

Ms Annette Whitehead  
Board Chair  
Australian Children's Education & Care Quality Authority  
PO Box 358  
DARLINGHURST NSW 1300

Dear Ms Whitehead



**Australian Children's Education and Care Quality Authority (ACECQA)  
2023-2025 Letter of Expectation (Letter)**

This Letter of Expectation (Letter) sets out Education Ministers' priorities and expectations for the Australian Children's Education and Care Quality Authority (ACECQA) to 30 June 2025.

This Letter aligns with the provisions of the *Education and Care Services National Law Act 2010* (National Law) associated regulations and strategic priorities for the Early Childhood Education and Care (ECEC) sector endorsed by the Education Ministers Meeting. This Letter will replace the Letter of Expectation issued to ACECQA in October 2021.

Parents entrust ECEC providers with ensuring the safety, wellbeing, and development of their children – there is no greater priority for all Governments than ensuring services are providing safe and high-quality environments where children can thrive. In this regard, ACECQA's paramount priority in 2023 is conducting the review of child safety and protection arrangements under the National Quality Framework (NQF), due to report to Education Ministers by the end of 2023.

Ministers would like to acknowledge the maturity and significant work of ACECQA as stewards of quality in the ECEC system and its record of delivery against the current and previous Letter of Expectation. Through the Board's dedicated leadership, ACECQA has championed the importance of high-quality education and care and the goals of the NQF by the delivery of several important and influential changes in the ECEC sector. This includes ACECQA's work in the development of the National Children's Education and Care Workforce Strategy and its oversight of the Strategy's implementation and evaluation plan; overseeing the implementation of the 2019 NQF Review's recommendations; the merging of the Australian Government's Child Care Finder website with ACECQA's StartingBlocks website; and the refresh of the education and care approved learning frameworks. In the decade since ACECQA's establishment, the value of the organisation has been demonstrated consistently.

**Purpose**

The Education Ministers Meeting is responsible for overseeing the implementation and administration of the NQF for ECEC as per section 220 of the National Law. ACECQA is an independent statutory authority established under Part 11 of the National Law, with its functions detailed in section 225.

This Letter sets the strategic priorities and expectations for ACECQA in delivering its core functions as set out in section 225 of the National Law. The priorities outlined in this Letter are purposefully high level by setting desired outcomes. It is expected that ACECQA will develop measurements for achievement against each strategic priority and include evaluation against these measurements in its annual progress reports.

Specific activities to achieve the principles will be determined by the ACECQA Board and Chief Executive Officer in their Forward Work Plan and outlined in the associated funding agreement.

### **Context**

This Letter is developed in the context of evidence demonstrating that engagement in quality education and care, particularly in the early years, has important social, educational, and developmental benefits for young children and provides a strong foundation for children's future wellbeing and success. High quality ECEC has been linked to improved cognitive and language development and can close academic and developmental gaps between disadvantaged children and their peers. Further creating culturally safe, welcoming environments for First Nations children to enjoy and participate in life-long learning, and in improving lifetime outcomes. The essential role that experienced and skilled ECEC educators and staff play in providing safe stable relationships with children is also recognised and their contribution to children's successful transition to school. These relationships can help children meet developmental milestones, develop important early socialisation skills, and can assist in early identification and support of children who may need additional assistance.

In recognition of the essential role of ECEC, on 31 August 2022 National Cabinet agreed to all Education and Early Years Ministers working together to develop a long-term vision for the ECEC sector to better support parents' workforce participation and deliver improved learning and child development outcomes as a national priority. The vision is underpinned by the key principles of equity, affordability, quality, and accessibility, and will bring together a range of new and existing ECEC initiatives and investments underway.

The Australian Government has also committed to significant reforms in ECEC through its changes to affordability of early childhood education. This includes tasking the Australian Competition and Consumer Commission with conducting a Price Inquiry into child care, the Productivity Commission with conducting a comprehensive review of the ECEC sector, and the development of a new whole-of-government Early Years Strategy. It is important that the NQF reflects the contemporary nature of the Australian Government's reform agenda.

It also recognises the significant amount of work that states and territories and the sector are investing to fundamentally transform the way ECEC is delivered. This represents a real opportunity for systems level reform that delivers equitable access and participation in ECEC, regardless of geography or demographics.

This Letter is based on the principle that ACECQA, governments and Regulatory Authorities (RAs) will continue to strengthen their collaboration and relationship with the ECEC sector to support, promote and achieve the objectives of the NQF, including through the work of the Early Childhood Policy Group (ECPG), the Regulatory Practice Committee (RPC) and its working groups.

### **Core Priorities**

All governments and ACECQA are committed to work together to provide better educational and developmental outcomes for children. This commitment will lead to improved outcomes for lifelong learning through quality education and care experiences. ACECQA in its role and functions will have regard to the following core priorities as part of this commitment:

- a transparent, fair, accountable, efficient and effective national system
- streamlined governance arrangements and clearly defined accountabilities
- collaboration with stakeholders in achieving NQF objectives
- nationally consistent implementation of the NQF, including the National Law, National Regulations and National Quality Standard (NQS)
- ongoing support of quality research and evaluation, reflecting sector priorities and providing an evidence base for national decision making, and
- a continuous focus on quality improvement.

## Strategic Priorities

The health, safety and wellbeing of children is the paramount consideration of the strategic directions in this Letter, and these are the critical foundations to improved outcomes for lifelong quality education and care experiences.

The strategic priorities outlined below acknowledge the commitment of all governments and ACECQA to ensure the NQF remains an integrated, high quality and consistent national system. It is paramount that the NQF remains fit for purpose within the Australian Government's reform agenda delivered through the changes to affordability of early childhood education. ACECQA is expected to work in collaboration with all governments and the ECEC sector to respond to continuous improvement initiatives, inform strategic reform, manage emerging issues/risks and crisis events, and to build the evidence base for future legislative and regulatory change.

### 1. *Support the health, safety, and wellbeing of children in early childhood education and care services*

Ensuring the safety, health, and wellbeing of children is of utmost importance. It is crucial to have consistent regulations and monitoring in place to achieve this. ACECQA has a guiding role in driving and enabling consistent regulatory practice across all functions performed by RAs, including assessment and rating, monitoring, and compliance. To achieve this, it is important for ACECQA to continue to host the Regulatory Practice Committee with the aim to:

- Share information about serious incidents and high-risk breaches of the National Law and Regulations in the sector to learn from them and inform government policies. This includes reviewing current child safety arrangements, drawing from international comparisons, participating in any multi-agency review of the NQF (if undertaken), and making recommendations to ensure the safety of children and overseeing the implementation of changes, as relevant.
- Collaborate with governments to support improvements, and consistent decision making when conducting assessment and rating of approved services.
- Supporting out-of-scope services to improve their quality and understanding of NQF requirements.
- Consider the latest information and recommendations regarding children's safety, such as the National Framework for Protecting Australia's Children 2021–2031, supporting its implementation under the NQF.
- Support services to improve quality including reducing risks of serious incidents through guidance and other resource materials.

### 2. *Support quality, access and inclusion in early childhood education and care*

There has been significant growth in the percentage of children attending ECEC services in Australia over the last decade, but there are concerns that children who are vulnerable, have additional needs, or face disadvantage may not be benefiting as intended. This extends to children attending ECEC services not currently in scope of the NQF that may, or may not, be in scope of residual state and territory regulatory legislation.

To ensure all children attending an ECEC service have the highest quality experience, ACECQA should:

- Work to ensure that all children, whatever their needs or circumstances, can access high quality ECEC services including collaborating with governments on the implementation of recommendations from the 2020 Review of the *Disability Standards for Education 2005*.
- Work with the Equity, Access, and Inclusion Working Group of the ECPG to identify and address barriers to increased participation in quality ECEC services.
- Participate in government inquiries examining issues of quality, access and inclusion in ECEC.
- Work collaboratively with governments to identify and pursue opportunities for improvement and sharing of data, to support informed policy decisions and meaningful stewardship of the sector.
- Work closely with governments to improve and enhance the StartingBlocks website, including where necessary to achieve key priorities of the Australian Government, to ensure the website is fit-for-purpose and properly supports families to access information about ECEC services.

- Work collaboratively with governments, RAs, and service providers to consider needs of ECEC services currently out of scope of the NQF, including former Budget Base Funded and In Home Care services.
- Explore ways to monitor and measure children's educational and developmental outcomes as the NQF enters its second decade.
- Continue to support families in understanding the NQF Quality Ratings and the importance of early learning; and encourage them to play an active role in developing their children's language, social, emotional, physical, and cognitive skills for their future wellbeing and success through ACECQA's StartingBlocks website.
- Continue to work with governments to support services during emergencies and natural disasters.

### 3. *Promote continuous quality improvement in service provision*

To ensure that high-quality education and care services are available to every child and family, ACECQA will promote continuous quality improvement in service provision. The percentage of services rated 'meeting the NQS' or higher has increased every year under the NQF, reaching 89 per cent in January 2023. Given the growth of the sector, it is crucial to maintain a focus on quality improvement. To this end, ACECQA should:

- monitor and report on quality improvement and the challenges faced by different service types and providers over time
- collaborate in co-designing sector guidance and advice to ensure it is responsive to all children whatever their needs, circumstances, or culture
- continuously identify and promote better practices and successful innovations by approved providers, service leaders, teachers, and educators
- provide access and information to the public about the quality of ECEC services and the choices available for families to meet their needs.

### 4. *Support governments and the ECEC sector to develop and sustain a professional workforce*

One of the most important components of high-quality education and care is the qualification and professional skills of early childhood teachers and educators. While the mandatory qualifications, child-to-staff ratios and group sizes required by the NQF are a solid start, it is essential that all jurisdiction work together to remove unnecessary barriers to entry and retention of the workforce and to do this quickly.

To ensure that Australia has an education and care workforce that is enduring and highly regarded, ACECQA should work to expedite actions and priorities of governments and the sector to address workforce issues wherever possible and:

- as a priority, support and contribute to the successful implementation of the *National Children's Education and Care Workforce Strategy (2022–2031)*
- identify initiatives that will enhance the public image and reputation of early childhood teachers and educators in all settings
- assist governments to create a sustainable and high-quality workforce of early childhood teachers and educators, as outlined by the *National Vision for Early Childhood Education and Care*
- collaborate with governments and their statutory bodies to reduce the administrative complexity for overseas trained teachers and educators seeking to work in Australia's ECEC sector.

### 5. *Support consistent regulatory practice, reduce regulatory burden, and maintain quality*

To ensure regulatory performance monitoring and improvement of Australia's ECEC sector, ACECQA will work with jurisdictions to identify strategic risks to the delivery of the objectives of the NQF, and to develop effective, proactive regulatory responses to risks at the service, provider, and sector levels (evidenced through compliance and quality data). Accordingly, it is important that ACECQA:

- continue to facilitate the effective operation of the RPC and its contribution to better results for children and consistency of outcomes
- collaborate with governments on initiatives to reduce costs to services and provide a joined-up service to providers

- provide tools, training, and resources to support RAs in administering the NQF
  - work with governments, RAs and service providers to identify strategic risks to the delivery of the objectives of the NQF, and to develop effective, proactive regulatory responses to risks at the service, provider, and sector levels
  - develop and maintain appropriate systems architecture to enable RAs to carry out their functions in an efficient, consistent, and data-driven manner
  - maintain a strategic program of development of the NQA ITS to continue meeting the needs of governments, regulators, and service providers.
  - work with governments to support the implementation of the Approved Learning Frameworks (ALFs)
  - in collaboration with all governments, identify and facilitate further opportunities to leverage its ECEC data resources and expertise to inform strategic planning and manage emerging issues/risks, and to build the evidence base for future legislative and regulatory reviews.
6. *Value and support Australia's Aboriginal and Torres Strait Islander culture in early childhood education and care*

Culturally appropriate, high-quality ECEC is critical for preparing First Nations children to enjoy and participate in life-long learning, and in improving lifetime outcomes. It is essential that all governments, the ECEC sector and ACECQA work together and in partnership with First Nations representatives to close the gap and improve outcomes in ECEC. Outcomes 3 and 4 of the National Agreement on Closing the Gap aim to improve access to and quality of ECEC for First Nations children. Accordingly, it is important that ACECQA:

- work with governments, the ECEC sector and First Nations partners to improve educational and developmental outcomes for First Nations children, in line with Outcomes 3 and 4 of the National Agreement on Closing the Gap
- support the implementation of the National Agreement on Closing the Gap, including embedding the Priority Reforms in working in partnership with First Nations people and communities
- work with governments and stakeholders to support ECEC services to understand and deliver programs, policies and practices that value First Nations cultures
- work collaboratively with governments, RAs, and service providers in line with strategic priority 2.4, to consider needs of ECEC services currently out of scope of the NQF, and that are delivered by and with First Nations people.

### **Funding and reporting**

This Letter acknowledges the Australian Government's funding announcement of December 2019, which provided ACECQA with ongoing operational funding to progress its functions under the National Law.

Should the current work program allow ACECQA is expected to continue to seek opportunities for commissioned work and to provide new programs, services, and resources through cost recovery and commercially, consistent with its statutory functions. Such work should be focused on meeting the unique needs of RAs and stakeholders, and on advancing the strategic priorities set out in this Letter. Any such work undertaken should not impact upon ACECQA's performance of its functions under section 225 of the National Law to support the implementation and administration of the NQF.

ACECQA will provide the Education Ministers Meeting with annual progress reports on its Forward Work Plan, identifying any proposed changes that may be required to ensure it is able to deliver on Education Ministers Meeting priorities.

**Conclusion**

We look forward to continuing to work with you in driving continuous improvement of ECEC nationally to ensure children's optimal health, safety, wellbeing, education, and development.

A handwritten signature in blue ink, appearing to read 'Jason Clare', written in a cursive style.

Yours sincerely

**Hon Jason Clare MP**

**Chair**

**Jc** October 2023