

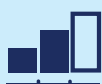
# Process improvement through regulatory experimentation

Improving early childhood education and care quality assessments –  
The NSW Department of Education, Early Childhood Education  
and Care Regulatory Authority



Level:

**Moderate**



Industry:

**Education**



Location:

**Australia**



## Overview

The NSW Early Childhood Education Care Regulatory Authority (NSW ECEC Regulatory Authority) oversees the provision and regulation of early childhood education care services in NSW. The NSW ECEC Regulatory Authority was shifting from a process of comprehensive quality assessment towards more narrow and frequent partial reassessments.

The NSW ECEC Regulatory Authority used an early adopter model to test the impact of the partial reassessment process on quality ratings and to refine their risk-based regulation.

## Key finding

Partial reassessments saved an average 12 hours per assessment.

## Outcome 1

Optimised the implementation of partial reassessments before wider rollout.

## Outcome 2

Collaboration with other regulators supported implementation.

## Evaluation method

Quasi-experiment.

## Background



### The NSW Early Childhood Education and Care Regulatory Authority (NSW ECEC Regulatory Authority) wanted to evaluate the impact of changes to quality assessments of early childhood education and care services.

The regulatory authority oversees the provision and regulation of early childhood education care services across the state, rating services through a national quality rating system. Services are given an overall rating based on their performance against seven quality areas. In late 2022, the Australian Children's Education and Care Quality Authority announced changes to the assessment process at a national level, with each state responsible for implementation in their own jurisdiction.

One of the changes was the introduction of a greater use of partial reassessments, where a small subset of quality areas are assessed, rather than all seven. The rationale behind this change is that partial reassessments would be less labour-intensive and allow regulators to conduct assessments more frequently. This would enable the provision of more current information to families. NSW ECEC Regulatory Authority wanted to test whether partial reassessments would impact the accuracy of quality ratings compared to full assessments and better support risk-based regulation.

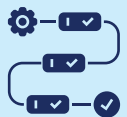
## Intervention and outcome



### NSW ECEC Regulatory Authority found that, on average, partial reassessments save 12 hours per assessment.

The regulatory authority first designed the implementation of partial reassessments with input from the sector. This informed a decision to allow services to choose one quality area in which they would be reassessed. The remaining quality areas were chosen by authorised officers based on risk and sector trends. An early adopter model was implemented, in which services could opt-in to experience partial reassessments before statewide roll-out. This enabled the regulatory authority to collect a wide range of qualitative and quantitative data (such as surveys, timestamps, internal reports) to evaluate the initiative. They found partial reassessments saved an average of 12 hours per assessment. Preliminary findings suggest partial reassessments may be as accurate in picking up changes to quality, when compared to full assessments for lower risk services.

## Key steps for successful experiments



#### ✓ Sandbox and prototype small processes within a larger initiative.

NSW ECEC Regulatory Authority developed a tool to assist officers in selecting which quality areas to re-assess for a specific service. This tool supported a risk-based approach, ensuring partial reassessments accurately capture quality. To minimise the risk of introducing bias into decision-making, the regulatory authority created a sandbox and prototyped various versions of the tool.

**Consider adopting a similar iterative approach to optimise processes before full-scale implementation.**

#### ✓ Collaborate with other jurisdictions and regulators.

The changes to quality assessments were mandated across Australia. In the early stages, NSW ECEC Regulatory Authority engaged with other states to share ideas about how the changes could be implemented. Once implementation was underway in NSW, they were able to share their insights with other states to assist their transition.

**Consider looking to other jurisdictions or agencies for similar guidance and collaboration.**

## Overcoming resistance to change

NSW ECEC Regulatory Authority anticipated resistance from the sector to changes in the assessment process. To address this, they used an early adopter model, gathering evidence and insights before implementing the new processes sector-wide. The regulatory authority also proactively communicated the changes to stakeholders through various events, such as roadshows and webinars, well in advance of wider implementation.

Want more regulatory experimentation resources?  
Go to [productivity.nsw.gov.au/regulatory-policy](https://productivity.nsw.gov.au/regulatory-policy)

Want help designing your own experiment?  
Go to [productivity.nsw.gov.au/contact-us](https://productivity.nsw.gov.au/contact-us)