with providers.

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

- Continue to develop a comprehensive and innovative communication and engagement strategy regarding the NQF and the importance of quality early childhood education and care, targeting parents and the community directly.
- Develop and publish appropriate additional resources for RAs to support services to meet and exceed the NQS, and to understand and comply with their obligations under the NQF.
- Promote approved learning frameworks as identified by RAs.
- Monitor the provision of information and resources to services and educators and provide ECPG with information on this.

Developing and supporting a high quality workforce

- In consultation with other relevant bodies, work on professional development and relevant workforce matters for consideration by ECPG.
- Work with SkillsIQ to finalise development of revised VET qualifications and their introduction across the sector and supporting quality improvements in early childhood education and care workforce training
- Work to reduce overlap and misalignment of approval processes, in collaboration with higher education providers, teacher registration authorities and the Australian Institute for Teaching and School Leadership (AITSL).
- Support all jurisdictions to maximise the availability of suitably qualified educators for the sector and inform decisions about qualification provisions in the National Law.
- Work with AITSL and jurisdictions to support as appropriate the implementation of the recommendations of the National Review of Teacher Registration.

Governance

Relationship with the Education Council and the Australian Education Senior Officials Committee

The relationship between the Education Council and ACECQA is guided by the Decision Making and Governance Protocols for Education Authorities and Companies, which were originally approved by Ministers on 8 July 2011.

From time to time, the Education Council may choose to seek advice from ACECQA regarding quality issues related to early childhood education and care and school aged care. In undertaking its activities, ACECQA may also refer issues of strategic national significance to the Education Council for its consideration, through AESOC, following initial consultation with the ECPG.

Working collaboratively with the Australian, State and Territory governments

The Education Council expects ACECQA to work collaboratively and maintain strong working relationships with AESOC, ECPG and jurisdictions (including RAs), to ensure effective implementation of the NQF.

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

Planning and Reporting

ACECQA will provide a written progress report against its forward Work Plan to the Education Council (via AESOC) at least once per year. The progress report should outline ACECQA's performance in relation to its functions specified in the National Law and the strategic objectives and priorities identified in this Letter.

ACECQA will also provide a budget update in its progress report, identifying any proposed changes to the forward Work Plan that may be required to ensure it is able to deliver on Education Council priorities. Timeframes for the submission of reports to Ministers will be guided by Education Council meeting dates.

Funding

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

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

Conclusion

On behalf of the Education Council, I look forward to continuing to work with you in improving the quality of early childhood education and care nationally and promoting children's health, safety and well-being.

Yours sincerely

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

The Hon. John Gardner
Chair

18/12/18

Appendix B

ACECQA Chair's response to Letter of Expectation 2019–20



Australian Children's
Education & Care
Quality Authority™

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www.acecqa.gov.au

17 January 2019

The Hon Dan Tehan
Chair
Education Council
PO Box 202
Carlton South Victoria 3053

Dear Minister

Thank you for the Letter of Expectation signed by Minister Gardner outlining the priorities and expectations of the Education Council for the Australian Children's Education and Care Quality Authority (ACECQA) to 30 June 2020.

We are pleased to have met the expectations of Council under the previous Letter of Expectation and thank the Council for acknowledging ACECQA's efforts. Thank you also for providing us with an opportunity to consider a draft of Council's new Letter of Expectation.

We welcome the opportunity to deliver against the seven strategic directions outlined in the Letter of Expectation through our new forward Work Plan. ACECQA has a number of initiatives and projects in progress which align with these strategic directions. The Board will also take the opportunity in early 2019 to refresh its Strategic Plan in line with Council's updated strategic directions.

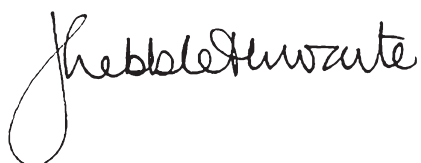
In 2019 and 2020, we look forward to continuing to demonstrate to Education Council and governments how we are delivering services effectively, efficiently and within budget while also identifying new opportunities to support regulatory authorities, services and families. In particular, the 2019 Review of ACECQA will provide an opportunity to demonstrate ACECQA's critical role and value in enhancing the national system, supporting regulatory authorities and improving quality for children in education and care services across all jurisdictions beyond 2020.

We acknowledge the support and commitment to the National Quality Framework (NQF) represented by the Australian Government's extension of its funding of ACECQA until June 2020. The new funding agreement with the Australian Government provides ACECQA with the majority of funding for its core national services. ACECQA will continue to deliver our legislated functions, work plan and report to Council based on the Letter of Expectation and the National Law. As requested in the Letter, we look forward to seeking additional opportunities for commissioned work to grow the services provided to our stakeholders consistent with the National Law and Council's strategic priorities.

We have commenced a work plan and budget for submission to Council by April 2019, detailing the work ACECQA will undertake to meet the priorities and expectations outlined by Council.

We look forward to working with our many sector stakeholders to guide, support and enhance the NQF for the children and families of Australia.

Yours sincerely

A handwritten signature in black ink, reading 'Judy Hebblethwaite'. The signature is written in a cursive style with a large initial 'J'.

Judy Hebblethwaite
ACECQA Board Chair

Appendix C

ACECQA Board membership



**Ms Judy Hebblethwaite
Chair**

Judy Hebblethwaite worked for more than 35 years in education, including more than 13 years in various roles associated with early childhood. She was a teacher before holding a number of senior positions in the Tasmanian Department of Education. These included Director, Early Years as well as managing the child care regulatory unit in the Department.

Judy has a strong commitment to quality early childhood education and care. She oversaw the final development, introduction and implementation of the state *Child Care Act* in 2000 and was responsible for much of the establishment phase of the Child and Family Centre program in Tasmania. Judy also led Tasmania's participation in the development of the National Quality Agenda framework and the Universal Access to Early Childhood Education initiative. Judy was also President of the Board Link Youth Health Service in Tasmania.



**Professor Emeritus Ann Farrell
Deputy Chair**

Ann Farrell is Professor Emeritus in the School of Early Childhood and Inclusive Education, Faculty of Education, Queensland University of Technology. She served as Head of School from 2005 to 2020. Earning a PhD from The University of Queensland in 1996, she received an Honorary Doctorate from Gothenburg University (Sweden) in 2012 for international leadership in early childhood research.

Ann's expertise is in international policy research, early childhood teacher education, research ethics, and children's rights to protection and participation.

Ann serves in a range of national and international roles: National Advisory Council, Beyond Blue Australia; Australian Research Council International Reader; External Assessor, Australia's National Health and Medical Research Council; International Assessor for the Social Sciences and Humanities Research Council of Canada; International Advisory Board, Faculty of Education, Gothenburg University; and International Assessor, South Africa's National Research Foundation, Review and Evaluation Directorate.



Ms Maree Bredhauer

Maree Bredhauer has worked for more than 35 years in both the private and public sector in early childhood in the Northern Territory, including time as a primary school principal in both urban and rural schools.

Maree has been President of the NT Schools Principals' Association, with an executive role in the creation of the Centre for School Leadership. This centre is a partnership organisation between Charles Darwin University and the Department of Education. In June 2014, Maree left her position in Early Childhood Policy and Regulations in the NT Department of Education to work in the not-for-profit sector. Until recently Maree was the Manager of Early Childhood Australia NT Branch, is a member of the Early Childhood Australia Board and holds an elected position in local government as Mayor of Litchfield Municipality.



Mr Selwyn Button

Selwyn Button is a Gungarri man from South West Queensland, raised in Cherbourg.

Selwyn is the Registrar, Office of the Registrar of Indigenous Corporations (ORIC) the regulatory body supporting more than 3000 Indigenous corporations across the country. Selwyn has extensive experience in Queensland health and education sectors. From 2014 to 2018 he was Assistant Director-General of Indigenous Education in state schools, where he oversaw significant improvements in outcomes for Aboriginal and Torres Strait Islander students. Prior to that he was CEO of the Queensland Aboriginal and Islander Health Council (QAIHC), chairperson of the Aboriginal and Torres Strait Islander Community Health Service Brisbane Limited, and director of the Indigenous health policy branch within Queensland Health. He is a former teacher and Queensland police officer.

Selwyn has served on numerous councils and committees including Oxfam Australia, Queensland Council of Social Service, and the Queensland Indigenous Education Consultative Committee. He remains a director of The Lowitja Institute and Queensland Rugby Union.



Professor Marc de Rosnay

Marc de Rosnay is the Professor of Child Development and Academic Director at Early Start, University of Wollongong. He leads transformational early childhood initiatives involving the university and community, with the goal of improving developmental, educational, and social opportunities for vulnerable children. With the team at Early Start, Marc works to translate current evidence on child development and early learning into everyday care and professional practices, and to develop systems to support children, families and educators in regional and remote contexts. He also provides support for various community and charity organisations, as well as state and Australian government initiatives.

In 2003, Marc was awarded a Churchill College Fellowship (University of Cambridge) in recognition of his original work on emotion understanding and development in infancy and early childhood. In 2006 he moved to the School of Psychology, University of Sydney, where he held an Australian Research Council (ARC) Postdoctoral Fellowship between 2007 and 2010.

Marc's own research focuses on how children become socially and emotionally competent, with a particular interest in the ways in which we understand and care for children, on the one hand, and the ways in which they understand us, on the other. In addition to his scholarly outputs, Marc has worked consistently to communicate research about early childhood and development into the public forum and has taken a leading scientific role in various documentaries (including the *Life At* series on ABC television).



Dr Anne Glover AO

Anne Glover is an international education and development consultant with extensive experience in designing, implementing and evaluating development programs. Anne specialises in systemic reform and the development of fair and efficient education systems. For more than 20 years she has worked with regional governments – Indonesia, Papua New Guinea, Kiribati and Vanuatu – to develop and implement education reform agendas at national, state and local levels.

Anne also has specific expertise in early childhood care and education. A child advocate with a long commitment to promoting and protecting children's rights and working proactively to support children's access to and participation in education, Anne has more than 30 years' experience in the early childhood education and care sector as a practitioner, academic, researcher and mentor. Beginning her academic career at the University of South Australia in 1983, Anne has been responsible for early childhood program and course development and coordination, undergraduate and postgraduate teaching, and supervising higher degrees. A keen researcher committed to rigorous and ethical research, she was a Foundation Member of the UniSA Early Childhood Research Group and the Paediatric Wellbeing Research Group, and is currently an Adjunct Senior Research Fellow at UniSA.

Anne is actively engaged in various organisations concerned with children's wellbeing and is the Presiding Member of the SA Child Development Council.



Ms Akiko Jackson⁵

Akiko Jackson is an internationally experienced non-executive director and strategy adviser with more than 30 years as an executive in the financial services industry including CBA and Westpac in Australia and Japan, and as a strategy management consultant in the US and Australia. She has worked in both the private and the public sectors and has extensive experience in advising and working with boards, managing directors and secretaries of government departments on business development, risk management, leadership, strategy and transformational change implementation. Akiko is a Fulbright Scholar with an MBA from Stanford University, and has a Bachelor of Law from Keio University, Tokyo. She is bilingual in English and Japanese.

Akiko is currently an advisor to the Australian Government Minister for Government Services on digital transformation, a Board member of Foundation and Friends of the Botanic Gardens and chair of its Finance, Audit and Risk Committee.

Previously Akiko was a non-executive director of digital bank 86 400, chair of its Board Risk Committee and member of its Board Audit Committee, and Board Governance and Remuneration Committee. Akiko was also a member of the Advisory Committee of Australian Treasury, the Strategy Advisory Committee of the Department of Immigration and Border Protection, the Audit and Risk Management Committee of Urban Growth NSW Development Corporation, and has chaired multiple capability reviews for Australian Government departments. She was also a member of the coaching panel for the Victorian Public Sector Commission.

⁵ Ms A Jackson was appointed from 7 February 2020.



Ms Sandra Lambert AM

Sandra Lambert has more than 35 years' experience working in the public sector and education. She was a teacher and principal before moving into a number of roles in educational administration in the ACT Government, including as Executive Director of Schools and Training responsible for policy and programs in government schools at all levels. She then worked in other senior executive ACT Government roles and was the Chief Executive of the then ACT Department of Disability, Housing and Community Services from 2002–2010, where she was responsible for children's services across public and private sectors.

After 2010, Sandra held a variety of positions including on the Safety, Rehabilitation and Compensation Commission, the Cultural Facilities Corporation, the Land Development Agency Board (LDA) and as Chair of the Risk, Business Continuity and Security Committee in the Department of Human Services (DHS). She then spent almost two years in New York, New York State and California working as a consultant in educational leadership and English language arts.

On returning to the ACT in 2015, she resumed her role on the LDA and was Deputy Chair for its final year of operation. Currently Sandra is Chair of the ACT Remuneration Committee and works as an executive coach. She also participates as an independent member on two Department of Human Service Committees. Sandra is a Fellow of the Australian Institute of Managers and Leaders and was admitted to the Order of Australia in 2012 for expertise in public sector leadership and management.



Professor Joce Nuttall

Joce Nuttall is a Professor at Australian Catholic University, Melbourne, where she leads the Teacher Education, Quality, and Professional Practice Research Concentration in the Institute for Learning Sciences and Teacher Education. Joce has more than 35 years' experience as a leader and educator in primary and early childhood settings (principally early childhood education and care) and as a teacher educator and researcher.

Joce's research focuses on the initial and continuing education of educators and educational leaders, and the development of strategies for system-level workforce capacity-building in early childhood education and care. Joce also has significant expertise in the construction and implementation of early childhood curriculum policy and the design of teacher education programs.

In 2015, Joce was Chair of the Advisory Group on Early Learning, which reviewed the implementation of New Zealand's early childhood curriculum framework, Te Whāriki, on behalf of the New Zealand Government. Joce is a fellow of the Australian Teacher Education Association and is a previous Governor-General's appointee to the Board of the New Zealand Council for Educational Research.



The Hon. Jane Prentice⁶

Jane Prentice has an extensive record of community engagement and involvement in Queensland and the Pacific, with particular experience in the development and implementation of public policy.

In the 1980s, Jane established one of Australia's largest event management companies before she was elected as a Councillor of Brisbane City Council and served on the Civic Cabinet.

In 2010, Jane was elected as a Member of the Australian Parliament and also served as Assistant Minister for Social Services and Disability Services. In this position she played a significant role in the implementation and development of the National Disability Insurance Scheme (NDIS) which involved ongoing engagement and negotiation with the disability sector and state and territory governments.

Jane serves as a member of the Advisory Board of Griffith University's School of Government and International Relations, and the Australian Government's Expert Panel on International Aid which is charged with reviewing Australia's international aid program and advising the Minister for Foreign Affairs.

Jane has previously served on the board of the Red Cross in Queensland and is currently the President of Scouts Queensland.

⁶ The Hon. Jane Prentice was appointed from 7 February 2020.



Ms Jenni Perkins⁷

Jenni Perkins has over 30 years' experience in social policy development, program design, community consultation, evaluation and performance reporting, and has led policy reform agendas across disability and community services.

As Director General of the Department for Communities from 2010–2013, Jenni had leadership responsibility for the implementation of the National Quality Framework for children's education and care services in Western Australia. Jenni was also responsible for the delivery of state-wide parenting information and support services, along with youth and community services.

As the acting Commissioner for Children and Young People in Western Australia from 2013–2015, Jenni established collaborative partnerships with Aboriginal and community organisations to undertake a state-wide consultation with over 1200 Aboriginal children and young people.

Jenni has a strong interest and commitment to the delivery of evidence-based policy and consumer-focussed services.



Mrs Amanda Price-McGregor

Amanda Price-McGregor has more than 20 years' experience in strategic planning, policy development, community engagement and project delivery.

She has a diverse industry background encompassing state and national project experience in private sector consulting, and state and local government sectors with widespread experience across an array of portfolio areas. These areas include land use planning, infrastructure planning, urban and regional development, education planning, retail planning, housing, land development, engineering and buildings and tourism nationally and in her home state of South Australia.

As the managing principal and owner of a strategic planning consulting firm, Amanda has considerable expertise in high-level consulting, project management, portfolio policy-making and implementation.

Amanda has an avid interest in early childhood education and child development and has been a devoted and active board member in a community childcare centre for more than three years. She also served on the centre's strategic development and human resources planning committees.

Amanda has a strong interest in encouraging and empowering early childhood educators to work with parents and carers to help identify children with potential growth and development delay and is a passionate advocate for early intervention to help address these challenges.

⁷ Ms J Perkins' term ended on 30 June 2020.



Mr Michael White

Michael White has had over 30 years of experience in the fields of child development, child protection, youth justice and early childhood education as an academic, teacher and administrator in both the government and non-government sectors.

Michael lectured in Human Development at the University of Tasmania and was responsible for the leadership of the Early Childhood Programs of the University for several years.

Michael was Director of Schools in Victoria and subsequently, Chief Executive Officer of the Victorian Curriculum and Assessment Authority. In the health and human services sector he held the positions of Executive Director Children, Youth and Family Services Bureau (ACT) and State Program Manager for Children Youth and Family Support in Tasmania.

In Victoria, Michael was responsible for the development of 'whole of government' policy on children and young people, and for the creation of a system to monitor the health, safety, learning, development and well-being of all children aged 0–18. The Child and Adolescent Monitoring system remains a major research and policy resource on children in Australia.

Michael's work also includes an active interest in the economic and social context which frames the development of systemic responses to the needs of families in Australia. From 2009 to 2011, he held the position of Director in the Economics and Policy Division of PricewaterhouseCoopers, focussing specifically on early childhood issues.



Ms Jackie Wilson⁸

While a member of ACECQA's Board, Jackie Wilson was the Deputy Secretary, Early Childhood and Child Care, in the Australian Government Department of Education and Training.

Prior to joining the former Department of Education, Employment and Workplace Relations (DEEWR) in August 2013, Jackie jointly led the Schools Funding Taskforce with DEEWR for 12 months in the Department of the Prime Minister and Cabinet.

From 2009 to 2011, Jackie worked in the Department of Immigration and Citizenship and was the Deputy Secretary responsible for Business Services (2011), including responsibility for finance and IT, and Detention and Community Services (2009–2010) during a very busy time for the department.

Jackie also worked in a number of senior positions in a range of Commonwealth portfolios, including the Department of Finance in Budget Group with responsibility for the social welfare areas of the budget and on the overall coordination of the budget.

In the Australian Government Health and Family and Community Services portfolios, Jackie has worked extensively on policy and program management including management of a range of income support payments.

⁸ Ms J Wilson's term ended on 31 December 2019.



Mrs Naomi Wilson⁹

Naomi Wilson has been involved in early childhood education and care for more than 40 years. A former teacher and politician, Naomi held the positions of Parliamentary Secretary and then Minister for Families, Youth and Community Care in the Queensland Government. Prior to entering state politics, Naomi was a Mulgrave Shire Councillor.

Naomi has vast experience with the TAFE sector, in both setting up and delivering the initial full and part-time TAFE child care courses in Cairns. Naomi is also an experienced counsellor and operates her own clinic that supports businesses, families and councils across a wide range of issues. She has lectured at James Cook University and was a member of the Queensland state/federal Ministerial Child Care Planning Advisory Committee, representing rural and remote areas for four years.

Naomi's passion is quality early childhood education and care, particularly her work with Indigenous communities and services. She has a deep interest in, and understanding of, regional and rural service delivery and compliance, including those affecting First Nations people. Naomi designed and operated her own long day care service in Cairns, was a six-year member of the former National Childcare Accreditation Council Board, and was the foundation member and past president of the Cairns and District Child Care Development Association, which recently celebrated 40 years of child care services in Cairns and regional areas.

⁹ Mrs N Wilson's term ended on 31 December 2019.

Appendix D

Board meeting attendance

Meetings of the ACECQA Board 1 July 2019 to 30 June 2020

Meeting	Date	Apologies	Location
Meeting 3/2019	16 August 2019	Ann Farrell Sandra Lambert Michael White	Sydney
Meeting 4/2019	11 October 2019	Jackie Wilson Selwyn Button	Canberra
Meeting 5/2019	13 December 2019	Selwyn Button	Sydney
Meeting 1/2020	12–13 March 2020	Anne Glover Maree Bredhauer	Sydney
Meeting 2/2020	5 June 2020	Nil	Videoconference

Appendix E

Board sub committees and attendance

Audit, Finance and Risk Sub Committee

Membership

Jenni Perkins – Chair
Marc de Rosnay (from 16 August 2019)
Maree Bredhauer
Selwyn Button
Akiko Jackson (from 5 June 2020)
David Black – External member

Meeting	Date	Apologies	Location
Meeting 3/2019	2 August 2019	Nil	Teleconference
Meeting 4/2019	25 September 2019	Maree Bredhauer Marc de Rosnay	Teleconference
Meeting 5/2019	29 November 2019	Nil	Teleconference
Meeting 1/2020	28 February 2020	Nil	Sydney
Meeting 2/2020	22 May 2020	Nil	Videoconference

Performance and Remuneration Sub Committee

Membership

Judy Hebblethwaite – Chair
Ann Farrell (from 13 December 2019)
Michael White (from 13 December 2019)
Jackie Wilson (until 31 December 2019)

Meeting	Date	Apologies	Location
Meeting 1/2020	18 February 2020	Nil	Sydney

Qualifications Sub Committee¹⁰

Membership

Joce Nuttall – Chair (from 16 August 2019)
Anne Glover (from 16 August 2019)
Ann Farrell
Sandra Lambert (from 13 December 2019)
Naomi Wilson (until 31 December 2019)

¹⁰ Qualifications Sub Committee in abeyance in 2019–20.

Strategy Sub Committee

Membership

Judy Hebblethwaite – Chair
Ann Farrell
Amanda Price-McGregor
Jenni Perkins
Michael White
Gabrielle Sinclair (CEO)
Angela Buchanan (COO)

Meeting	Date	Apologies	Location
Meeting 4/2019	23 September 2019	Jenni Perkins	Teleconference

Enterprise Agreement Sub Committee¹¹

Membership

Judy Hebblethwaite – Chair
Jenni Perkins (until 30 June 2020)
Michael White

11 Enterprise Agreement Sub Committee in abeyance in 2019–20.

Appendix F

ACECQA's major speaking and sector engagements

ACECQA Engagement Name	Location	Date
NSW Australian Community Children's Services (ACCS) Forum on the Child Safe Principles	Sydney, NSW	4 July 2019
Early Childhood Education Directors Training Program	Shanghai, China	9 July 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Brisbane, Qld	19 July 2019
Third Infants and Toddlers Conference	Sydney, NSW	19 July 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Brisbane, Qld	20 July 2019
Early Childhood Student Teacher Conference	Abbotsford, Vic	29 July 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Bendigo, Vic	9 August 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Bendigo, Vic	10 August 2019
Independent Primary School Heads of Australia (IPSHA) Early Childhood Committee Meeting	Balwyn, Vic	28 August 2019
10th ABAVE Meeting: Educational Assessment in Brazil	Sao Paulo, Brazil	30 August 2019
Queensland Children's Activities Network (QCAN)	Surfers Paradise, Qld	30 August 2019
Lighting the Way Professional Development Conference for Early Educators	Brisbane, Qld	7 September 2019
Victoria and Tasmania Uniting Care	Bairnsdale, Vic	10 September 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Bathurst, NSW	13 September 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Bathurst, NSW	14 September 2019
NSW Family Day Care Association 2019 Conference	Sydney, NSW	20 September 2019
NSW Regulatory Authority Sector Roadshow	Sydney, NSW	14 October 2019
NSW Regulatory Authority Sector Roadshow	Queanbeyan, NSW	15 October 2019
NSW Regulatory Authority Sector Roadshow	Ballina, NSW	16 October 2019
NSW Regulatory Authority Sector Roadshow	Parramatta, NSW	17 October 2019
Community Child Care Fund Restricted Forum	Darwin, NT	17 October 2019
NSW Regulatory Authority Sector Roadshow	Wagga Wagga, NSW	18 October 2019
NSW Regulatory Authority Sector Roadshow	Penrith, NSW	21 October 2019
NSW Regulatory Authority Sector Roadshow	Dubbo, NSW	22 October 2019
NSW Regulatory Authority Sector Roadshow	Tamworth, NSW	23 October 2019
NSW Regulatory Authority Sector Roadshow	Nowra, NSW	23 October 2019
Community Child Care Fund Restricted Forum	Cairns, Qld	23 October 2019
NSW Regulatory Authority Sector Roadshow	Coffs Harbour, NSW	24 October 2019
NSW Regulatory Authority Sector Roadshow	Maitland, NSW	25 October 2019
WA early childhood workforce strategy meeting	Perth, WA	25 October 2019

ACECQA Engagement Name	Location	Date
PCYC OOSH Conference	Lidcombe, NSW	26 October 2019
Australian Institute for Teaching and School Leadership Board Meeting	Melbourne, VIC	29 October 2019
Community Child Care Fund Restricted Forum	Sydney, NSW	29 October 2019
Strengthening Leadership in ACT School Based Early Childhood Education Services	Stirling, ACT	31 October 2019
Strengthening Leadership in ACT Early Education Services	Stirling, ACT	31 October 2019
ACT Education and Care Sector Gala	Woden, ACT	1 November 2019
Community Child Care Fund Restricted Forum	Adelaide, SA	6 November 2019
The Future of Children's Learning: The Jenny Leaper Summit	Melbourne, Vic	8 November 2019
Community Child Care Fund Restricted Forum	Perth, WA	19 November 2019
Network Conference 2019 OOSH: Passion and purpose	Sydney, NSW	22 November 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Hobart, Tas	22 November 2019
Family Day Care Australia National Engagement Program Service and Educator Forum	Hobart, Tas	23 November 2019
Community Child Care Fund Restricted Forum	Melbourne, Vic	26 November 2019
Early Learning and Care Council of Australia (ELACCA) Board Planning Day	Sydney, NSW	28 November 2019
P-2 Initiatives Officer Professional Learning Network	Parramatta, NSW	4 December 2019
2019 World Principal Conference, Beijing	Beijing, China	20 December 2019
Community Connections Services Australia Rural and Remote Forum 2020	Dubbo, NSW	27–28 February 2020
2020 Early Learning Leadership Conference	Ultimo, NSW	3 March 2020

Appendix G

Glossary

ACECQA	Australian Children's Education and Care Quality Authority
AEDC	Australian Early Development Census
AESOC	Australian Education Senior Officials Committee
AFR SC	Audit, Finance and Risk Sub Committee
AITSL	Australian Institute for Teaching and School Leadership
COAG	Council of Australian Governments
CRIS	Consultation Regulation Impact Statement
ECPG	Early Childhood Policy Group
ECS	Education and Care Services
ECT	Early Childhood Teacher
EYLF	Early Years Learning Framework for children aged birth to five years
FDC	Family Day Care
FOI	Freedom of Information
FTE	Full-time equivalent
ICT	Information and Communication Technology
IPP	Indigenous Participation Plan
IPS	Information Publication Scheme
LAN	Lead Assessor Network
MTOP	My Time, Our Place: Framework for School Age Care in Australia
NQA	National Quality Agenda
NQA ITS	National Quality Agenda IT System
NQF	National Quality Framework
NQS	National Quality Standard
NSG	National IT Systems Steering Group
OSHC	Outside School Hours Care
QA	Quality Area
QIP	Quality Improvement Plan
QSP	Quality Support Program
RA	Regulatory Authority
RAP	Reconciliation Action Plan
RPC	Regulatory Practice Committee
SEIFA	Socio-Economic Indexes for Areas
SLTESC	School Leadership and Teaching Expert Standing Committee
SRQC	Supporting Regulatory Quality and Consistency
STEM	Science Technology Engineering Maths
TQESC	Teacher Qualification Expert Standing Committee
WCAG	Web Content Accessibility Guidelines
WHS	Work Health and Safety

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