20 Hours ECE

20 Hours Early Childhood Education (ECE) is a higher rate of funding for services to cover the average full cost of providing early childhood education.

20 Hours ECE enables services to provide early childhood education to three-year-olds, four-year-olds and five-year-olds for up to a maximum of six hours per child per day and 20 hours per child per week without charging fees.

Parents must attest on the enrolment agreement form that their child does not receive more than six hours per day and 20 hours per week of 20 Hours ECE as a total across all services the child attends.

▶ See section: 4-2 20 Hours ECE funding conditions

20 Hours ECE Hours

20 Hours ECE Hours are the fully subsidised hours that the child receives.

Services are eligible to claim up to six hours per child per day, to a maximum of 20 hours per child per week.

20 Hours ECE funding is based on the child rather than the place they occupy in the service.

20 Hours ECE hours are funded at a higher level to cover the full cost of providing ECE.

▶ See section: 4-2 20 Hours ECE funding conditions

Absence Rules

Rules set by the Ministry to limit funding that may be claimed for children permanently enrolled at a service who are either continuously or frequently absent. Absence funding cannot be claimed for children who are casually or conditionally enrolled.

The two main absence rules are:

• the Three Week Rule For Continuous Absence and
• the Frequent Absence Rule.

▶ See section: 6-4 Absence rules

Actual entitlement

The total amount of funding paid to each licensed service in March, July or November.

A service’s actual entitlement is the product of their advance funding for the coming four months, plus their ‘wash-up’ funding for the previous four months.

▶ See section: 2-4 When and how funding is paid
Glossary, Continued

**Advance funding**

The proportion of a service’s actual entitlement that is paid on the basis of predicted enrolments for the forthcoming four-month period.

The amount of advance funding paid is based on the average funded child-hours (FCHs) for the previous four months, the number of days the service will be operating in the forthcoming four months, and the funding rate at which each FCH will be paid.

Seventy five per cent of this total is paid as the advance payment (or 100 per cent for kindergartens).

- *See section: 2-4 When and how funding is paid*

**All-day service**

A service where at least one child attends for more than four hours on any day.

**Annual Top-up for Isolated Services (ATIS)**

An income top-up for small, licensed early childhood services, that are located in isolated areas.

All licensed services with an Isolation Index of 1.65 or greater, and that generate less than $20,000 per annum in ECE Funding Subsidy, 20 Hours ECE Funding and Equity Funding payments are eligible to receive the ATIS.

- *See section: 5-1 Annual Top-up for Isolated Services*

**Attest**

Certify that specific information is correct by signing the attestation section of the enrolment agreement form for this purpose.

Parents can attest as part of the enrolment form that their child does not receive more than six hours per day and 20 hours per week of 20 Hours ECE as a total across all services the child attends.

- *See section: 4-2 Funding conditions*

**Audit**

An official examination and verification of accounts and records.

- *See section: Funding claim audit; record audit in this Glossary*

**Calendar days**

Consecutive days, including weekends and public holidays.
### Calendar month

All the calendar days in a month, from the first day of the month to the last day e.g. 1 July to 31 July.

### Casual education & care service

A service that operates without a regular roll, for example, services at ski fields.

### Casual enrolment

Enrolments for children who will not be attending a service on a regular, ongoing basis.

A casually-enrolled child is recorded as ‘casual’ on their enrolment agreement form.

Funding for casual children is based on attendance only.

*See section: 6-1 Enrolment records*
### Certificated teacher
A ‘certificated teacher’ is a holder of a current practising certificate that has been issued by the Teaching Council, or a letter from the Teaching Council advising that certification has been approved and that the practising certificate will be mailed within four to six weeks.

A practising certificate can be marked ‘full’, ‘provisional’ or ‘subject to confirmation’. For more information please refer to the [Teaching Council](https://teachingcouncil.govt.nz) website.

**Note:** For ECE funding purposes, ‘certificated teachers’ must be ECE qualified teachers, or New Zealand qualified primary teachers.

- **See section:** 3-B-2 Teacher-led services

### Certificated Teacher Hours
The total number of hours worked by all certificated and early childhood education qualified or New Zealand qualified primary teachers in your service at times when they are regulated (ratio) staff.

This measure is used for teacher-led centre-based services only.

- **See section:** 3-B-2 Teacher-led education and care services

### Certificated playgroup
A certificated playgroup is a group that has met the curriculum, ratio, premises and facilities, health and safety practices, and administration standards set in the Education (Playgroups) Regulations 2008.

### Child-place
Each place for a child for which a service is licensed.

Child-places may only be used by one child at a time, but may be used by more than one child during the course of a day. Child places are limited to the maximum number of children noted on the service’s licence.

Funding can only be claimed to a maximum of six hours per child-place per day, up to 30 hours per child-place per week.

- **See section:** 3-A-1 Funding eligibility
Conditional enrolment

Enrolments that are above the service’s licensed maximum number of child-places.

Conditionally enrolled children may attend only if the licence maximum is not exceeded at any one time (i.e. another child is absent).

See section: 6-2 Conditional enrolments

Glossary, Continued

Community-based service

A service that is:

- an incorporated society
- a charitable, statutory, or community trust
- owned by a community organisation (e.g. a city council, church, or university).

Community-based services are prohibited from making financial gains that are distributed to their members.

Glossary, Continued

Coordinator

The person who has primary responsibility for overseeing the education and care, comfort, and health and safety of the children in a home-based service, and for providing professional leadership and support to educators within the service.
Discretionary hour

A discretionary hour is an hour that a service can claim an Other Teacher as a Certificated Teacher for the purposes of the Staff Hour Count.

Services that must complete the Staff Hour Count may record the hours worked by relievers who are Other Teachers as Certificated Teacher Hours for the purposes of the Staff Hour Count for up to 60 hours during the funding cycle.

✧ See section: 3-B-2 Teacher-led education and care services

Discretionary situation

Either a situation in a parent/whānau-led service funded at the quality rate when a qualified reliever is not available to replace a qualified parent or whānau member who is absent or a situation in a home-based education and care service funded at the quality rate when a coordinator is not available to replace the specified coordinator of the service.

A discretionary ‘situation’ includes any situation where coverage was not available, including lunch breaks, sessions, or full-days of operation depending on the operating structure of the service.

Donation

A donation is a voluntary payment. There is no obligation to pay and no enforcement of payment.

Dual enrolments

Children who are enrolled at more than one early childhood service.

Children must not be enrolled for the same times (e.g. between 9am and 1pm on Mondays) at more than one service.

✧ See section: 3-A-1 Funding eligibility
Glossary, Continued

**Early Childhood Education Collective Agreement of Aotearoa New Zealand (ECECA)**

The Early Childhood Education Collective Agreement of Aotearoa New Zealand (ECECA) is an agreement negotiated by members of the New Zealand Education Institute (NZEI) Te Riu Roa and a group of early childhood education employers.

**Early Childhood Staff Form**

A form showing the actual hours worked daily by regulated (ratio) staff in an education and care service.

The Early Childhood Staff Form is required to manage the Staff Hour Count.

- See section: 3-B-2 Teacher-led education and care services

**ECE Funding Subsidy**

The primary form of government funding for early childhood education services.

It is a ‘subsidy’ because it is paid to assist services in meeting their costs, but is not intended to cover a service’s total cost.

- See: Chapter 3 The ECE Funding Subsidy

**EC11**

Application for Change of Service Quality Rate for Early Childhood Services.

Home-based services and parent/whānau-led services seeking a change from the standard funding rates to quality funding rates (or vice versa) must apply to the Ministry using this form.

- See section: 3-B-4 Home-based ECE services or 3-C-2 Quality funding rates for parent/whānau-led services.

**EC11/A**

Notification of Change of Qualified Persons for Early Childhood Services.

Home-based services and parent/whānau-led services funded at quality rates must complete this form when there has been a change in home-based care coordinator, or in qualified parents/whānau at a parent/whānau-led service.

- See section: 3-B-4 Home-based ECE services or 3-C-2 Quality funding rates for parent/whānau-led services.
EC12 Application for Exemption from Absence Rule for Special and/or Health Needs.

Services seeking an exemption from the absence rules for a child with special and/or health needs must complete this form.

An EC13 or other supporting documentation may also be required for the exemption to be approved.

✧ **See section: 7-7 Absence rule exemptions**

EC13 Medical Certificate to support application for exemption from absence rule for Special and/or Health Needs.

This form should be used to document the medical reasons behind an exemption from the absence rules. It must be completed by a registered medical practitioner.

✧ **See section: 7-7 Absence rule exemptions**

EC15 Application to Receive Equity Funding for Providing Early Childhood Education in a Language and Culture other than English.

Services seeking Equity Funding under Component C: Language and Culture Other than English (including sign language) must complete this form.

✧ **See section: 10-4 Component C: Language and culture other than English (including sign language)**

EC20 Application for a Transitional Advance.

The *Transitional Advance Form (EC20)* is used to calculate advance funding for services in a number of situations such as:

- services beginning or ceasing to offer 20 Hours ECE
- licence mergers or increases
- significant increases in enrolments

✧ **See section: 7-9 The EC20 Transitional Advance Form**

**Education and care services**

A category of early childhood services that are:

- teacher-led and
- centre-based and
- required to meet the teacher certification criteria.

Individual education and care services may be known by many names, including crèches, private kindergartens, aoga, punanga reo, and childcare centres.
| **Teaching Council of Aotearoa, New Zealand** | A crown entity established under the Education Act (1989); it’s functions include:  
- determining standards for teacher registration and the issuing of practising certificates  
- establishing and maintaining the qualifications that lead to teacher registration. |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educator</strong></td>
<td>A person who provides home-based education and care, as defined in the Education (Early Childhood Services) Regulations 2008.</td>
</tr>
</tbody>
</table>
| **Emergency closure** | When unexpected emergency circumstances force a service to close temporarily.  
- *See section: 7-5 Emergency closure* |
<p>| <strong>Enrolment record</strong> | The formal written agreement between a parent or guardian and a service that a specific child will attend that service at specified times. An enrolment can be permanent, casual or conditional. |</p>
<table>
<thead>
<tr>
<th><strong>Glossary, Continued</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity Funding</strong></td>
</tr>
<tr>
<td>Equity Funding is targeted funding to improve access to, and participation in quality early childhood education. Equity Funding is available to licensed, early childhood services that meet specific eligibility criteria.</td>
</tr>
<tr>
<td>Equity funding is paid to eligible services in addition to the ECE Funding Subsidy and 20 Hours ECE.</td>
</tr>
<tr>
<td><strong>See: Chapter 10 Equity Funding</strong></td>
</tr>
<tr>
<td><strong>Equity Index (EQI)</strong></td>
</tr>
<tr>
<td>A statistical index that measures the extent to which an early childhood service draws children from low socio-economic communities. The EQI is used to determine eligibility for Equity Funding.</td>
</tr>
<tr>
<td>The EQI is worked out on the basis of enrolled children’s addresses and information taken from the New Zealand Census (issued every five years). The EQI for casual services is determined using the average for all other early childhood services in the same area.</td>
</tr>
<tr>
<td><strong>See: Chapter 10 Equity Funding</strong></td>
</tr>
<tr>
<td><strong>Fee</strong></td>
</tr>
<tr>
<td>A fee is a payment that is required as a condition of enrolment and can be enforced.</td>
</tr>
<tr>
<td>Enforcement is when a service withholds or withdraws enrolment, or withholds or withdraws parts of their service (for example children not permitted to take part in certain activities), or makes debt recovery.</td>
</tr>
<tr>
<td><strong>Funding rates</strong></td>
</tr>
<tr>
<td>The dollar amount of funding that a service is paid for each funded child hour (FCH).</td>
</tr>
<tr>
<td><strong>Funded Child Hour (FCH)</strong></td>
</tr>
<tr>
<td>An occupied child-place that is funded for one hour.</td>
</tr>
<tr>
<td>Services may be funded the ECE Funding Subsidy (Under 2 and 2 and Over) for up to six FCHs per child-place per day, to a maximum of 30 FCHs per child-place per week.</td>
</tr>
<tr>
<td>Services may be funded 20 Hours ECE (20 Hours ECE Hours and Plus 10 ECE Hours) for up to six FCHs per child per day, to a maximum of 30 FCHs per child per week.</td>
</tr>
<tr>
<td><strong>See section: 3-A-2 Funding conditions</strong></td>
</tr>
</tbody>
</table>
**Funding claim audit**
A type of audit conducted by the Ministry of Education’s Resourcing Auditors. It is an audit of the amount of funding claimed and received by a service.

This audit is known as a ‘funding claim audit’ because examination of enrolment records and attendance registers against the RS7 Return is a primary component of the audit.

- See section: 11-2 Funding claim audits and record keeping audits

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**Funding Rate Table**
A table provided by the Ministry which shows the funding rates for all early childhood services.

A copy of the Funding Rate Table can be found in Appendix 1 and will be updated each time there is a change to the rates.

The style of financial statements that must be completed by community-based services. They should include statements of:

- accounting policies
- financial performance (profit and loss account) that includes specific reference to the funding received from the Ministry of Education
- financial position (i.e. a balance sheet)
- movements of equity
- notes about equity funding and how this has been spent (when applicable).

- See section: 12-2 Types of financial reports

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**General purpose financial statements**

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**Home-based ECE services**
Early childhood education services where early childhood education is provided for up to four children in an educator’s home, the child’s own home or a home nominated by the child’s parent.

Home-based services are supervised by coordinators who are certificated teachers.

Homes are grouped together in a service, the person or organization that operates the group of homes is the service provider.

- See section: 3-B-4 Home-based ECE services

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**Hospital-based ECE services**
A service providing education and care to three or more children under the age of six who are also receiving health services within premises under the control of the Ministry of Health or a district health board.

- See section: 3-B-3 Hospital-based ECE services
**Glossary, Continued**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Isolation Index</td>
<td>A statistical index that rates a service’s relative isolation according to its distance in kilometres from services of three different population sizes.</td>
</tr>
<tr>
<td>Kindergarten</td>
<td>A teacher-led centre-based service controlled by a kindergarten association.</td>
</tr>
<tr>
<td>Licence</td>
<td>A document issued by the Ministry of Education detailing the hours during which an early childhood education service may operate, and the maximum number of child-places the service may fill.</td>
</tr>
<tr>
<td></td>
<td>It is illegal to operate any premises as an early childhood education service without a licence.</td>
</tr>
<tr>
<td></td>
<td><img src="image" alt="See section: 2-1 The link between licensing and funding" /></td>
</tr>
<tr>
<td>Make-up day</td>
<td>A day that an enrolled child is not normally enrolled to attend, but attends in place of an absent child.</td>
</tr>
<tr>
<td></td>
<td><img src="image" alt="See section: 6-9 Make-up days" /></td>
</tr>
<tr>
<td>Ministry regional office</td>
<td>The Ministry of Education office nearest to your service.</td>
</tr>
<tr>
<td>Mixed Provision Service</td>
<td>An early childhood education service that offers a mixture of both teacher-led and parent-led education and care sessions.</td>
</tr>
<tr>
<td>Notional roll</td>
<td>Funding on the basis of average actual attendance over a specified period.</td>
</tr>
<tr>
<td></td>
<td>Some services may be funded on notional rolls in recognition of the special function they serve in a community e.g. women’s refuge centres.</td>
</tr>
<tr>
<td></td>
<td><img src="image" alt="See section: 7-4 Notional rolls" /></td>
</tr>
</tbody>
</table>
| On duty: home-based education and care coordinators | For funding purposes, home-based education and care coordinators that are “on-duty” are:  
  - mainly focused on and involved in supervising quality environments for educators and children and  
  - able to instantly respond to educators and parents ‘person-to person’ (i.e. in person, by telephone or cell phone, or by pager).                                                                                                                                                                                                 |
|                                           | ![See section: 3-B-4 Home-based ECE services](image)                                                                                                                                                                                                                                                                                                                   |
For funding purposes, parents and whānau are “on duty” when they are working and involved with the children at the service.
Glossary, Continued

Optional charge
A request for a payment that parents may choose whether or not to make. There must be no penalty for parents who choose not to make the payment. Once an agreement to pay has been reached then services may enforce payment.

Optional charges must apply for a specific purpose, which could be one-off or ongoing.

❖ See section: 4-3 Fees, donations and optional charges

Other Teacher
A teacher at a teacher-led centre-based service who does not hold a practising certificate issued by the Teaching Council of Aotearoa, New Zealand (Teaching Council) or does not hold a Teaching Council-approved ECE qualification or New Zealand qualified primary teacher qualification.

❖ See section: 3-B-2 Teacher-led education and care services

Other Teacher Hours
The total number of hours worked by another teacher in a service who were not certificated and ECE qualified or New Zealand primary qualified who worked at times when they were regulated (ratio) staff.

This measure is used for teacher-led centre-based services only.

❖ See section: 3-B-2 Teacher-led education and care services.

Parent/whānau-led services
A category of early childhood services that:
• requires of parent and/or whānau involvement in providing education and care for children
• does not have to meet the teacher certification criteria
• includes licensed playcentres and licensed kōhanga reo
• excludes teacher-led services.
### Glossary, Continued

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
</table>
| Permanent enrolment           | Enrolments that are:  
- within the service’s licensed maximum number of child places; and  
- where the child is entitled to attend for the enrolled hours on a regular, ongoing basis.  
  The attendance of a permanently enrolled child does not depend on the absence of any other enrolled child. |
| Playcentres                   | Early childhood education services that belong to an association affiliated with the New Zealand Playcentre Federation Inc.  
  A primary characteristic of playcentres is that families manage and implement the education programme. |
| Plus 10 ECE Hours             | Plus 10 ECE hours are the ECE Funding Subsidy funded hours available per child once that child has used all of their 20 Hours ECE hours.  
  They are the difference between 30 hours of funding less the 20 Hours ECE Hours, and can be claimed up to six hours per day per child.  
  ✷ See section: 4-2 20 Hours ECE funding conditions |
| Practising certificate        | A certificate issued by the Teaching Council of Aotearoa, New Zealand. Holders of a current practising certificate (full, provisional or subject to confirmation) are legally able to teach in New Zealand. |
| Private service               | A service that is not community-based. It may be owned by a private company, publicly listed company, private trust, partnership, or an individual.  
  Private services are able to make financial gains and distribute these to their members. |
  The Ministry does not fund public holidays in advance.  
  ✷ See section: 3-A-2 Funding conditions |
| Quality funding rates         | Higher funding rates for home-based ECE services or parent/whānau-led services that choose to meet additional criteria above what is required in the Education (Early Childhood Services) Regulations 2008.  
  ✷ See section: 3-B-4 Home-based ECE services or 3-C-2 Quality funding rates for parent/whānau-led services |
| **Recognition of Prior Learning** | An initiative that allows people with previous early childhood education learning and qualifications to have their learning credited towards a programme of early childhood teacher education.  

*See section: 3-B-1 The link between teacher certification and funding or contact the New Zealand Qualifications Authority (NZQA) for further details.* |
|---|---|
| **Record keeping audit** | An alternative name for a funding claim audit.  

*See section: 11-2 Funding claim audits and record keeping audits* |
| **Registered teacher** | A holder of a Teaching Council approved teaching qualification who has been registered by the Teaching Council. Note: A teacher must hold a current practising certificate to be able to teach.  

For funding purposes, certificated teachers must hold an early childhood education teaching or New Zealand qualified primary teacher qualification.  

*See section: 3-B-2 Teacher-led education and care services* |
| **Regulated (ratio) staff** | Staff required for your service to meet the minimum regulatory requirements for staff:child ratios.  

The requirements are set out in Regulation 44 and the Second Schedule of the Education (Early Childhood Services) Regulations 2008.  

*See section: 3-B-2 Teacher-led education and care services* |
| **Regulated (ratio) staff hours** | The total number of hours worked by all regulated (ratio) staff in a service on each day.  

This measure is used for teacher-led centre-based services only.  

*See section: 3-B-2 Teacher-led education and care services* |
| **Regulations** | The Regulations including:  

- the Education (Early Childhood Services) Regulations 2008  
- the Education (Early Childhood Centres) Regulations 1998 and  
- the 1992 Home-Based Care Order |
| **RS2 Form** | The RS2 Change of Bank Account Form.  

The Ministry must be informed of changes to a service (or service provider) bank account using this form.  

*See section: 8-1 Changing bank account details* |
RS3 Form
The RS3 Initial Application for Funding for an Early Childhood Service.
New services must complete this form to receive their first funding payment.

- See section: 7-1 Funding for new services

RS7 Return
The RS7 Early Childhood Funding Return.
All early childhood education services (or the administrators of service provider) must complete an RS7 Return in order to receive a funding payment.

- See: Chapter 9 Completing the RS7 Return

Service provider
The service provider is the body, or agency that, or person who operates the early childhood education service. Where a service is part of an association or larger group of services, funding is paid to the service provider.

- See section: 2-4 When and how funding is paid

Sessional service
A service where no child attends for more than four hours in total on any one day.

Special purpose financial report
A type of financial report. A special purpose financial report includes:
- a statement of accounting policies
- details of the amount of funding received from the Ministry of Education
- information on how the funding has been spent.

- See section: 12-2 Types of financial reports

Staff Hour Count
The method of tracking Certificated and Other Teacher Hours required by the Ministry for funding purposes.
This is a requirement for teacher-led centre-based services and all-day kindergartens only.

- See section: 3-B-2 Teacher-led education and care services
Standard funding rates

The minimum funding level for home-based care networks and parent/whānau-led services. Services that meet the requirements of the Education (Early Childhood Services) Regulations 2008 or the Home-Based Care Order (1992 and 1998 Amendment) are eligible for this rate.

Substitute days and hours

A day or hours for which your service is not usually licensed to operate, but for which special permission has been obtained from a Ministry local office to open, in place of opening on a licensed day.

♦ See section: 7-6 Substitute days and hours

Tagged funding

Funding that must be used to cover particular expenses or to meet particular objectives e.g. Equity Funding.

Te kōhanga reo

Te kōhanga reo is a total immersion te reo Māori whānau programme for mokopuna funded as ECE until age six.

♦ See section: 3-C-4 Te kōhanga reo

Teacher-led services

A category of early childhood education services where one or more qualified teachers are responsible for the overall programme in the service. They are required to have a person responsible (or home-based care coordinator) who is a qualified, certificated, teacher.

In education and care services, including kindergartens, the person responsible may be primary or ECE qualified. In hospital-based and home-based services, only ECE qualified teachers can be a person responsible.

For funding purposes, teacher-led services include:
- education and care services
- kindergartens
- hospital-based services
- home-based care services
- services that are recognised by the Ministry as meeting the requirements for teacher-led funding rates.

TeachNZ

A unit of the Ministry of Education. One of the functions of TeachNZ is to assist with inquiries from members of the public who are interested in gaining teaching qualifications.

You can contact TeachNZ on 0800 832 246 or visit their [website](#).
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transitional school visits</td>
<td>One or more visits by a child under the age of six, who is not enrolled in school, to a primary school as part of a ‘transition’ period between early childhood education and primary school.</td>
</tr>
<tr>
<td>Wash-up funding</td>
<td>The proportion of a service’s actual entitlement that is paid on the basis of actual funded child hours for the previous four-month period. Wash-up funding is funding that makes up the difference between the advance payment made in the previous funding payment and a service’s actual funding entitlement for the previous four-month period. Wash-up funding may be a positive (e.g. $2000.00) or negative (e.g. -$2000.00) amount. If it is negative, the Ministry deducts the amount from future payments.</td>
</tr>
</tbody>
</table>

**See section: 7-8 Transitional school visits**

**See section: 2-4 When and how funding is paid**