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# **An Evaluation of Initial Uses and Impact of Equity Funding**

**Report to the Ministry of Education**

**Linda Mitchell, Arapera Royal Tangaere, Diane Mara and Cathy Wylie**

**RESEARCH DIVISION**

**Wāhanga Mahi Rangahau**

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**Final report for Ministry of Education**

Linda Mitchell, Arapera Royal Tangaere, Diane Mara and Cathy Wylie



NEW ZEALAND COUNCIL FOR EDUCATIONAL RESEARCH

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## Executive summary

Equity Funding is a small amount of additional funding for early childhood education (ECE) services intended to reduce educational disparities between different groups, reduce barriers to participation for groups underrepresented in ECE, and support ECE services to raise their level of educational achievement. The funding pool was \$8.5 million in the 2002/2003 year, rising to \$11 million in the 2004/2005 year. Funding is given to community-based services that meet criteria for one or more of four components: low socio-economic community, special needs and non-English speaking background, language and culture other than English, and isolation.

ECE services first received Equity Funding in March 2002. The purpose of this evaluation was to look at their use of Equity Funding over a year, and the effects it had. It focuses on a cross-section sample of 47 services, including education and care centres, kindergartens, kōhanga reo, playcentres, Pasifika centres, home-based services, and hospital services, with data collected in late 2002–2003, and again in late 2003–2004, when 8 other kōhanga reo were also included.

We triangulated interview data, service data and field researcher observation data to ascertain patterns of use and levels of participation and quality for the evaluation sample services. We then checked to see whether these patterns were consistent with national patterns revealed through two surveys and a random sample of annual reports. We triangulated the data collected from within individual sample services, to relate uses made of Equity Funding to changes in participation and quality indicators reported by ECE services or evident in field researcher observations. Through this process we found some changes in quality and participation for the evaluation sample services that seem to be connected to Equity Funding expenditure, as well as conditions that support positive impacts.

The relationships found between particular uses and effects seem consistent. However, we cannot distinguish between the direct effects of Equity Funding itself and possible effects of other external factors that would be expected to impact on quality and participation. The strategic plan for early childhood education *Pathways to the Future - Ngā Huarahi Arataki* was published in the same year as the introduction of Equity Funding. Changes also occurred in staff qualification requirements for teacher-led services, with a range of incentives for teachers to train or upgrade their qualifications. A greater role for government with respect to encouraging ECE participation and property provision also began to occur parallel to the evaluation fieldwork.

## KEY FINDINGS

### Use of Equity Funding

The use of Equity Funding did vary by component. Evaluation sample services, those responding to the national surveys, and those providing annual reports were most likely to spend on the following.

Those receiving the **low socioeconomic component** mostly spent Equity Funding on curriculum resources, professional development, excursions and staffing. Kōhanga reo were less likely than others to spend on staffing and excursions, and somewhat more likely to spend on kai and the running costs of a vehicle.

**The special needs and non-English speaking background component** was not specifically directed towards the two groups of children it identified for most ECE services that received it. The few services that did treat it as targeted funding were those that had such children currently attending. They usually had many such children. Some services with children in the targeted groups were not receiving this component because it was derived from the EQI.

Spending for *children with special needs* in the sample services was most likely to be for additional staff to work individually with these children, professional development related to children's special needs, and building modifications such as ramps. The national survey data suggest that resources, building modifications, and professional development were the main uses nationwide. Services thought this component of Equity Funding could not meet their need for readily available external advice and support. The need was not so much to purchase advice and support, but to have it available through established agencies when required.

Spending for *children from non-English speaking backgrounds* added staff from these backgrounds, usually as teacher-aides or specialist part-timers, or adding to children's experiences through resources and excursions. It was harder to meet needs for permanent staff members who were multilingual and to provide access to interpreters and translators. Equity Funding was not intended to cover full permanent staff costs.

**The language other than English component** was spent by kōhanga reo on training fees for Whakapakari,<sup>1</sup> and professional development and wānanga related to te reo and tikanga Māori. Te reo training was specifically mentioned by just under a fifth of all kōhanga reo nationwide. All the Pasifika centres also received other components and mostly spent Equity Funding on ECE professional development, support staff to gain ECE teaching qualifications, including some studying for the Pacific Islands Early Childhood (PIEC) Diploma, and resources.

Both isolated kōhanga reo and English-medium services spent the **isolation component** on professional development and resources. In line with their kaupapa to ensure the highest possible participation, kōhanga reo were more likely to spend it on transport, and the English-medium services, on staffing. Some isolated English-medium services were concerned with their sustainability. Teacher-led services spent it on recruiting qualified staff. Where Equity Funding was spent on administrative or maintenance tasks usually undertaken by volunteers in parent-led services, parents/whānau became more enthusiastic about the service and parental involvement and child attendance increased.

## Impact of Equity Funding expenditure on quality

Over half the sample services shifted to higher levels of process quality or sustained already high levels (interactions within the service to support learning, aspects of the education programme, resources and

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<sup>1</sup> Te Kōhanga Reo National Trust (TKRNT) qualification. This is a three year NZQA approved course focusing on traditional Māori child-rearing practices, Māori pedagogy of learning and teaching, Māori assessment processes, whanaungatanga (inter-relationships), whaioranga (health) and te reo and tikanga Māori. It is relevant to the language and culture programme.

environment), and many improved aspects of structural quality (staffing levels) and opportunities for professional support from 2003–2004, with Equity Funding expenditure contributing to these shifts.

- Sample service participants thought spending on resources, playground development and excursions improved these aspects and led to greater stimulation for children. Field researcher ratings showed those spending Equity Funding substantially on curriculum resources and playground development generally improved their ratings on the adequacy and amount of books/toys/equipment, on equipment and activities to encourage fine motor play and on equipment and activities to encourage gross motor play from 2003–2004. The NZCER national survey data showed over half the recipients of Equity Funding generally thought it had improved their resources and facilities.
- Sample service participants thought staffing expenditure was linked to more responsive and challenging interactions with children, and better relationships with families. Patterns of shifts in field researchers' **overall** quality ratings between 2003 and 2004 showed that services that made gains were more likely to spend on professional development and teaching technology, such as digital cameras, that can be used for communication with parents and involving them in their child's learning, as well as directly for children's learning. NZCER survey participants also linked use of Equity Funding on digital cameras to improved communication with families.
- Sample services that spent Equity Funding to provide staffing support for children with special educational needs or professional development, focused on the needs of individual children, thought they were making better provision for those children. Field researcher ratings showed those few sample services using Equity Funding for this purpose were already operating at a high level with respect to inclusion in 2003, and showed some minor slippage and some minor gains in 2004.
- Sample kōhanga reo whānau thought quality of cultural interactions and te reo was improved through Equity Funding expenditure on training and wānanga in te reo and tikanga Māori. Kōhanga reo making gains in quality ratings of language and culture items were more likely to have staff and whānau in training, to be attending more wānanga, and wānanga focused on te reo Māori. They were also more likely to have good relations between staff and whānau.

### Improving participation

Services in the study and nationally made more use of Equity Funding to improve quality than to increase participation. The main gains in improving participation were in improving the regularity of attendance and strengthening relationships with parents/whānau and parent involvement in the service rather than enrolling children not currently attending. Most services other than some isolated ones were not under-subscribed. Thus increasing enrolments was not critical to services' own viability.

Fee relief for individual children whose families found cost to be a barrier enabled those children to attend regularly or for longer periods. Some of these families were under stress and having their child in an ECE service supported them.

Those few kōhanga reo using Equity Funding for transport costs to collect children reported more regular attendance.

Unexpectedly, the use of Equity Funding to enhance quality was sometimes associated with gains in the regularity and duration of attendance and parent/whānau involvement. These gains occurred when parent and

whānau-led services, particularly playcentres, employed staff to reduce volunteer workloads, when services included parents in activities that interested them, such as excursions and wānanga, when additional staff were employed to work with families, and when improvements were made to resources and the service environment. The Equity Funding use made the service more attractive to parents/whānau or led to better communication.

Equity Funding can enable services to remain open in isolated areas through uses such as recruitment incentives to address difficulties in attracting qualified teachers. Playcentre sustainability was strengthened through use of Equity Funding to reduce volunteer workload.

Equity Funding was used by one service to expand provision, although this is not an intention of Equity Funding policy.

### **Making effective use of Equity Funding**

Analysis of decision-making processes, expenditure, and impact indicated several factors that may be related to making effective use of Equity Funding in respect to improving quality and parent involvement. The services that made gains or sustained their quality ratings and enhanced parent involvement were more likely to:

- use needs analysis linked to goals for children to make their decision on how to use Equity Funding;
- involve teacher/educators with close knowledge of the children and service needs in decision-making;
- spend directly on items related to quality; and
- use Equity Funding alongside other actions or resources aimed at improving that aspect of provision.

The total amount of Equity Funding received by the services in this study varied, from a few hundred dollars, to just under \$30,000. There does not appear to be a minimum amount of money needed to allow services to make good use of the Equity Funding. Even small amounts of money, well-aimed at needs linked to service goals or Te Whāriki/DOPs<sup>2</sup> appeared to make some difference.

### **Implications**

The low socio-economic, isolation, and language and culture other than English components of Equity Funding are generally being used to address some current needs of these services that are not being met through other forms of MOE, Work and Income or other funding, and to raise quality or participation. Since these needs tend to be ongoing, Equity Funding is likely to be required for gains to be sustained and further gains made in the future, unless base funding is improved to levels able to address these needs.

The comparatively low level of targeted use of the special needs and non-English speaking background component, and the inability of Equity Funding to meet needs for access to external advice and support raises the question of whether this way of supporting children with these needs is the most productive. Such information could inform thinking about this component of Equity Funding and whether it is reaching the right early childhood education services.

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<sup>2</sup> Te Whāriki is the early childhood education curriculum. DOPs is the Desirable Objectives and Practices, a mandatory requirement for licensed ECE services conveying government expectations of the standard of education and care services provide.



The administration of Equity Funding as a separate fund, MOE guidelines about expenditure, and the requirement to report on expenditure annually are features that support services to think critically about their needs. Guidelines could be expanded to encourage services to follow processes of effective decision-making about expenditure described above. There could be a description of how use of Equity Funding can support parent involvement.

The findings suggest that some issues related to playcentre sustainability could be addressed through finding and emphasising ways to relieve parents of their high volunteer workload. In this study, some playcentres addressed their high workload by using Equity Funding to pay for administrative or maintenance work.



# 1. Background—Equity Funding

Equity Funding is an early childhood education funding scheme, first implemented in March 2002. It is a small amount of money that is additional to bulk funding and discretionary grants. In November 2002, the total amount of this funding was \$8.5 million (Mallard, 5 November, 2002 #288), rising to \$11 million in the government budget appropriations for 2004/2005.

Equity Funding is distributed over 1249 services. The average Equity Funding amount varies by service type. Kōhanga reo had the highest average amount and playcentre the lowest.

Table 1 **Average Equity Funding amount for each service type receiving Equity Funding**

	Average amount \$	Maximum \$	Minimum \$	Number
Kōhanga reo	10,408	40,316	600	536
Education and care	8,879	39,464	512	268
Kindergarten	8,705	24,002	1,020	249
Casual education and care*	6,336	15,327	511	19
Homebased	4,672	10,578	1,020	22
Playcentre	1880	5,488	147	155

\* Includes hospital services.

The objectives of Equity Funding are to:

- Reduce educational disparities between different groups in New Zealand communities;
- Reduce barriers to participation faced by those groups that are underrepresented in early childhood services;
- Support early childhood services in raising their level of educational achievement (Ministry of Education, 2001 #40).

Equity Funding is expected to provide additional support to eligible services to help them meet these objectives. It aims to help reduce disparity in two ways:

- increase participation by providing additional resources to services to assist in reducing barriers; and
- improve quality through addressing the higher cost for achieving the same level of educational outcome.

We cannot distinguish between the direct effects of Equity Funding itself and possible effects of other external factors that would be expected to impact on quality and participation. The strategic plan for early childhood education *Pathways to the Future - Ngā Huarahi Arataki* was published in the same year as the introduction of Equity Funding. Various initiatives stemming from the Strategic Plan have since been implemented and would be expected to improve participation in quality educational programmes, and to support the sustainability of ECE

services. The Equity Funding policy is related to these goals and was absorbed into the Strategic Plan (Ministry of Education, 2005 #289). Changes occurred in staff qualification requirements for teacher-led services, with a range of incentives for teachers to train or upgrade their qualifications. A greater role for government with respect to encouraging ECE participation and property provision also began to occur parallel to the evaluation fieldwork. The reviews of regulation and funding were also taking place, but the evaluation happened before the large funding increases announced in the May 2004 budget and provided in July 2005.

Equity Funding has four components:

- A Low socio-economic;
- B Special needs and non-English speaking background;
- C Language and culture other than English;
- D Isolation.

The special needs and non-English speaking backgrounds components are labelled as a single distinct component, but their calculation is linked to the calculation of socio-economic status. The census information on which components A and B are based was not available when services came into the scheme in March 2002. Therefore a “proxy” was used, based on the decile rating of the nearest school, until the census data was used for calculations in November 2002.

Details are provided in Ministry of Education circulars. The initial circular (Ministry of Education, 2001 #40) describes the Equity Funding scheme, explains the components of the scheme, summarises the policy, explains payment mechanisms and processes to access Equity Funding, provides guidelines for expenditure, and explains reporting requirements.

In addition, the Ministry of Education posted an information sheet, “Questions and answers on the implementation of the first phase of the Early Childhood Equity Funding policy” on its website at [www.minedu.govt.nz](http://www.minedu.govt.nz). The information sheet was updated on 2 November 2002.

The system as described in Ministry of Education Circular 2001/24 and “Questions and answers on the implementation of the first phase of Equity Funding policy” is described below.

## **COMPONENT A: LOW SOCIO-ECONOMIC, AND COMPONENT B: SPECIAL NEEDS AND NON-ENGLISH SPEAKING BACKGROUNDS**

Eligibility for the low socio-economic component and the special needs component is based on the early childhood “Equity Index” (EQI). The EQI measures the extent to which an early childhood service draws children from low socio-economic communities. The EQI is used for the special needs component and non-English speaking background components — on the basis that “Research shows that the incidence of children with low to moderate special needs and for whom English is their second language is 4–6 times higher in low socio-economic services” (Ministry of Education, 2001 #40, p.4). Using the EQI for these two criteria of additional need is also intended to avoid the compliance and administrative costs of funding systems tagged to needs of individual children.

The EQI is determined for each service individually, based on children’s addresses and information from the New Zealand Census of Populations and Dwellings issued by Statistics New Zealand every 5 years. Services

were asked to supply addresses for children enrolled to attend regularly in the week of 20–24 August 2001. This information was used by the Ministry of Education to determine EQI ratings.

The EQI for casual services, without a regular roll, was determined by using the average for other early childhood services in the area.

Services receiving an EQI of 1, 2, 3 or 4 qualify to receive funding under this component.

## FUNDING RATES

The amount of Equity Funding is determined by a service's EQI and its Funded Child Hours (FCH) provided on the service's annual return to the Ministry of Education (RS7). There is a cap of 30 hours over seven days for payment of Equity Funding.

The rates per funded child hour of enrolment on the proxy EQI index at 1 March 2002, and the EQI index at 1 November 2002 are set out in Table 1 below. These rates were still current as at 1 November 2004.

Table 2 **EQI rates**

Proxy EQI index At 1 March 2002	Actual EQI index from 1 November 2002	Special needs and non-English speaking backgrounds
	Low socio-economic	
EQI 1 - \$0.22	EQI 1 - \$0.36	EQI 1 - \$0.17
EQI 2 - \$0.17	EQI 2 - \$0.28	EQI 2 - \$0.11
EQI 3 - \$0.11	EQI 3 - \$0.16	EQI 3 - \$0.08
	EQI 4 - \$0.08	EQI 4 - \$0.07

The EQI will be updated every 5 years in line with the New Zealand Census cycle, (2006, 2011, etc).

## COMPONENT C: LANGUAGE AND CULTURE OTHER THAN ENGLISH

Eligibility for the "Language and culture other than English" component requires the provision of early childhood education in a language and culture other than English during the formal programme. There are two conditions for a service to qualify:

- staff (paid and unpaid) plan and evaluate the curriculum for children using the kaupapa/cultural framework associated with the predominant language of communication; and
- staff (both paid and unpaid) deliver the curriculum for children using the predominant language of communication.

Eligibility is determined through an attestation process. Staffing records are required to be kept showing names of staff (both paid and unpaid), predominant language of communication, and hours providing education and care.

Payment under this component is a fixed monthly grant and is not tied to FCH. The rate for 2002 was \$1740 per annum or \$145 per month. From 2002/2003 it was \$1800 per annum or \$150 per month.

## COMPONENT D: ISOLATION

Payment for this component is a monthly grant, with three funding bands according to a service's relative isolation, measured by its distance in kilometres from centres of three different population sizes (5,000, 20,000, 100,000).

The bands are set out below with their funding amounts at 1 March 2002, and the current rate.

Isolation Index Bands	Annual Amount \$	Monthly Amount 1 March 2002 \$	From 1 November 2002
2.54 and greater	2,900	241.67	247
1.84–2.53	1,500	125.00	128
1.65–1.83	1,000	83.34	85

## PAYMENT

The first payment for Equity Funding was made on 1 March 2002, in arrears, backdated to 1 January 2002. Subsequent payments for the low socio-economic component (and the linked special needs component) have been made at four monthly intervals to match bulk funding cycles. Although some services are paid through an umbrella group, such as a kindergarten or playcentre association, a funding advice notice shows how much Equity Funding each individual service generates.

### Interim payments mechanism

The language and culture other than English component was fully funded from the start, and not adjusted during the year. For the low socio-economic needs and special needs and non-English speaking backgrounds components, 2001 census data was not available when the EQI was first calculated so a proxy was used at this time. Only services in a proxy EQI 1–3 were funded initially. These services were only partially funded (2/3rds) on this rate, until actual census data was available in November 2002. At that time adjustments were made where necessary. Some services received arrears. Services that were not eligible when actual census data was used were not required to repay funding to the Ministry of Education.

### Guidelines for expenditure

Guidelines for expenditure were set. Pooling of funding was possible but only if each of the services that generated the Equity Funding agreed. Ideas on how the funding could be spent for each component were outlined, and are given in the chapters on each component. These were ideas only, rather than required or constraining uses.

## REPORTING

Equity funding is "tagged" funding. It is identifiable as an amount additional to a service's bulk funding subsidy and is required to be spent with the equity funding objectives of improved participation and quality in mind.

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Accountability is through reporting to parents and community on how funding is spent, and external review by the Ministry of Education and Education Review Office.

The Ministry circular gave options on how to show expenditure. It noted

At the very least, reporting against Equity Funding will:

- i) be included in a service's Annual report for presentation to their Annual general Meeting
- ii) outline the amount received under each component of Equity Funding
- iii) briefly describe the goods/services or purpose to which the funding was applied, and,
- iv) briefly outline why the service chose to spend it in this way (Ministry of Education, 2001 #40, p.12).

As became evident in this study, most services receiving Equity Funding were yet to account for their Equity Funding spending as clearly as this. Reporting requirements and spending ideas listed against components are included in the Ministry of Education's 2005 *Early Childhood Education Funding Handbook*.





## 2. Methodology

### OVERALL DESIGN

This evaluation of Equity Funding was designed to cover its initial impact. It consisted of two phases. The first baseline phase gathered information on the understanding that sector organisations and individual services had of its intentions in terms of policy, the needs it could meet, and the uses to which it could be put. To find out what difference Equity Funding made to quality of service and children's participation, data related to individual services was to be gathered in late 2002–early 2003, as part of the first phase of the evaluation. The second phase returned to most of the individual services that had taken part in the first phase, and some further individual services that received Equity Funding under the language and culture other than English criteria to find out how Equity Funding had been used, and what impact this had had, twelve months afterwards, in early 2004. This 'before' and 'after' design is common in policy evaluation, particularly where government departments want formative information that can be used to fine-tune or alter policy and its delivery. The advantage of evaluating a policy such as this in its initial stages is that it can provide such information; a disadvantage can be that any impact of the policy is likely to be modest in its early days.

It is therefore particularly important that evaluations of the initial impact of a policy include contextual material that allow interpretation of the size of the impact, and the factors that support or impede its intended impact. The Ministry of Education's call for proposals suggested a case study approach which "would offer the advantage of being able to show in some detail the impact of Equity Funding on a range of different early childhood centres". The evaluation gathered data from a number of different sources for each of the 47 services it was able to include in both phases. This was done so that it would be possible to see if any changes over time in the structural (e.g. staff:child ratios, professional development) and process aspects (e.g. quality of interactions between adults and children, education programme, curriculum resources), of quality of provision, and participation of children and families that were observed between the first and second data collections were related to the ways Equity Funding had been used in particular services, or to other changes in those individual services, for example, one-off community events, or changes in children's characteristics related to changes in the community, that are unlikely to be related to the introduction of Equity Funding per se. The data on changes occurring over a year within individual services are also useful in providing insight into how services make decisions in relation to national policy change.

However, case-study approaches are time-consuming for both data collection and analysis, and this limited the number of individual services that could be included in the evaluation. The final sample was drawn to provide as good a cross-section as possible within the available budget, to enable some comparison of the uses and impact of Equity Funding in relation to the criteria under which services had received it (e.g. low socio-economic component compared with isolation), the amount of Equity Funding received, and service type. The main focus of this study is on the relationship between uses and impact, and the factors that might affect those.

We have checked whether the main uses of Equity Funding that we found among this cross-section sample are more general by collecting further data from an analysis of 71 annual reports, and including relevant questions in NZCER's late 2003 national survey of early childhood education services and the 2003 TKRNT survey of kōhanga reo.

Annual reports were sought from a random sample of 152 services, a quarter of each service type receiving Equity Funding other than kōhanga reo. Services selected for case study were not included in this. Kōhanga reo were not included since TKRNT held their annual reports and had directly supplied some analysis to MOE based on them. Seventy-one services supplied their reports, a response rate of 47 percent.

The NZCER national survey<sup>3</sup> was sent to 531 early childhood education services, approximately 15 percent of all New Zealand early childhood education services, except kōhanga reo. The sample was selected to be representative of the different types of early childhood education service except that hospital services and Pasifika services were over-represented. Each service in the sample was sent one questionnaire for management,<sup>4</sup> where the Equity Funding questions were asked. This questionnaire was completed by 242 managers or co-ordinators (overall 46 percent response rate).

The response rate for those receiving Equity Funding was higher (53 percent), with kindergartens having the highest rate, and playcentre and hospital services the lowest.

Table 3 **Response rates for national survey services receiving Equity Funding**

Service type	Full sample	Management respondents	Management respondents
	Number	Number of respondents	% of respondents
Education and care	61	26	43
Kindergarten	54	44	81
Playcentre	23	8	35
Casual *	16	4	25
Homebased	4	2	50
<b>Total</b>	<b>158</b>	<b>84</b>	<b>53</b>

\* Includes hospital services

Ministry of Education data showed the average funding amounts received by the NZCER survey respondents was similar to the amounts for the full NZCER survey sample and all services nationwide receiving Equity Funding, except the amounts for education and care centre survey respondents was somewhat lower, and for casual services including hospital services somewhat higher.

<sup>3</sup> A complete report will be released in late 2005.

<sup>4</sup> Each service was also sent surveys to be completed by teachers, parents and members of parents' committees (where applicable). However, teachers and parents were not asked questions about Equity Funding.

Table 4 **MOE data on average funding amounts for services receiving Equity Funding in 2002/03 financial year**

Service type	All services \$	Full NZCER survey sample \$	NZCER survey respondents \$
Education and care	8,879	9,410	6,300
Kindergarten	8,705	8,024	7,821
Playcentre	1,880	1,545	1,768
Casual *	6,336	6,999	7,907
Homebased	4,672	4,370	4,715

\* Includes hospital services

The TKRNT survey was sent to all kōhanga reo. Fifty percent were surveyed at the beginning of 2003, and 50 percent at the end of 2003. The overall response rate was 44 percent.

It is not possible to use national surveys or the early childhood education services' own mandatory self-reporting to the Ministry of Education to gain national quantitative data on changes in service process quality, since process quality data needs to be obtained through observation. It would be possible for the Ministry of Education to use services' self-reporting and its own funding data to analyse trends over time in participation and some indicators of structural quality, such as the proportion of fully trained teachers employed and teacher turnover, but it may be difficult to separate out the role of Equity Funding in any changes seen, given other major policy changes to funding levels, support for teachers to gain qualifications, and changes to regulations occurring as part of the early childhood education 10-year strategic plan.

## SAMPLING

The approach to deciding the sample for all services was chosen in consultation with the Ministry of Education. One main underlying characteristic of all four sources of Equity Funding which might influence its use and impact is the amount of money received. We therefore categorised the centres receiving Equity Funding by the total amount of money they received, and then, within each Equity Funding amount category, to include sufficient numbers of each main service type (kōhanga reo, kindergarten, education and care, Pasifika, hospital, home based and playcentre) and Equity Funding source, where feasible, to allow comparisons in relation to early childhood education type and Equity Funding source.

The funding bands were agreed with the Ministry of Education after we had considered the spread of services and the amounts of Equity Funding being received. These bands were:

- Band 5 - centres receiving more than \$15,000 per annum;
- Band 4 - centres receiving \$10–14,999 per annum;
- Band 3 - centres receiving \$6,000–9,999 per annum;
- Band 2 - centres receiving \$3,000–\$5,999 per annum; and
- Band 1 - centres receiving less than \$3,000.

The Ministry of Education discussed the number of services of each type that would enable us to gather sufficient information about that type. Considerations were the relative numbers of each service type receiving Equity Funding in each funding band, the types of management support available to services which in turn could impact on expenditure decisions, and the need to have at least two services of each type to enable comparison. The number of services of each type was agreed with the Ministry of Education. It was also agreed that the sample would include services in both islands and in rural, urban and provincial localities.

The Ministry of Education provided a list of all services receiving Equity Funding, service type, location, Funded Child Hours (FCHs), Equity Funding components, isolation index, total Equity Funding amount and other information for all services except kōhanga reo. Te Kōhanga Reo National Trust keeps its own records of these details.

Selection of the sample was a very time consuming process, and went through a number of iterations with the Ministry of Education. The Ministry of Education data on actual funding amounts being received was not available until November 2002 when the final selection was able to be made. The Ministry of Education agreed with the final sample.

The final sample for the NZCER field work in both phases included 32 services in both islands, and in major urban, provincial, and rural areas: Auckland, Mangere, Otahuhu, Wellington, Christchurch, Dunedin, Northland, Wanganui, Levin, Central Hawkes Bay, Hastings, Kaiapoi, West Coast, and Timaru. The sample has services in every funding band, and is a mix of service types, Equity Funding source and roll numbers. There are no playcentres receiving Equity Funding in bands 3, 4, or 5, and no home based services receiving Equity Funding in band 5. Other services were spread throughout the bands.

Centres/services were approached by letter and/or telephone, and any who were not able to participate or did not want to participate were replaced by a service with the same characteristics, within the given dollar-band category. The Ministry of Education-supplied phone numbers were not available or correct for all services. NZCER found it difficult making contact with some Pasifika centres, and some rural playcentres where the service operated on only one or two days a week from a community hall. One centre had its mailbox “constantly being vandalised”, and the centre did not receive our letter. Sometimes we visited or made extra phone calls to talk about the evaluation before the service decided on participation. The Pasifika researcher attended a Ministry of Education fono in Auckland to talk about the project.

Six of the initial centres approached decided not to participate and four were replaced for phase one. The reasons for not taking part were:

- an education and care centre moving to another location;
- an education and care centre with a commitment to intensive staff training during the time the field work was to take place;
- a Pasifika centre with a commitment to involvement in a project with a government agency during the time the field work was to take place;
- a playcentre that had become licence-exempt and was no longer receiving Equity Funding;
- an education and care centre with staff changes and instability; and
- a Pasifika centre unwilling to participate.

We were unable to replace the two Pasifika centres that could not participate for the phase one data collection in time. Therefore, out of the four Pasifika centres, two were included in phase one (2003) and phase two (2004), and another two Pasifika centres were included in phase two (2004) only.

The kōhanga reo sample was also designed to provide a cross-section to allow analysis in terms of funding amount, and within that, funding source. Selection of this sample began with an invitation to the district Kaupapa Kaimahi in each region, who had been pivotal in taking information about the Equity Funding policy out to kōhanga whānau, to identify kōhanga in their region. From their lists, the TKRNT researchers chose a sample that provided for the most comprehensive iwi coverage possible within the parameters of the project budget. The final sample was agreed with the Ministry of Education. Twenty kōhanga reo agreed to participate in phase 1 and 2. However, full data was collected in only 17 of these.

Originally it was also intended to augment the sample for whom data would be gathered in both phases by adding new services in the second phase, for whom retrospective data only would be collected. Because the cost of deciding the sample, making contact, and data gathering in the first phase was greater than originally estimated, the Ministry of Education agreed that NZCER would not add new services; however Te Kōhanga Reo National Trust (TKRNT) continued with their original plan in agreement with Ministry of Education. Another 10 kōhanga reo were approached in 2004, and eight took part in the phase 2 data collection. This makes a total of 25 kōhanga reo.

TKRNT was responsible for the sampling and fieldwork undertaken with individual kōhanga reo, and NZCER for the sampling and fieldwork with English and non-Māori medium early childhood education services.

Table 2 below summarises the services that took part in the study, in terms of the Equity Funding component they received funding through, and service type. Note that most services received Equity Funding under more than one component. This creates some difficulty in cleanly attributing the impact of Equity Funding to each individual component. However, we did ask the services what their needs were in relation to each component, and we have used that information in the analysis of their reported use of Equity Funding and its impact.

Table 5 **Number and type of services receiving Equity Funding for each funding component**

Service type	Low socio-economic	Special needs/ non-English-speaking backgrounds	Language and culture other than English	Isolation	Total services
Kōhanga reo	21	21	25	10	25*
Education and care	11	11	Nil	1	12
Kindergarten	6	6	Nil	3	8
Pasifika	4	4	4	Nil	4**
Playcentre	3	3	Nil	3	4
Hospital	2	2	Nil	Nil	2
Home based	2	2	Nil	1	2
<b>Total</b>	<b>49</b>	<b>49</b>	<b>29</b>	<b>17</b>	<b>57</b>

\*There were 17 kōhanga reo in phase 1, and 25 in phase 2. \*\* There were 2 Pasifika services in phase 1 and 4 in phase 2.

## INSTRUMENT DESIGN AND DEVELOPMENT

Data was collected from a range of sources, with instruments developed by the NZCER-TKRNT team, drawing from relevant existing research, and sector knowledge.

- Structured interviews were used to collect information on knowledge of Equity Funding, views of service needs, and uses and impacts of Equity Funding, sources of information on Equity Funding, and decisionmaking from key informants from sector organisations, from parent management committee/whānau or service managers, and from teachers/educators/ kaiako in the first and second phases. These interviews were developed by NZCER and TKRNT.

Questions about impact in the second phase asked whether Equity Funding had enabled services to improve quality and participation as services defined these, and for what kinds of children and families.

In respect to quality, the second phase interview asked how any improvements related to the DOPs and Te Whāriki, whether there were unmet needs in relation to goals for quality, what actions services were taking to address them, and how Equity Funding could help.

In respect to participation, the second phase interview asked whether there was evidence for changes in regularity of attendance, in enrolments, parent and whānau involvement, and in relationships with parents and whānau. It asked whether there were barriers to participation that Equity Funding could do something about, whether these were within or outside the control of services, and in what ways Equity Funding could help address barriers.

- A structured profile of staffing, roll features, resources and parental/whānau engagement was developed to provide information on participation (such as number of enrolments, stability of enrolment, regularity of attendance), structural aspects<sup>5</sup> of quality (staffing), and process quality<sup>5</sup> (resources, learning environment) using as a base the one used in the Competent Children study. This was to be filled in by the service manager/leader/whānau of the services included in both phases.
- A structured measure of aspects of process quality built on the Competent Children early childhood education quality rating scale,<sup>6</sup> and incorporated items related to early literacy and mathematical problem-solving, adult-adult interactions and for kōhanga reo, children practising kaupapa without direction. The rating was done by the evaluation fieldworkers after they had observed the service for an entire session, on two separate occasions at least a week apart, of the services included in the study, in both phases. The Competent Children study used average ratings from three separate occasions, each a fortnight apart to try to allow for particular events that could skew a rating; the budget for this project covered a more limited data collection to form an overall quality rating (based on the average for the two occasions of all ratings given equal weight, and combined), and this needs to be taken into account in interpreting changes between the first and second phases in these ratings.

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<sup>5</sup> Structural aspects of quality are described as “relatively easily observed and measured, and therefore regulatable aspects of quality” such as adult:child ratio, group size, staff qualifications, staff wages and working conditions, and staff stability. Process quality is described as “those aspects of an early childhood education program which children actually experience”, such as responsive interactions between adults and children, curriculum, programme planning, and communication with parents (Smith, A.B. et al., 2000).

<sup>6</sup> This methodology for this study, including the development of the rating scale, is described more fully in Wylie, C. (2003). Reports and papers from the study can be found on [www.nzcer.org.nz](http://www.nzcer.org.nz). The rating scale is included in Appendix 1.

- Existing documentation of individual service provision was also collected. This included latest audited financial statements, annual reports, and annual returns of children and staff supplied to the Ministry of Education (the RS 61), current strategic plans, philosophy or charter statement, newsletters, minutes of meetings where Equity funding was discussed, and examples of how services documented learning. This documentation proved to be less useful than hoped in the analysis, because we could not gather absolutely consistent data for each of the individual services to allow comparison, though it was useful in adding to fieldworker knowledge of individual services.

The service interviews, profiles, and quality rating scales were reviewed with the other core research tools by the evaluation's advisory group members, including Ministry of Education officials, in a full day meeting on 12 August 2002, and then refined and trialled in September 2002, with some small further revisions after trialling.

After the instruments use in the first phase, they were discussed with the project advisory group in December 2003, and some small refinements made for their use in the second phase. Service managers were not asked to fill in the profile again, but to check it and mark any changes that had occurred between the first phase fieldwork in early 2003, and the second phase fieldwork in early 2004. This was done to save respondent time. It has raised some questions for the research team, however, as somewhat fewer respondents noted changes than we expected, on the basis that there would be some year to year differences. This may indeed be the reality, and had we asked service managers to fill in a fresh profile, we would perhaps be wondering if differences that were marked were due to different people doing it (where there were differences).

Much of the profile data relates to participation (child enrolments and attendance patterns, and parent/whānau involvement), or factors that might have a bearing on participation, such as fees. The reason very little change was reported may be related to the fact that most centres in the study used Equity Funding for aspects related to quality rather than participation. Where centres did indicate that some change in participation had occurred, we have looked at their use of Equity Funding, to see if the change was related.

One might have expected some change in perceptions of adequacy of resources, given use of Equity Funding for resources. However, again there was very little. There may be several reasons for this. First, many of the centres in the study received Equity Funding before the evaluation started, so in some services the baseline may already have improved. Second, it is possible to make improvements in specific areas, but continue to see ongoing needs when asked for a global judgement.

## **DATA COLLECTION**

As noted, this is not a strict 'before' and 'after' research design, since Equity Funding began on 1 March 2002, using proxy 'equity indices' until 2001 census data could be used to establish a more robust set of those who fell into the four lowest of ten deciles using socioeconomic data derived from attending children's addresses.<sup>7</sup> The Ministry of Education asked for proposals to evaluate the introduction of Equity Funding in April 2002, after it had begun.

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<sup>7</sup> This meant that some of those services that originally received equity funding for the low socioeconomic component no longer did so, while some services started to receive funding only from November 2002.

## First phase

Key informants from nine early childhood education sector organisations were interviewed in June-August 2002 by NZCER. These organisations were Te Kōhanga Reo National Trust, one of the Kindergarten Federation associations (Wellington Region Free Kindergarten Association), the NZ Kindergartens Incorporated, NZ Playcentre Federation, NZ Childcare Association Te Tari Puna Ora o Aotearoa, Barnardo's New Zealand, Early Childhood Council, Pacific Islands Early Childhood Council of Aotearoa, and NZEI Te Riu Roa.

Once the sample had been chosen, data was collected at the individual centre level using the instruments described above, from November 2002 to April 2003, from 17 kōhanga reo, 2 Pasifika centres and 28 English-medium services, a total of 47 centres. In addition, staff from seven kindergarten associations, four playcentre associations and two home based care providers linked to individual services included in phase one were also interviewed, using the key informant structured interview.

The information gained from this first phase relating to knowledge of Equity Funding, and views about service needs and likely uses of Equity Funding was analysed and reported to the Ministry of Education in a report in August 2003. This information is summarised in the next chapter.

## Second phase

Data was collected from 57 services (25 kōhanga reo, 4 Pasifika centres, and 28 English-medium centres) from February to July 2004. We have data for both phase 1 and 2 for a total of 47 centres: 17 kōhanga reo, 2 Pasifika centres and 28 English-medium services.

## Fieldwork teams, training, and checking

The NZCER team consisted of four fieldworkers, all of whom had early childhood education and research experience. Two had worked in the Competent Children project and were therefore familiar with the service profile and process quality rating scale. The fourth fieldworker had responsibility for the fieldwork in the Pasifika centres; she had worked in government agencies for many years on issues specific to early childhood education and Pasifika education. The fieldworkers in the English-medium centres remained the same for both phase 1 and 2; Diane Mara joined NZCER as a senior researcher, with experience in Pasifika early childhood education projects, in time for the second phase, and undertook the Pasifika centre fieldwork for that phase, replacing the Pasifika fieldworker on the first phase. The NZCER project leader also undertook some data collection.

The TKRNT fieldwork team consisted of the TKRNT project leader, and six fieldworkers with kōhanga reo whānau, experienced in the kaupapa and operations of kōhanga reo. Vyletta Tapine, who had research fieldwork experience from a number of NZCER projects in Māori education, joined the TKRNT team in 2004, and took part in the phase 2 fieldwork, replacing three of the original six fieldworkers.

A joint two-day training session for both NZCER and TKRNT fieldworkers was held in October 2002 (at that stage we hoped to be in the field shortly after). This training session gave an overview of Equity Funding policy and the aims of the evaluation, and went through each of the instruments. The interviews were role-played, so that the project leaders could check fieldworker understanding of them, and performance as interviewers. NZCER field researchers went with the project leader to an education and care centre, and kōhanga reo field researchers went with the TKRNT project leader to do independent ratings for later discussion and checking for



consistency. In addition each project leader went out with the field researcher on their first observation to make a further check of consistency.

Because of the later than expected start to the fieldwork due to the delays in being able to finalise the sample, some fieldworkers were lost from the TKRNT team. Another two-day training session with both project leaders present, covering the same ground as the first, was run in January 2003.

The two project leaders for TKRNT and NZCER ensured consistency of their ratings of quality by doing ratings together in three services: a kōhanga reo, kindergarten and education and care centre.

Services in the study were interested in the results from their ratings. We undertook to provide verbal feedback after the second rating in each phase. All services received some verbal feedback from their fieldworkers, which they appreciated. While simple verbal feedback without practical support is unlikely to have affected ratings for phase two, several participants said it did make them think hard about their practice, as did some of the interview questions. We have not included feedback as a dimension in the analysis; since all of the services received it; and we did not keep detailed notes about the content of the discussions so we could not track through changes on any items in particular (these feedback sessions were not part of our agreed data-collection).

In some services, teacher and parent/whānau interviews were combined if the services wanted to do so. In some kōhanga reo and Pasifika services, whānau and parents were interviewed individually to suit their availability.

## **ANALYSIS**

Analysis of the different kinds of data collected was focused on providing information to answer the Ministry of Education's research questions. These were:

### **Phase 1**

1. What do services know about the Equity Funding policy and its purposes?
2. What are services' current needs in each of the areas of funding?
3. How do early childhood services receiving Equity Funding because they are in communities of low socio-economic status hope or expect Equity Funding will address their needs and increase participation or otherwise improve the quality of those services?
4. How do early childhood services receiving Equity Funding because they have children with special needs or who are from non-English speaking backgrounds hope or expect Equity Funding will address their needs and increase participation or otherwise improve the quality of those services?
5. How do early childhood services receiving Equity Funding because they operate in a language or culture other than English hope or expect Equity Funding will address their needs and increase participation or otherwise improve the quality of those services?
6. What do early childhood services receiving Equity Funding because they are in isolated areas hope or expect Equity Funding will do to address their needs and increase participation or otherwise improve the quality of those services?
7. What do early childhood services intend to use their Equity Funding for?

## Phase 2

1. Has Equity Funding improved the quality of the early childhood services that receive it, and if so in what way?
2. Has Equity Funding increased the participation of disadvantaged groups in the early childhood services that receive it, and if so how?
3. What has Equity Funding allowed services to do that they were not doing before?
4. What difference has Equity Funding made to services in areas of low socio-economic status?
5. What difference has Equity Funding made to children with special needs or who are from non-English speaking backgrounds?
6. What difference has Equity Funding made to services which operate in a language or culture other than English?
7. What difference has Equity Funding made to isolated services?
8. Is there a minimum amount of Equity Funding that can make a difference to services?

Analysis of the phase one material comprised:

- collation of interview responses by theme for key informants from sector organisations, with interpretation in relation to their involvement level in the operationalisation of the policy, the nature of the services they worked with, and in relation to the five components of the Equity Funding (low socio-economic status, language other than English, isolation, and special needs and working with children from non-English speaking backgrounds);
- collation of interview responses by service type (kōhanga reo, playcentre, kindergarten, education and care centres, Pasifika education and care centres, home based services, and hospital services), analysing by theme in relation to the nature of the services, and in relation to the five components of the Equity Funding (low socio-economic status, language other than English, isolation, and special needs and working with children from non-English speaking backgrounds);
- analysis of the main themes from these collations from key informants and services in relation to the aims of Equity Funding and information provided by the Ministry of Education about its use.

This analysis is summarised in chapter 3.

Analysis of the phase two material comprised:

- Collation of interview responses from individual services, by Equity Funding component (low socio-economic status, language other than English, isolation, and special needs and working with children from non-English speaking backgrounds), focusing on the use made of Equity Funding, and the relationship between use and impact or change, with analysis of likely reasons for differences in patterns.
- Comparison of first and second phase quality ratings of services, by Equity Funding component, to see what shifts had occurred, and relating patterns to the uses and amount of Equity Funding.

There are some cautions about this comparison. First, where services rated highly in phase 1, it was unlikely that we would see upward shifts (so our interest was also in whether services sustained their ratings); second, as noted above, the ratings are made on the average of two observations over a several-hour period, at least a week apart, and rely on fieldworker training and judgement. This means that the ratings are indicative rather than exact, and one could expect some shift between years that is due to these factors, rather than changes in a service. Third, dramatic shifts may not occur within a 12-month period, particularly for aspects related to teacher knowledge and approach, which take time to embed, especially if their full realisation also needs other changes to occur in the service; and fourthly, the amounts of Equity Funding received were not large for many services. This makes the analysis provided of patterns of change in relation to use of the money and its amount particularly important in drawing out conclusions about the initial impact of Equity Funding for early childhood education services.

- Comparison of individual service profile data from first and second phases, by Equity Funding component, to see what shifts had occurred, and relating patterns to the uses of Equity Funding;
- One caveat for comparisons of the quality ratings and service profiles is that while they are a year apart, this year does not constitute a true ‘before’ Equity Funding and ‘after’ Equity Funding comparison, since centres had begun to use it before the evaluation started. This means that the baseline of late 2002–early 2003, for example, quality of resources, may already have incorporated some Equity Funding use. As noted above, one would not expect to see large shifts over the course of a year, so the effect of this may not be large—it is, however, unknown;
- Comparison of patterns of Equity Funding uses found for the individual services in the sample with patterns found in the national NZCER and TKRNT surveys, and with an analysis of the annual accounts for a random sample of a quarter of each service type (other than *kōhanga reo*) to see what generalisations could be made. The Ministry of Education had input into the questions relating to equity funding that were included in the NZCER survey.
- In looking at the use made of Equity Funding and its impact, we have distinguished between changes in participation, and changes in quality. Participation includes regularity of attendance, length of time children attend, enrolment of new children not currently attending, and parent/whānau and others’ involvement in a service. In looking at quality, we have focused on aspects of both process quality and structural quality.

Chapters 4–7 draw together these analyses for each of the different Equity Funding components separately: low socio-economic status, isolation, language other than English, and special needs and first language other than English.

Chapter 8 looks at whether there is a minimum amount of Equity Funding needed to have an impact.

In chapter 9, we provide analysis of the main themes emerging from these different analyses, to form overall responses to the research questions, focusing particularly on the relationship between use and impact, in the context of the five main groups whose needs the Equity Funding policy was intended to address. This is the conclusion to the report.

An attempt was made to analyse expenditure data from the individual services’ latest annual reports, to check interview data on uses, and provide information on the relationship of Equity Funding to total revenue, fundraising, surplus/deficit, and working capital (and thus sustainability of individual services). However, we

found that the 2002 and 2003 financial reports collected from the individual services were too diverse to be confident that we were comparing consistent data across services. The difficulties encountered were that:

- services had different ways of reporting, used different financial categories and had different accounting time periods.
- The 2002 accounts covered a period from before Equity Funding was implemented to the first months of implementation, and these dates varied for individual services depending on the accounting year they used
- Some services that had received Equity Funding in 2002 reported that they had not, and others that had not, reported that they did.
- The Equity Funding amounts were sometimes different from Ministry of Education figures for that service.
- Some services did not report Equity Funding separately from other Ministry of Education funding.
- Equity Funding that went to associations to distribute to their services was not included in individual service accounts.
- Only 10 services provided information on working capital.

In retrospect it would have been useful to have also obtained 2001 accounts and to have supplemented the collection of accounts with a standard interview to ensure that comparable information was collected for each.

### **3. Main findings from phase 1**

This chapter summarises the main findings from phase 1 of the evaluation, drawing on interview data from 47 of the centres, and key informant interviews, in relation to the Ministry of Education research questions for phase 1 of the evaluation.

#### **KNOWLEDGE OF EQUITY FUNDING**

Six months after the implementation of Equity Funding, most of the representatives of the national organisations representing the main service strands in early childhood education whom we interviewed were aware of and understood the government goals for Equity Funding to improve access and quality of education. Although they did not make reference to the government goal of reducing educational disparities between different groups in New Zealand communities, equity purposes were described.

Similar specific purposes were highlighted by participants in the case studies. With some exceptions, most case study respondents spoke about the purposes of Equity Funding in relation to participation, equity and quality, and some spoke about the four components, particularly in terms of ensuring quality and sustainability for kōhanga and Pasifika centres, and for isolated playcentres.

The Equity Funding policy itself was very well supported. Centres and organisations were positive about the purpose of the policy, and what it might enable them to do to improve participation and quality. Some centres expected Equity Funding to be crucial for their survival, making a substantial difference. Most saw Equity Funding as allowing them to meet some, but not all, of the needs they identified in terms of participation and quality.

Most of the individual services were well informed about equity funding, with three exceptions. Kindergarten committees knew very little about Equity Funding, apart from what their head teacher told them. None had seen Ministry of Education circulars, which are sent to associations, not kindergartens. Equity Funding was described as something the association “takes care” of. Only two of the eight committees knew how much their kindergarten received. One committee only found out when the NZCER researcher contacted them that the kindergarten was receiving Equity Funding. Decisions for this kindergarten on Equity Funding spending had been made without their knowledge. However, most had discussed Equity Funding use with their teachers and association. The committee’s distance from any real responsibility for managing and running kindergartens is probably a factor in their lack of knowledge. In contrast, the kindergarten associations knew the main purposes of Equity Funding and how it is calculated and administered.

Pasifika centres had heard about Equity Funding from a Pasifika fono, but did not completely understand reporting requirements and would have liked more face-to-face advice.

Hospital services did not know in advance about Equity Funding “It just arrived”. Information about Equity Funding may have gone to management of hospital services in the first instance rather than early childhood staff or immediate management.

## **COMMUNICATION ABOUT EQUITY FUNDING**

People found out about Equity Funding through a range of sources. It was useful to them to have information presented in different ways and at different times, for example, at meetings as well as in information sheets and circulars. Participants reported on various forms of communication being used by the Ministry of Education, including written circulars, information sheets and newsletters, meetings and fono, and working through national and regional representatives. Some heard about Equity Funding only through meetings.

Some key informants had extensive involvement in early policy discussions through representation on the Ministry of Education Early Childhood Advisory Committee, on the Equity Funding Ministerial Working Group which advised government on the design of Equity Funding and/or giving feedback on draft circulars. A value of this involvement, apart from any benefits to the process of policy development and operation, was that they were then able to give informed advice and information to those they represented.

The most extensive consultation and discussion was between Ministry of Education and Te Kōhanga Reo National Trust which worked together to set up a whānau friendly process informing kōhanga reo of Equity Funding and collecting data and information. The Ministry of Education assigned a help person and help line for kōhanga reo within the Ministry of Education, which the Trust described as beneficial. The Trust trained its own kaupapa kaimahi to work with kōhanga reo. The Trust also worked with the Ministry of Education to check the accuracy of its mapping of where kōhanga reo are located. It regarded the consultation process as mutually beneficial.

By contrast, the PIECCA representatives themselves were not clear about how the EQI levels were worked out. Although PIECCA had a contract with the Ministry to remind services to fill in their applications, it would have liked more involvement so culturally more appropriate face-to-face contact could have been made with Pasifika services, and information about Equity Funding provided in Pacific languages. Such processes and information could have helped Pasifika centres to have better understanding.

It was largely the umbrella organisations that had a direct management and funding relationship with services (playcentre and kindergarten associations and Te Kōhanga Reo National Trust) that gave services additional information and advice about Equity Funding. The Ministry of Education held meetings or fono with Pasifika centres to explain Equity Funding.

No organisation helped education and care centres to find out about Equity Funding, and they had to rely on Ministry advice. In this circumstance, relationships with the local Ministry of Education were a factor in how well the centre was supported. Centres’ experiences were variable, ranging from “no-one at the local Ministry knew” and a “remote relationship”, to a “helpful” relationship. Local workshops with Ministry of Education officials may have been of help to some centres.

## **MINISTRY OF EDUCATION WRITTEN COMMUNICATION**

Ministry circulars were considered to be clear, although some found them complex. A kindergarten association said information had to be summarised and a home based service said circulars were “geared to centre-based services.” The amount of paper was a concern for education and care centres and hospital services.

## **EQUITY FUNDING CRITERIA**

There were two areas of uncertainty related to the implementation of the policy. One was largely due to the initial implementation of the policy using proxy measures in March 2002, followed in November by the use of census-based measures. Some organisations and recipients wondered how stable the Equity Funding would be, and were hesitant to plan ahead because they felt they could not rely on its continuation.

The other area of uncertainty was about the measurement of the criteria, particularly the isolation index, and the Equity Index. Some organisations saw discrepancies, with some centres they had expected to meet the criteria not doing so. One centre queried the use of the Equity Index as a indicator for the proportion of children with special needs.

Other issues around the measurement of the criteria were uncertainty about what to do when circumstances change, and which address to use when there is more than one that a child moves between (TKRNT), the fact that getting actual addresses was a big task in rural communities, because most families used postal box numbers (home based service), and a desire for clearer information on mapping (education and care centre).

There were suggestions that clearer information about calculations could be given, and that the minimum payment made under Equity Funding should be higher to recognise the additional accountability.

## **SERVICES’ CURRENT NEEDS RELATED TO PARTICIPATION AND QUALITY IN EACH AREA OF FUNDING**

### **Low socioeconomic component**

Assistance with transport was a common need for all the services in the study receiving this component, except hospital and home-based services. Fee relief was also common, except for kindergartens and hospital services, which do not charge fees. A need for all the kindergartens and playcentres in the study was for reduced fundraising. Other needs were specific to just one or two services of the different types.

#### **Needs for all services in listed types**

- transport (kōhanga, education and care, playcentre, kindergarten),
- fee relief (kōhanga, Pasifika, playcentre, home based),
- lower fundraising and financial pressures (playcentre, kindergarten),
- staffing so that staff can access children individually in their rooms (hospital).

#### **Needs for some services in listed types**

- quality staff (all service types other than kindergarten),

- quality professional development (kōhanga, education and care, playcentre, kindergarten),
- food, nutrition and/or hygiene (kōhanga, Pasifika, education and care, home based),
- resources and equipment (kōhanga, Pasifika, education and care),
- building and playground upgrades (kōhanga, Pasifika, playcentre), and
- teacher aide to release staff (education and care).

### Special needs and non-English speaking backgrounds component

All services in the study which had children with special needs described specialist one-to-one support for these children as a need. Interpreters, translators, and people with cultural understanding were needs for all services working with children from non-English speaking backgrounds.

#### Needs for all services in listed types

- specialist support, especially more Education Support Worker time (kōhanga, education and care, playcentre, kindergarten).
- interpreters, translators, people who “can help understand the culture better” (education and care, playcentre, kindergarten, home-based), people with languages (hospital).

#### Needs for some services in listed types

- appropriate equipment for children with special needs (kōhanga reo, Pasifika, hospital),
- professional development about working with children with special needs (education and care, kindergarten),
- ramps and access (kōhanga reo, Pasifika),
- liaison with outside early childhood services (hospital), and
- cultural resources (hospital).

### Language and culture other than English component

The need for all kōhanga reo in the study was for kaiako and whānau training/workshops in te reo, and te reo and cultural resources. All Pasifika centres in the study needed resources in their Pacific language, elder support for their language and culture, and parent workshops about language and culture and child development and learning.

#### Needs for all services in listed types

- kaiako professional development/training in te reo (kōhanga), and support from elders in the Pacific language and culture (Pasifika),
- whānau/parent workshops in te reo (kōhanga), and workshops about language and culture and child learning and development (Pasifika), and
- resources in the language for both children and adults (kōhanga, Pasifika).



## Isolation component

Transport for families to attend the service, for teacher/educators to access courses, and for children to go on excursions was a need for all isolated centre-based services. The need for the isolated home-based service was recruiting caregivers.

### Needs for all services in listed types

- accessing professional development, conferences (kōhanga, kindergarten, education and care centre, playcentre),
- transport for families to attend (kōhanga, kindergarten, playcentre)
- trips for rural children (kōhanga, playcentre, education and care), and
- recruiting caregivers (homebased).

### Needs for some services in listed types

- cost of telephone and toll calls, copying & administration (kōhanga, kindergarten, playcentre),
- transport and delivery costs for materials and resources (kōhanga, kindergarten, playcentre), and
- fundraising (playcentre).

## **EXPECTATIONS OF EQUITY FUNDING IN TERMS OF IDENTIFIED NEEDS, IN RELATION TO IMPROVEMENT OF PARTICIPATION AND QUALITY**

Four of the research questions focus on the four components for which services can get Equity Funding, to ask how services which received a given component hoped or expected Equity Funding to address their needs, and increase participation or quality. Participation and quality were in fact linked for many services, since they saw improved quality as making their service more attractive. Equity Funding was seen by some as an important lever to improve regularity of attendance, with three kinds of gain: for children's learning, whānau support and engagement, and potential increases in their bulk funding, since children who attended irregularly were liable not to be counted as enrolled for bulk funding purposes.

Some of the material here overlaps, since there are services which receive Equity Funding under three or four of these headings, and their expectations in relation to one area of need and funding overlaps with others, particularly for kōhanga and Pasifika services.

### **Services receiving Equity Funding because they are in communities of low socio-economic status**

Services in these communities thought that Equity Funding could help them improve both enrolments, and regularity of attendance. Ways in which they thought they could use Equity Funding to do this included buying vans to bring children to centres, decreasing fee levels, and increasing the quality and attractiveness of their services, by professional development, improving resources, upgrading buildings and equipment, attracting and keeping good quality staff by improving their pay, reducing group sizes and increasing staff: child ratios (for kindergartens) and paying for relievers or administrative support to allow staff or parents to undertake professional development, or focus more on teaching and learning.

### Services receiving Equity Funding because they have children with special needs, or who are from non-English speaking backgrounds

The main expectations of Equity Funding to meet the needs of children with special needs were that it could allow services to make (more) use of Education Support workers, access specialist advice and professional development, get children to health professionals, and improve building access and equipment which children with special needs could use.

The main expectations of Equity Funding to meet the needs of children from non-English speaking backgrounds were that it could allow services to encourage more parental involvement in the service, employ staff with their languages, get resources in other languages, or use interpreters.

### Services receiving Equity Funding because they operate in a language or culture other than English

#### **Kōhanga reo**

Te reo was central to the needs identified by the kōhanga reo whānau, and their intended uses of Equity Funding. Kōhanga reo expected that Equity Funding would enable them to improve the quality of te reo and education, and professional development and support for kaiako, kaumatua, and whānau. They also expected they could use Equity Funding to improve participation, by allowing them to offer transport, upgrade learning resources, and buildings and playgrounds, and by offering improved quality.

#### **Pasifika services**

Pasifika services expected Equity Funding to allow them to continue. They hoped to use it to employ trained staff, upgrade their equipment and resources, hold parent workshops, and meet existing running costs. They thought that improvements in quality would encourage participation.

### Services receiving Equity Funding because they are in isolated areas

Improving participation through providing reliable transport was one of the main emphases for the services which are in isolated areas, either through buying a van, or supplying parents with petrol vouchers. Improving quality through professional development and training of parents and whānau, and upgrading curriculum and learning resources, including in te reo, and te reo and other resources for whānau and parents were also emphasised, both to improve quality and participation. Participation was seen as both enrolment, and regular attendance. Some services in isolated areas expected to have to put less energy into fundraising as a result of their Equity Funding. They thought that this could then help them attract parents who had been reluctant to become involved because of the need to fundraise.

## **INTENDED USAGE—OVERALL PATTERNS**

By late 2002–early 2003, almost all the services in the first phase of the study had made decisions about their use of Equity Funding. Curriculum and learning resources, professional development or parent/whānau training, improving buildings or outdoor areas, were the main intended uses of Equity Funding. For kōhanga reo, the focus of the professional development and training for whānau, was te reo.

## 4. Use and impact of the low socio-economic component

In 2004, 49 of the 57 services in the study received the low socio-economic component of Equity Funding, at rates per government-funded child hour (FCH) of enrolment that reflected the extent to which they drew children from low socio-economic communities, ranging from \$0.36 for services with an Equity index (EQI) of 1, to \$0.08 for services with an EQI of 4. Actual amounts per service per annum ranged from just under \$250, to just over \$20,000. The average per annum rate for the services in the study was \$6,485.

All services receiving the low socio-economic component also received the special needs component, which ranged from \$0.17 per FCH for services whose EQI was 1, \$0.07 for services whose EQI was 4. All *kōhanga reo* receiving this component were also receiving the language component (\$1800 per annum), and some were also receiving the isolation component. All four Pasifika services were also receiving the language component. One kindergarten and two of the three playcentres also received the isolation component. The average amount services that got the low socio-economic component received from all components was \$10, 740.

In this chapter, we focus as much as possible on needs identified in relation to the low socio-economic component, and uses related to those needs.

The Ministry of Education's information about Equity Funding gave ideas about how this component could be used. These were:

- Purchase additional curriculum resources and an increased range of supplies.
- Subsidise learning experiences outside of the service.
- Meet children's additional nutritional needs.
- Provide assistance to attend (e.g. transport assistance).
- Provide extra professional development for staff and education for families/whānau.
- Improve learning spaces.
- Assist staff to train or upgrade qualifications.
- Pay for voluntary helpers.
- Introduce staff recruitment and retention initiatives.
- Promote the availability of the service within the community.

## **HOPES AND EXPECTATIONS FOR EQUITY FUNDING**

We asked case study participants in 2003 how their Equity Funding spending related to improved participation and quality, and what they hoped to achieve from Equity Funding spending in the short and long term. The data from these 2003 interviews comes from 43 services.

### **Improved participation**

Fifty-nine percent had eligible children waiting for a place, with just under half of these having five or fewer children waiting. Some thought that the main barrier to increasing enrolments was the level of fees, which they thought the amount of Equity Funding they received could not change markedly.

A quarter of these 43 services expected to use their Equity Funding to improve participation. Some services gave more than one response.

Those services that did not have waiting lists of eligible children were predominantly those that expected to improve participation through reducing fee levels or making the service more attractive through spending on quality. Three services wanted to increase the number of places: they either had waiting lists or saw a need for expanded provision. Using Equity Funding for transport tended to be more about improving the regularity of attendance.

The expectations were:

- Attracting or sustaining enrolment or improving regularity of attendance by providing transport or adapting the operation to better suit community needs (8). Most of these (6) had a waiting list of eligible children and aimed to sustain enrolment or improve regularity of attendance rather than attract enrolments.
- Attracting enrolment or retaining children by reducing fee levels (7). Six of these seven services did not have waiting lists, and one had a small waiting list of two eligible children.
- Increasing the number of places for which the centre was licensed, or extending the programme to more children in a hospital service (3). The two centre-based services had waiting lists of eligible children, and the hospital service saw a need for the programme to be extended to the outpatients ward.
- Recruiting new families by spending on aspects of quality, including improved resources and staffing, and making the service more attractive (3). These services did not have waiting lists.
- Encouraging parent engagement and being better able to explain the service to parents through employing additional staffing (1) or involving parents in learning experiences such as excursions (1). The former had a small waiting list of one eligible child waiting to start; the latter did not.
- Retaining qualified educators and thereby remaining open (1). This service did not have a waiting list.

Providing transport assistance, staff recruitment initiatives and spending on aspects of quality were consistent with Ministry of Education suggestions. Reducing or subsidising fees, and increasing the number of places were not, although the Ministry of Education list is not intended to be exhaustive. None of these services intended to take up the Ministry of Education suggestion of promoting the availability of the service within the community.

## Improved quality

All the services receiving the low socio-economic component related their uses of Equity Funding to the hope or expectation that this would improve quality in their service. These uses were:

- improving resources (15 services);
- training and professional development (14 services);
- reducing group size and improving staff:child ratios (5 services);
- upgrading buildings and equipment (4 services);
- having stimulating activities for children (4 services)
- attracting and retaining good quality staff by improving pay (3 services);
- paying for administrative staff to allow staff or parents to undertake professional development or focus more on teaching and learning (2 services).

These uses are consistent with the Ministry of Education suggestions, though some address changes in conditions that would allow the Ministry of Education suggestions, rather than the suggestion per se (such as paying for administrative staff to free up educator time for professional development).

Participants' short term and long term goals indicated that many were starting with the most critical areas of need. Critical short-term goals related to health and safety issues in the environment, building and maintenance work, providing new resources and equipment or upgrading old ones, and addressing immediate staffing needs.

Long term goals were about:

- staffing, e.g. reaching the 2012 qualification requirements, providing for a liaison person to help with transition from hospital, improving ratios, attracting qualified Māori staff, paying staff adequately;
- curriculum areas, e.g. providing quality multicultural activities;
- committee training; and
- outcomes for children e.g. lifting literacy.

Some services did not have long term hopes for Equity Funding because they were unsure of how long Equity Funding would last. One of the reasons for uncertainty was that when Equity Funding was first introduced in March 2002, the EQI was a proxy index and adjustments were made to amounts and to eligibility in November 2002 after supply of addresses.

## HOW EQUITY FUNDING SPENDING DECISIONS WERE MADE

Many participants receiving funding for the low socio-economic component regarded it as a way to “equalise opportunities for children”, to “close the gaps”, ensure “that wealthier ones don’t have advantages over poorer ones”, so that the children they served would have access to a similar range of good quality resources and experiences as other children.

We did not ask the services in the study to describe how they made decisions for each Equity Funding component separately, since the process was likely to be the same, and it seemed to us that services were not making separate decisions about each area, or, apart from kōhanga reo, treating each component as a separate cost-centre. However, this may mean we missed some information about whether services discussed treating each component separately.

Four themes came through services' descriptions of their decisionmaking on the use of Equity Funding.

- Decisionmaking occurred within services' usual processes and structures. Fundholders, whether outside individual services (e.g. kindergarten associations), or inside them (management) had final approval, or in a few cases decided with little involvement of educators.
- Most participants with umbrella organisations had found them helpful in providing accurate information (both about the policy, and financial information), ideas and support. However, if the umbrella organisation was also the fundholder for the service, and made decisions without involving services, it could be viewed negatively.
- Priorities did change between 2003 and 2004 in some services which had focused more on short-term or immediate needs in 2003, partly because they were unsure whether Equity Funding would be ongoing.
- Undertaking a needs analysis in relation to goals for the service or Te Whāriki/DOPs, and deciding Equity Funding expenditure based on goals provided a systematic focus for considering priorities.

Table 6 **Decision-making processes for spending Equity Funding**

Service	Who made decision	Processes	Issues
Kōhanga reo	Whānau hui. Used TKRNT guidelines	Prioritised spending, often starting with health and safety items	
Education and care	In all but one ECC, supervisor, staff and committee together or staff recommending to management. In one, decision made by management. Relied on MOE circulars for information.	All except one worked out priorities first.	Uncertainty in 2003 about how long Equity Funding would last
Kindergarten	Associations active in guiding decisions. Teachers and committee discussed ideas, then had them approved by association senior teacher/ manager (4 kindergartens). Association decided (2 kindergartens).	Where teachers and committee decided, decisions had to be justified in reference to DOPs/Te Whāriki.	Teachers and committee in 1 kindergarten would have liked more say.
Pasifika	Supervisor and licensee, then approved by management committee (3 centres). Supervisor and staff did not appear to have input (1 centre). Used information from MOE fono which gave no specific advice and said it was up to centres to decide on spending.	Priority given to main purpose: providing immersion ECE.	Would have liked clearer advice from fono.
Playcentre	Decisions made at meetings open to all members. Associations provided advice. In some, experienced treasurers led discussions.	Two approaches: Discuss needs and priorities. Address immediate needs as they arose Pooling for professional development being considered in 2004.	In 2003, some did not realise Equity Funding needed to be tracked and accounted for separately. By 2004, approaches were more systematic.
Home-based	Co-ordinator and administrator decided. Umbrella organisation provided useful advice. Caregivers not involved.	Co-ordinator with knowledge of the area identified needs and decided on expenditure. Pooling of resources purchased (used by more than one caregiver).	Thought MOE circular geared to centre-based services. One set short-term priorities in 2003, because unsure how long Equity Funding would last.
Hospital services	Staff and management decided. In one hospital service, staff found out about Equity Funding by chance through attendance at a meeting for other purposes - the service had not received MOE Equity Funding circulars directly. Play Specialists Association helped these services understand.	In 2003, short term priority to employ extra staff.  In 2004, 2 approaches: reviewed Te Whāriki, identifying gaps and actions needed. Prioritised expenditure following an audit. Prioritised needs with doctors, nurses and staff.	In 2003, unsure how long Equity Funding would last. Short term goals decided.

## Further information on decision making on the use of Equity Funding from the 2003 NZCER national survey

The 2003 NZCER national survey went to a representative sample of all services other than te kōhanga reo. We asked the managers who said their service received Equity Funding to indicate who was involved in their services' decisionmaking on Equity Funding (without breaking it down into components), by marking a set of options. Of the 62 whose services received the low socioeconomic component, 74 percent mentioned teachers or educators, 48 percent management, 29 percent a parent/whānau committee, 29 percent an umbrella organisation (such as a kindergarten or playcentre association), and 18 percent, parents or whānau. Thus in most of the centres, those directly involved in the delivery of the curriculum were involved in decisionmaking on the use of this additional funding. This is similar to the picture from the smaller sample involved in the evaluation.

## NEEDS IDENTIFIED IN RELATION TO THE LOW SOCIO-ECONOMIC COMPONENT OF EQUITY FUNDING

In the phase one interview in 2003, all services receiving the low socio-economic component of Equity Funding said that low family income and location in poor communities created problems for services and families, including broader issues regarding children's health and nutrition that could affect their participation in early childhood education (both attendance and attention). Government bulk funding did not cover all the costs of providing their service, so even large services needed to charge fees or collect donations.

Services were unable to charge high fees or collect much money through donations because these families could not afford to pay much. Affordability was of particular concern in services charging fees, those operating all day, those with a high number of children from non-English speaking families, and Pasifika services. Almost all these services charged low fees<sup>8</sup> so that parents can afford to attend. In addition, there is limited capacity to fundraise in poorer communities.

Low income affected services' ability to purchase resources, take children on excursions and provide visiting performances, employ additional teachers/kaiako, pay teachers/kaiako adequately, and provide supportive working conditions. This had implications for their ability to recruit and retain good staff.

### Participation issues

The participation issues described by services receiving the low socio-economic component in 2003 related to:

- regularity of attendance of children who are currently attending the service;
- length of time children attend. Some education and care centre teachers thought particular children would benefit from longer hours of attendance.
- participation of children who do not attend an ECE service; and

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<sup>8</sup> Examples of the range of these low fees for most-day or all-day care were: no charge in one kōhanga reo; \$20 per week for another; \$91 per week in another kōhanga reo; \$25 per week for under twos and \$15 per week for over twos in a Pasifika centre; \$70 per week for under twos and \$50 for over twos in a Pasifika centre; \$76.20 (the same amount as the childcare subsidy) per week for an education and care centre for the children of teenage mothers who have returned to school, and a community rate of \$90 per week; \$45 per week for a family service centre (education and care) with a high number of non-English speaking families open for school hours during term times; and \$110 per week for an education and care centre.

- parent and whānau involvement.

Main factors relating to irregular attendance were thought by service providers to be cost and lack of transport. Cost was also thought to be a factor in length of time children attend. Equity Funding expenditure on transport assistance to attend or fee relief could help address these.

Table 7 **Regularity and length of attendance issues in services receiving the low socioeconomic component**

Issue	Services reporting this issue	Children affected	Factors
Irregular attendance	All services except 2 that collected children by van, and 2 hospital services	Children from low income families	Affordability, proximity or transport availability and costs, wet or cold weather
Length of attendance	Education and care centres	Children whose families cannot afford longer hours, <sup>9</sup> children eligible for only 9 hours childcare subsidy, children at margins of subsidy eligibility, children of mothers under 16 who are not eligible for the subsidy	Affordability, childcare subsidy criteria, and delays in accessing subsidy

### Participation of children who do not attend ECE

Barriers to attending an ECE service at all were seen to be related to:

- Affordability. While the Childcare Subsidy could offer fee relief, some parents were said to be too embarrassed to apply for the subsidy.
- Provision of services where they are needed was an issue for two service types. ECE provision in hospital services was restricted to a limited number of wards. Participants thought it should be extended to other areas of the hospital so that more hospitalised children could access it. They also thought that hospital services could play a useful role in identifying hospitalised children who are not participating in an early childhood education service in their home community and help the family make connections with ECE services when the child went home. Those in home based services thought these needed to be within walking distance to attract attendance.
- Parents not appreciating the value of ECE.
- Full rolls and waiting lists. These were said to be barriers in kōhanga reo, kindergartens and education and care centres, but not in playcentres, hospital services or home based services. Two Pasifika services which participated in phase 2 only reported barriers because of waiting lists.

<sup>9</sup> Free early childhood education for three and four year-olds in community-based teacher-led ECE services from July 2007 should make a difference to families like these if their children are in this age group. Note also that childcare subsidies provided through Work and Income were increased and the income thresholds extended from 1 October 2004. The Ministry of Social Development has appointed childcare co-ordinators to assist families to access the childcare subsidies they are entitled to.



### **Parent and whānau involvement**

Barriers to parent and whānau involvement were described as:

- Parents and whānau feeling uncertain about the value of their own contribution and skills (all services).
- Cost, time and other commitments such as paid employment and training (all services).

Some parents were said to be deterred from attending playcentre by the high level of involvement that is required, and not being able to leave their child.

- Te reo fluency (kōhanga reo).
- Teacher attitudes and cultural differences between teachers and families (teacher-led services).

### **Need for ECE services to make better linkages with agencies working to support families**

Several participants thought that families from low-income areas needed more support, particularly those with no wider families. They wanted greater involvement of health and parenting agencies with their own service, and information for parents on how to access these.

### **Early 2004 perspectives**

The key issues of cost and transport continued to be predominant barriers to regular participation in early 2004. Equity Funding was generally seen as not being sufficient to address cost issues and services that did not own a vehicle could not offer transport assistance. The Ministry of Education guidelines do not suggest Equity Funding should be spent on fee relief and the childcare subsidy is available for this purpose.

Waiting lists were still a factor preventing enrolment in some kōhanga reo, kindergartens and education and care centres. One of the home based service co-ordinators also now expressed a need for more good caregivers for under-twos, to attract and retain enrolments.

In talking about barriers to parent/whānau involvement, eight of the teacher-led services on 2004 focused less on identification of a problem, and more on how they could change things, using Equity Funding. There was a little more emphasis on parent involvement as working-in-partnership. Some education and care centre staff were looking for ways to communicate effectively, and were considering using Equity Funding for professional development about working with families. They also thought greater support was needed for parents to take on committee responsibilities, including training and babysitting during meetings. Equity Funding was thought suitable to be used for these purposes.

All kindergarten participants said that low adult:child ratios made it hard for kindergarten teachers to work effectively with kindergarten families. Additional staffing was a suggested use of Equity Funding to support work with families. Some who had used Equity Funding to employ teacher aides who could speak the languages of some of the children affirmed the value of this use for children's learning.

For playcentres, the requirement for direct parental involvement during sessions as well as for the management of services is becoming an issue, evident in declining enrolments. One suggestion was that relief from volunteer work and payment of supervisors and training facilitators could help address playcentre workload issues and encourage both child attendance and parental involvement—at a level sustainable for parents.

## Quality issues

Four main issues related to quality of provision were identified by the services receiving the low socio-economic component in 2003. Financial constraints were said to have an impact on the quality of resources, children's activities, the physical environment, and staffing. Children's nutrition and health needs were also raised.

### **Good quality resources**

In 2003, 27 of the 49 services (55 percent), including each service type, said that their limited income affected the quality and adequacy of their resources. Educators saw children as being doubly disadvantaged through having poorer resources at home and in the ECE service than children from higher income families attending services where family incomes were higher overall. Services wanted Equity Funding to purchase and upgrade resources to address the following issues:

- having only basic equipment;
- insufficient quality resources for all children to use;
- substandard equipment, such as puzzles with missing pieces; and
- insufficient appropriate language resources for Pasifika centres and kōhanga reo.

### **Enriching activities**

Another need was for enriching activities outside and within the ECE service. Excursions were seen to be particularly important for children from low socio-economic homes because they may not have opportunities for taking part in such experiences because of cost. Excursions offered opportunities to build on children's interests, extend language through discussion of ideas, sights and activities, interact with different people and each other, and link with activities in the service and at home.

### **Enhancing the physical environment**

Nearly a third of the services needed to upgrade their building or outdoor environment and equipment. Some said it was important for children from their services to experience plenty of gross motor activities and have access to attractive and challenging outdoor space because their own homes were in accommodation that did not have easy access to the outdoors.

Some needs were for maintenance, basic furniture items and to address health and safety concerns. A playcentre wanted better adult space and furniture to address the needs of pregnant mothers.

### **Staffing**

Participants from three-quarters of the services thought that being in a low income community with insufficient funding made it hard for them to reach the staffing standards that they aspired to, and that they had additional needs for. They would like improved staff:child ratios, and more support staff and professional development.

### **Nutrition and clothing needs of children**

Ten of the services (five kōhanga reo, a kindergarten, two education and care centre and two home based services) said that adequacy of nutrition and clothing was an issue for some children. These services wanted to be able to provide nutritious food for children. Meeting children's nutritional needs was related to offering an early childhood education environment where children's health is promoted, which relates to the goals for

wellbeing of the early childhood curriculum Te Whāriki. It was one of the Ministry of Education suggestions for spending of this component.

### Quality needs in 2004

The quality needs identified by most services had shifted between 2003 and 2004. Shifts were related to how Equity Funding had been spent, with the expenditure taking some pressure off that area of need. In addition, quality needs were generally more specifically defined in 2004.

### Staff employment

Fourteen services (30 percent) receiving the low socio-economic component spent Equity Funding on wages for staff. In 2003, all but one of these had said a quality need was for additional staff or to pay existing staff.

In 2004, eight of these services had no further staff employment needs, although some had needs for training, professional development and non-contact time.

Table 8 **Staff employment needs addressed through Equity Funding expenditure**

Service	Staffing needs 2003	Equity Funding expenditure on staff employment in 2003	Staffing needs 2004
Playcentre	Playcentre trained supervisor, release from maintenance and lawn cleaning	Wages for qualified session co-ordinator, cleaner, lawn-mowing contractor	No quality needs
Playcentre	Pay people to do tasks	Supervisor wages (50 percent)	Strategic plan developed for playcentre to follow through systematically
Kindergarten	Improved ratios	Teacher aide salary for 10 hours per week	No quality need
Kindergarten	Person to work in office to answer queries, language support	Teacher aide – 6 hours on a Friday; extra hours for support person for Asian children	Language support, staff workshops and parent workshops
Education and care centre	Interpreters	Art teacher wages, professional development	No staff employment needs
Kōhanga reo	Wages for staff	Staff wages	More time for staff to upskill themselves
Education and care centre	Paid staffing	Teacher aide wages	Non-contact time, settling in time
Kōhanga reo	Time, hours of day, kaumatua support	Part-time kaimahi	Upskilling kaimahi and whānau

Three of the six services that still expressed need for additional staffing in 2004 were services where the employment of additional staffing was short-term or did not augment existing staffing. The expenditure of Equity Funding on reliever wages did not address the need for a qualified teacher in another, teacher:child ratios were still thought to be too low in a kindergarten, and a hospital service wanted more staffing for babies in isolation.

Table 9 **Staff employment needs partially addressed through Equity Funding expenditure**

Service	Staffing needs 2003	Equity Funding expenditure on staff employment in 2003	Staffing needs 2004
Kindergarten	Improved ratios, staff member who speaks Pacific languages	Samoan teacher aide salary	Improve ratios still more
Education and care centre	Smaller groups, extra staff	Extra staff member	Staffing
Education and care centre	Qualified staff	Reliever wages	Qualified staff, staff pay
Education and care centre	Pay staff more, more staff	Special needs support staff member (Note: GSE reduced hours for Education Support Worker so person effectively took this role)	More staff
Hospital service	Additional staffing	Employed person for intensive work; then changed to funding expanded provision in outpatients and lost the additional staff hours	Additional staffing
Hospital service	Staffing	Extra staff and more hours; teacher upgraded role from assistant to play therapist	Staffing for babies in isolation

These findings suggest that Equity Funding addressed some needs for additional staffing and for top-up of remuneration. Equity Funding was not intended to fully fund staffing, and the amounts received were unlikely to be adequate for a full-time salary.

### **Professional development and training**

Needs for professional development and training did not shift between 2003 and 2004 with participants commenting that these needs are continuing.

### **Curriculum resources and equipment**

The twenty-eight services that expressed a need for curriculum resources and equipment in 2003 and spent Equity Funding on resources that year either did not include resources as a quality need in 2004, or commented that resource replacement was ongoing or that resources should continue to be bought. Some participants stated that needs could be worked through systematically because Equity Funding was ongoing.

## **EQUITY FUNDING AMOUNTS FOR THE LOW SOCIO-ECONOMIC COMPONENT**

Funding for this component of Equity Funding is based on Funded Child Hours and the EQI. Table 4 shows the range of income received by services from this Equity Funding component.

Table 10 Low socio-economic component funding amounts

Service type	EQI funding Less than \$1,000	EQI Funding \$1,000– 2,999	EQI funding \$3,000– \$4,999	EQI funding \$5,000– 7,999	EQI funding \$8,000– 12,999	EQI funding Over \$13,000
Hospital				1	1	
Pasifika			1		1	2
Education and care	1	3	3	1	2	1
Kindergarten		1	1		3	1
Home-based			1			
Playcentre	1	2				
Kōhanga reo	1	4	3	2	4	7
<b>Total</b>	<b>3</b>	<b>10</b>	<b>9</b>	<b>4</b>	<b>11</b>	<b>11</b>

\* Total adds up to 46; we did not have information for one home based service.

These services also automatically received funding for the special needs and non-English speaking backgrounds component, since this is linked to the low socio-economic component. Thus, their total amount of Equity Funding with a socio-economic linkage was larger than the amounts given here, and centres' total funding placed them in one of the five funding bands described on page 16.

## USE OF THE LOW SOCIO-ECONOMIC COMPONENT

As indicated in the previous section focused on the needs identified by the services in the study, Equity Funding was more likely to be spent on aspects related to quality of provision, rather than child or parent participation per se. While all services said that cost was an issue for many families, only six services (12 percent) used Equity Funding to assist with fees. Kōhanga reo used some of the low socio-economic funding to help cover transport costs such as vehicle maintenance. Usage of Equity Funding on quality aspects indirectly supported participation in some cases however.

Spending was most likely to be on:

- curriculum resources (26 services, 55 percent),
- training and professional development (26 services, 55 percent),
- improving environments (18 services, 38 percent),
- staffing costs (14 services, 30 percent), and
- excursions (9 services, 19 percent).

## Te Kōhanga Reo National Trust data on funding use

When TKRNT sends kōhanga reo their bulk and Equity Funding, it asks them to indicate how they have used their Equity Funding, in each component. Information from 2003 from this source was included in their national survey report to the Ministry of Education in February 2004. The percentages given here differ slightly from that

in the report; they have been recalculated using the number of kōhanga reo responding, rather than the number of responses.

Resources, professional development or training, and kai, were the main areas in which kōhanga reo used the low socio-economic component of Equity Funding. Resources and professional development or training were also the main uses for the evaluation sample kōhanga reo, followed by transport. Kai was bought with Equity Funding by only a few of the evaluation sample kōhanga reo.

Table 11 **Uses of low socio-economic component of Equity Funding – TKRNT information from funding release forms 2003**

<b>Kōhanga reo receiving the low socio-economic component Use</b>	<b>(n=219) %</b>
Resources	41
Professional development /training	31
Kai	28
Promotion of kōhanga reo	9
Building & maintenance	8
Excursions & transport	7
More staff	2
Entertainment/Christmas	2
Fee subsidy	1

### 2003 NZCER national survey data

Sixty-two of the 242 services responding to the 2003 NZCER national survey of early childhood education services received the low socio-economic component of Equity Funding. They were asked to indicate how they were spending their Equity Funding (in total, not by each component) by marking a given list of possible uses. Proportions indicating particular uses are likely to be higher for this closed-question, than the open-ended question used for the evaluation study. That said, the areas that were most mentioned in the evaluation sample services tended to be those that were most indicated by the national survey respondents: curriculum resources, professional development and training (two items in the national survey), staffing (four items in the national survey), and improve buildings/outdoor areas.

Table 12 **Uses of Equity Funding—2003 NZCER national survey data**

<b>Services receiving the low socio-economic component Use</b>	<b>(n=62) %</b>
Purchase additional curriculum resources	66
Develop/purchase te reo Māori resources	40
Purchase resources for children with special educational needs	36
Subsidise excursions/trips outside the centre	34
Professional development for teachers/educators	27
Employ teacher aides/parent help	24
Improve buildings/outdoor areas	23
Meet children's health & nutritional needs	19
Assist staff train/upgrade their qualifications	16
Reduce fundraising	16
Put funding into general operational costs	16
Provide transport assistance	16
Employ extra registered teachers	11
Improve staff:child ratios	11
Pay for voluntary helpers	11
Parent/whānau education & training	10
Promote availability of service within community	10

Other uses mentioned were improving staff pay (8 percent), reducing fees (7 percent), introducing staff recruitment and retention initiatives, and modifying buildings for children or adults with special needs.

### Information from ECE services annual reports

Most of the 71 services responding to our request for annual reports received the low socio-economic component. The uses reported by these services<sup>10</sup> have been categorised using the Ministry of Education's advice for the low socio-economic component, and are given in Table 7. The most common uses for both the evaluation sample services and those providing annual report information were curriculum resources, improving learning spaces, and staffing. More of the evaluation sample services used Equity Funding for training/professional development than did those from which we received annual reports.

<sup>10</sup> Most did not report by component of Equity Funding, amount spent, or reason for spending, but only their use.

Table 13 **Uses of Equity Funding—2003 ECE services' annual report information**

Use	(n=71) %
Purchase additional curriculum resources	55
Improve learning spaces, e.g. upgrade outdoor play area	32
Improve staffing	25
Professional development / training	11
Subsidise learning experiences outside the service	11
Meet children's nutritional needs	6
Provide assistance to attend (e.g. transport)	4

### Uses related to quality

Here we give more detail of the evaluation sample's use of Equity Funding in relation to curriculum resources, training and professional development, and outdoor play areas. Use of it to pay for staff time has already been described in the previous section.

### Equity funding spending on curriculum resources

Fifteen of the 26 services (55 percent) that spent their funding on curriculum resources did not say what the resources were. When they did specify, the most common usage was on language resources, including all four Pasifika centres and two kōhanga reo producing their own language resources. Other spending, in rank order, was on outdoor equipment, literacy resources, resources for creative play, mathematics and science resources, and blocks and carpentry resources. One service each brought in external storytellers or musicians, or purchased equipment to engage under twos in exploration.



Table 14 **Use of the low socio-economic component for curriculum resources March 2003 to March 2004**

<b>Curriculum resources</b>	<b>A total of twenty-six (55%) services spent Equity Funding (EF) on curriculum resources and extension experiences</b>
Unspecified "curriculum resources"	<b>Fifteen services (32%):</b> 1 playcentre, 4 kindergartens, 1 education and care centre, and 9 kōhanga reo spent EF on curriculum resources but did not specify what these were.
Language, culture and specialist resources	<b>Nine services (19%)</b> spent EF on language and culture resources. The 4 Pasifika centres produced their own Samoan and Cook Islands language resources. Te reo Māori resources were developed by two kōhanga reo. A playcentre bought Māori language resources. An education and care centre purchased waiata and myths. One hospital service bought cassette and music tapes from different cultures, cultural books, and medical toys.
Outdoor equipment	<b>Seven services (15%)</b> bought outdoor equipment and resources. These included water play resources and a portable water trough (for a home based service that could lend it to caregivers), plants and gardening equipment, sand, a trampoline and bikes. Three of these services did major alterations to the outdoor environment developing their playgrounds.
Literacy resources	<b>Five services (11%)</b> bought literacy resources. These included books and resources to support story telling, i.e. magnetic whiteboards with story characters that can be placed on them while the story is being told. One of the services bought a listening post and tape deck (for reading along) and augmented its trip to Kelly Tarlton's with a reference book about whales.
Resources for creative play	<b>Four services (9%):</b> One kindergarten bought art supplies. The hospital service bought dress-ups, musical instruments, radio, tapes and art aprons. Two education and care centres bought family play resources, dress-ups and flax kits/kete.
Mathematics and science resources	<b>Three services (6%)</b> bought mathematics or science resources, i.e. Puzzling Company games, science equipment, plastic animals and insects, and a puzzle display.
Blocks, carpentry and other resources	<b>Three services (6%):</b> two playcentres and an education and care centre of services purchased carpentry tools and equipment for the children.
Extension activities	<b>Three services (6%):</b> Two kindergartens paid for outside performers (storytellers, musicians) to come in and add to their planned curriculum programmes. One education and care service bought an "activity centre" to engage under-tuos in exploration and floor rugs for comfort.

### **Use of Equity Funding for professional development /training/teaching tools**

Twenty-six services (57%) used this component, particularly to help staff gain qualifications and for professional development.

The criteria for Staffing Incentive Grants for teacher-led services, except sessional kindergartens, has been expanded since we did this field work. The Incentive Grants are to cater for the staged plan to increase the percentage of registered teachers in these services (kindergartens already employ registered teachers). The four Pasifika centres and the education and care centre using Equity Funding to assist staff to gain a teaching qualification may now be able to access these grants instead, leaving Equity Funding available for other purposes. The playcentre and kōhanga reo using Equity Funding for kaiako/educators to gain a qualification are

not eligible for a grant since they are parent-led services that have different service specific qualification requirements.

Camera and film were the most common spending on ICT.

Table 15 **Use of the low socio-economic component for professional development, training and teaching tools March 2003 to March 2004**

<b>Training and professional development</b>	<b>Twenty services (43%) spent on training and professional development</b>
Qualifications	<p><b>Seven services (15%) assisted with staff training costs</b></p> <p>All four Pasifika centres assisted staff to undertake courses leading to qualifications.            One kōhanga reo* and one ECC paid for staff to do a Diploma of Teaching course.            A playcentre paid for staff to travel to playcentre training courses.</p>
Professional Development	<p><b>Thirteen services (28%) paid professional development costs</b></p> <p>A playcentre paid for parental travel to attend a workshop.            A hospital service paid for PD course fees, attendance at ECE Convention, &amp; art education books.            An ECC paid for a First Aid Course.            Another ECC paid for a workshop on children with developmental needs.            Another ECC paid for the supervisor to go on professional development leave to Reggio Emilia, Italy.            Eight kōhanga reo spent a proportion of this component for costs to attend PD wānanga covering policies and procedures, Te Korowai charter, human resource issues.</p>
Teaching tools	<p><b>Four services (9%) purchased teaching technology</b></p> <p>A kindergarten bought a printer, digital camera, OHP trolley and guillotine.            Another kindergarten bought a digital camera and computer software.            An ECC bought an instamatic camera and film and a mini-cassette recorder.            Another ECC bought a stereo and printer.</p>

\* Prior to paying for staff to attend a Diploma of Teaching course the kōhanga reo had used the language and culture other than English component to cover their Whakapakari course fees. This is a three year NZQA approved course focusing on traditional Māori child-rearing practices, Māori pedagogy of learning and teaching, Māori assessment processes, whanaungatanga (inter-relationships), whaioranga (health) and te reo and tikanga Māori. It is relevant to the language and culture programme. All three staff passed their Whakapakari before going on to Diploma training.

### **Use of Equity Funding for improving environments**

Eighteen services (38 percent) used this component to upgrade their environments, largely to encourage and support children's play. Some of these uses supported greater parent/whānau involvement, through providing opportunity for parents to be involved in working bees or because the environment was more attractive.

Table 16 **Use of the low socio-economic component on outdoor areas, premises and appliances for the period March 2003 to March 2004**

Upgrading outdoor area	<p><b>Eleven services (23%) spent Equity Funding on their outdoor areas.</b></p> <p>1 kōhanga reo built a ramp and a verandah, 1 kōhanga reo built a new fence and painted a Māori mural on it. 4 other kōhanga reo carried out unspecified work on their outdoor areas.</p> <p>2 kindergartens redesigned their outdoor play area and bought new equipment.</p> <p>An ECC repaired its back fence, built a new gate, water blasted the outdoor area.</p> <p>A playcentre bought a sandpit cover and a water-tempering valve.</p> <p>Another playcentre bought bark chips for the outdoor area.</p>
Renovations	<p><b>Seven services (15%) carried out some indoor renovations.</b></p> <p>1 kindergarten redecorated its whānau area to make it more welcoming.</p> <p>Another kindergarten repaired a glass door.</p> <p>An ECC purchased clearlite panels to let light in.</p> <p>A hospital service bought perspex for the playroom so parents could see in.</p> <p>A playcentre carried out unspecified indoor renovations.</p> <p>A kōhanga reo renovated indoor structures so that there was a better flow between activity areas and more inclusive of the under 2s.</p> <p>Another kōhanga reo renovated to create more space for the mokopuna.</p>
Appliances	<p><b>Two services (4%) bought new appliances</b> to replace ones that had broken down.</p> <p>1 playcentre purchased a new refrigerator.</p> <p>Another playcentre purchased a new lawn mower.</p>

### Using Equity Funding to support excursions

Two playcentres, 3 kōhanga reo, and 4 kindergartens (20 percent) paid for children and families to go on excursions as an extension of their programme.

### Uses related to participation

#### Equity Funding: spending on fees and donation relief, transport and reducing deficits

Five services (11 percent) spent some of their low socio-economic component on covering fees and donations for individuals, and to reduce deficits (saving them from asking parents to cover it). Even though their fees had been deliberately kept low, some families still found it difficult to keep up payments, or had run up large debts.

Table 17 **Use of the low socio-economic component of Equity Funding for fee relief, transport, provision for the period March 2003 to May 2004**

Fees and donations relief	<p><b>Five services (11%) spent Equity Funding on fees and donations relief.</b></p> <p>One home based service funded 2 families beyond the subsidised nine hours.</p> <p>An ECC gave a 50% reduction in fees for families not eligible for the childcare subsidy.</p> <p>Another ECC used what remained of this component after spending on quality-related aspects to assist families with old or large outstanding debts that could not be repaid.</p> <p>A kindergarten topped up parental contributions to make all contributions from families equal.</p> <p>A kōhanga reo was able to keep fees at a reasonable cost to ensure children would attend regularly.</p> <p>Another kōhanga reo made attendance free to encourage whānau to bring their children more regularly.</p>
Transport	<p><b>One kōhanga reo covered costs of transport</b> such as van maintenance to bring children in</p>
Reducing deficits	<p><b>Two services reduced their deficit</b></p> <p>An ECC used its funding to reduce its deficit by \$10,000–\$20,000 and this enabled it to waive its fees at times for families who could not pay.</p> <p>A kindergarten also reduced its deficit.</p>

### Equity Funding: spending on children's health and well-being

Twelve services (26%) used their low socio-economic component of Equity Funding to buy food, furniture, or clothing.

Table 18 **Use of the low socio-economic component of Equity Funding for children's health and well-being March 2003 to March-May 2004**

Food for children	<p><b>Nine services (18%) spent Equity Funding on food for the children.</b></p> <p>1 Home-based, 2 ECC, 5 kōhanga reo and 1 playcentre purchased groceries with some of their funding. One of the ECCs purchased emergency baby food for use by the teenage parents/mothers.</p>
Sunhats	<p><b>1 ECC purchased sunhats for the children for outdoors play and activities</b></p>
Children's furniture	<p><b>Three services (6%) spent Equity Funding on children's furniture.</b></p> <p>1 kōhanga reo purchased new cots for the babies room.</p> <p>2 ECCs with under twos bought new high chairs. One of these also bought five car seats and four cot-bunks.</p>

The five kōhanga reo provided healthy kai on a daily basis. Their spending on kai is consistent with the kaupapa of the kōhanga movement which includes providing for the health and wellbeing of mokopuna and whānau. Spending on food by other services was limited to occasional and emergency situations where staff thought the children required nourishment.

One ECC bought high chairs, car seats and cot-bunks so that all children attending the service could have their own bed and be seated together at meal times. The high chairs it were clip-on so all children could sit around the table, taking up less room, and encouraging social interaction between all the adults and children.

## **IMPACT OF USE OF THE LOW SOCIO-ECONOMIC COMPONENT OF EQUITY FUNDING**

We have already described some impact evident in comparing services' 2003 and 2004 needs' assessments. This was most evident for uses of the low socio-economic component of Equity Funding to make changes to staffing that met services' modest needs through small additions to the number of staff, or allowed teachers to concentrate more on teaching. Expenditure on these aspects enabled staff employment needs to be fully met for over half of the services with such needs. Other main quality needs were for improved curriculum resources, training and professional development, improved environments and taking children on excursions. Needs for training, professional development and taking children on excursions were not fully met through Equity Funding expenditure because these were ongoing needs, but there was evidence that needs for curriculum resources and improved environments were being addressed systematically through Equity Funding as part of a long term plan.

We first relate material about the use made of the low socio-economic component of Equity Funding to services' own assessment of its impact, as reported in interviews in 2004. Then we compare information from the 2003 and 2004 centre profiles in relation to some aspects that one might expect to change from the reports of the uses made of the Equity Funding. Finally, we also compare the 2003 and 2004 quality ratings of the centres in the study to see what patterns are evident, and how consistent those are with reported use of the low socio-economic component of Equity Funding. We look first at the impact on participation, i.e. enrolments, regularity of attendance, length of attendance, expanded provision, and parent/whānau involvement.

### **Impact on participation**

Where services reported using some of their low socio-economic component Equity Funding to subsidise families, some improvements in those families' attendance were evident. This use is specific to individuals, and does not appear to have any impact on overall attendance and enrolment indicators for the services. Reducing the service's deficit appears to have had some impact for some families also.

Table 19 **Use of Equity Funding on fee relief and transport and changes in enrolment and regularity of attendance from 2003 to 2004**

Service type	Expenditure	Changes in attendance and regularity of participation (interview)	Changes in attendance and regularity of participation from 2003 to 2004 (service profile)
Education and care	Reassessed fees for families with large or outstanding fee balances who were not able to make payments	Families felt supported by this action. Attendance more consistent and parents who cannot provide a lunch for child are more confident about letting staff know this. Full roll and some waiting lists at times during year (staff).	No changes to number and stability of roll, waiting list or regularity of attendance.
Education and care	Subsidised fees by 50% for one parent who did not qualify for the childcare subsidy	Enabled one child to attend and mother to attend school (staff).	Fewer children on roll in 2004 (teen parents school taking fewer parents but enrolled for more days). Waiting list 2003, no waiting list in 2004. No changes reported in stability of roll or regularity of attendance.
Education and care	Reduced deficit	Enabled flexibility about whether or not to always collect fees for parents who are in financial difficulties. Enabled these children to attend (would have attended for reduced days if fees were not waived) (staff).	No changes to roll, stability of roll or regularity of attendance.
Kindergarten	Topped up parental contributions after association made a ruling that all contributions were to be the same	Attendance more regular in 2004. Good relationships with teachers (parent committee). Good reputation (staff).	No changes to roll, stability of roll or regularity of attendance.
Home-based	Funded two children to attend for 20 hours per week rather than nine hours paid through the childcare subsidy.	Children involved in the programme on a daily basis (caregiver). Mothers better supported and able to offer positive parenting at home. Better able to cope (co-ordinator).	No changes to roll, stability of roll or regularity of attendance.
Kōhanga reo	Transport costs	Children attend more regularly because they can come in the kōhanga van (whānau).	

In addition, staff in three services thought that regularity of attendance was associated with positive relationships between staff and parents and whānau in teacher-led services and parent/whānau understanding of teaching and learning experiences and activities. Improved regularity of attendance was attributed to sharing teaching and learning experiences and activities with families through use of a digital camera purchased through Equity Funding.

### Length of attendance

A playcentre that spent its Equity Funding on wages for a session co-ordinator, cleaner and lawn mowing contract, and resources showed an improvement in the length of time that children stayed enrolled, shifting from reporting that most children left before they went to school in 2003, to reporting that few did so in 2004. Most children had regular attendance in 2004, an improvement from the report in 2003 that some children had irregular attendance. The parental interview indicated that they felt much more positive about the playcentre than in 2003, and better supported because of the reduction in volunteer workload and support to develop a good quality environment. Similar trends in children staying longer occurred at another playcentre, whose roll also increased. This playcentre did not use its Equity Funding to increase participation; but parents pooled transport

### Provision for children

Equity Funding was used to extend a hospital service into the outpatients ward, increasing the opportunities for early childhood education for children who there either for their own needs, or because they were with a family who was being seen.

### Involvement in the programme and life of the centre

Interview data from parent committees and staff suggested that Equity Funding expenditure sometimes made a difference to low income families' involvement in the programme and the life of the centre when it was spent on activities in which parents wanted to participate, when it uplifted the appearance and quality of the service environment and resources, and when it paid for additional staffing to work with families.

Table 20 **Main areas of Equity Funding use associated with enhanced parent and whānau involvement**

Expenditure	
Excursions	Those who used Equity Funding for excursions noted some increases in parent and whānau involvement through parents, including fathers, participating in the excursions. This activity helped the adults and children to get to know each other better and the parents to find out more about, and contribute to, the programme.
Playground development	One service spending Equity Funding on playground development involved the community and said that enhanced parent and whānau involvement continued after the playground development work.
Environment and resources	Services that used Equity Funding to improve the appearance and quality of their environment and resources commented that they thought this led to growing parental confidence in the service.
Staffing	Some services that used Equity Funding to improve staffing reported that it had benefits for parental involvement. Teachers from 2 kindergartens used Equity Funding for an Asian and Samoan teacher aide who could work with and support families from a knowledge base of their own language and culture. The additional staffing also allowed teachers more time with children. Two playcentres reported higher parent morale, enthusiasm and involvement when some fundraising and maintenance work was funded through Equity Funding, relieving them of these tasks.

### Relationships with education, health, social and community organisations

Only one service attributed expenditure on Equity Funding to changed relationships with other organisations. Whānau from a kōhanga reo said that Equity Funding had been spent on transport for participation in shared professional development and training which brought them together with other kōhanga reo and for transport costs to visit other kōhanga reo.

## Impact on quality

We drew on the following information to examine the impact of Equity Funding on process and structural quality:

- service perspectives from the interviews in phase 2 on perceived linkages between Equity Funding use and changed quality (all services). As noted in the methodology section, although we obtained information about the proportion of qualified teachers, it was not possible to separate out the role of Equity Funding in any changes to qualifications, given other major policy changes and support for staff to gain qualifications as part of the strategic plan occurring at the same time as this evaluation.
- answers from the 2003 NZCER national survey;
- comparisons of ratings of process quality and notes from field researchers (phase 1 and 2 services only);
- comparisons of service profile ratings and field researcher ratings of adequacy of resources (phase 1 and 2 services only).

## Impact of Equity Funding—service perspectives

We asked participants in phase 2 whether Equity Funding had enabled them to improve quality in their service, how Equity Funding had made a difference, and whether any improvements had been for all children, or for particular children and their families.

Participants from all services except two said that Equity Funding had enabled them to improve quality. One of these services used funding to reduce its deficit; the other spent most of its Equity Funding in its over-twos centre rather than the under two-centre in the sample.

The next table shows the relationship between the kinds of uses reported by services, and the quality improvements they attributed to the uses they made of Equity Funding.



Table 21 Usage of Equity Funding and its impact—2004 service perspectives

Expenditure	Improvements in quality
Resources	Better resources, children stimulated, “equipment opens up possibilities for children”, fosters language development. Special needs and cultural resources particularly beneficial to individual children. More children can use resources. More imaginary play.
Additional staffing	Closer more responsive and challenging interactions between adults and children, adults able to scaffold learning. All children benefit. Better relationships with families because of time for one to one talking, staff who speak language and understand culture of families from non-English speaking backgrounds. Specialist staff (e.g. art teacher, Asian teacher aide, Samoan teacher aide, special needs teacher aide, play therapist) benefit all children and enables greater responsiveness to individual children. Volunteer workload is reduced and parents are more engaged in the programme (playcentre)
Professional development and training	Staff are more confident, knowledgeable, gain portable qualifications
Playground development	More outside play, children challenged
Digital cameras	Use of camera helps communicate with families and children, some parents do not have photos of their child, opens up possibilities for communication
Excursions	Involves families, children talk about and build on experiences. Wider knowledge in their conversations
Health and safety, furniture	Safe, clean environment.

## Information from 2003 NZCER national survey

After asking centre managers about their use of Equity Funding, and who had been involved in decisionmaking around it, we asked the centre managers “*How do you see Equity Funding improving the quality of your ECS?*” This could be interpreted in relation to future as well as current impact, so the answers below should be read with this ambiguity in mind. More of a focus on resources, equipment, and facilities than professional development is evident here, with expectations that this expenditure will improve the quality of education generally.

Table 22 **ECE managers’ views of how Equity Funding is improving the quality of their services—  
2003 NZCER national survey data**

Services receiving the low socio-economic component Improvement	% (n=62)
Improve equipment	66
Improve teaching/learning resources	61
Improve quality of education for all children	57
Improve facilities	45
Improve quality of education for some children	40
Improve teacher/educator:child ratios	32
Reduce workload of teachers/educators	29
Reduce financial burden on parents/caregivers	29
Improve quality of teachers/educators	27
Improve qualifications of teachers/educators	19
Reduce volunteer workload	15
Decrease group size	10

The data obtained from the open questions asked of the evaluation sample services was more detailed than the data obtained from the closed questions in the national survey. Nevertheless, many from both groups considered Equity Funding had improved their resources, equipment and facilities.

## Process quality changes<sup>11</sup>

We found three groups among the 38 services that received the low socio-economic component of Equity Funding, and for whom we had full process quality rating data for both 2003 and 2004. Over half showed some improvement or stayed much the same.

- Seventeen services’ ratings improved on 8 or more of the 22 items rated in both years.
- Nine services’ ratings remained much the same.
- Twelve services’ ratings decreased on 8 or more of the 22 items.

<sup>11</sup> See Appendix 1 for an outline of the process quality items.

Services from the lowest funding bands were as likely as those from the highest funding band to have made positive gains in the quality ratings, and vice versa.

Some services had many high ratings in 2003. Effectively, if they had many ratings of 5 (1 is the lowest rating, 5 is the highest rating), there was nowhere for these services to move except downwards. Others had many low ratings. It may be easier to change positively if the starting point is low. We therefore examined the mean rating in 2003 to see whether there were different patterns of changes in those with a low (below 3.5) mean rating in 2003, those with a moderate (3.5 to 4) mean rating in 2003 and those with a high mean rating in 2003, and the means of all services. We found that indeed it was easier for those with a low or moderate mean rating in 2003 to show some gains over the year. Those whose average score was high were most likely to show little change—indicating that they were on the whole sustaining their quality. But initially high-scoring centres were no more likely than others to lose ground over the year in terms of quality.<sup>12</sup>

Table 23 **Change in quality rating items in relation to initial overall quality rating level**

	Quality rating on 8 or more items improved %	No change %	Quality rating on 8 or more items decreased %
Services with low (less than 3.5) mean rating in 2003 (n=10)	60	10	30
Services with moderate (3.5 to 4) ratings in 2003 (n=20)	55	10	40
Services with high (more than 4) mean rating in 2003 (n=11)	9	64	18

We then used the three groupings to see whether there was any difference in their use of Equity Funding that might point to the reasons for changes in their rating levels. Again, the numbers in each group are too small to check if the differences are statistically significant, so these comparisons need to be taken as indicative only.

What they suggest is that:

- services that made gains in quality ratings were more likely to spend on professional development and teaching technology (the latter was most likely to be used in relation to service-home communication),
- some services that remained stable had high ratings in 2003,
- it may be that services that stayed stable or had negative shifts on their quality ratings were less likely to spend on items directly related to learning; but
- otherwise, there is little difference related to the *area* of use made of the Equity Funding, suggesting further that the impact of most uses of this additional funding may be related to how well particular uses (both individually and as a whole, taken together) support or change existing practice, how much they extend children's existing levels of experiences or play, or that they may be limited to particular children, for example, those whose attendance was irregular because their family could not afford the fee. Such improvements for individual children are unlikely to show in service level quality ratings.

<sup>12</sup> The numbers are too small to see if the apparent lower rate of decrease for initially high scoring centres shown in the table is in fact statistically significant.

Table 24 Use of Equity Funding in relation to overall rating changes 2003–04

Equity Funding use	Quality rating on 8 or more items improved		No change		Quality rating on 8 or more items decreased	
	(n=17)	%	(n=9)	%	(n=12)	%
Resources and excursions	10	59	5	56	9	75
Teaching staff and teacher aides	7	41	3	33	4	33
Other staff			2	22	1	8
Professional development and training and teaching technology	11	65	3	33	5	42
Outdoor play area	2	12	2	22	1	8
Premises, appliances	2	12	4	44	1	8
Health and well being	1	6	3	33	1	8
Fee relief, transport, expanding provision, reducing deficits	3	18	4	44	1	8

Next we chose services from each of the three groups. From the first group, we chose one from each service type that had had the highest number of positive shifts (14 or 15), from the second group those with the highest number of stable items (12 or more), and those from the third group with the highest number of negative changes (14 or more). To provide greater insight into the factors affecting their use of Equity Funding and its impact, the next three tables draw together information on each of these services in relation to needs, hopes, decisionmaking processes, use of Equity Funding, views of the impact on quality, strongest shifts in ratings (if applicable) and other factors that were reported for that service.

This more holistic look indicates several factors that may be related to making the best use of Equity Funding.

The centres that made most gains were more likely to use needs analysis to make their decision on how to use the funding, and involve teachers. There was more spending directly related to quality (e.g. staffing, professional development, curriculum resources, teaching and learning tools), and expenditure was not seen in isolation from other centre efforts in relation to enhancing teaching and learning.

Table 25 Equity Funding aspects and services with most improvements in quality ratings

Service and rating changes	Needs	Hopes	Decision making	Expenditure	Impact	Other factors
Playcentre 15 positive shifts, 4 no change, 3 negative shifts	Get ideas from workshops. Release parents from maintenance tasks	Better resources, children learn to live in bigger society, workshops from outside assn	Parent and whānau pinpointed need at playcentre meeting	Session co-ordinator wages for an extension session for older children, cleaner, lawn mowing, resources, health and safety	Planning and resource development now possible because parents have time for this.	Also wanted to attract enrolments and improve participation through requiring less volunteer work and making the environment more attractive.
Kindergarten 14 positive shifts, 7 no change, 1 negative shift	Quality, i.e. fully trained registered teachers and well-resourced ratios	Higher quality. Ideally a third fully trained teacher long term	Teachers and association decided together based on needs and priorities	Teacher aide wages for 10 hours per week	Staff have better relationships with families and children. Can make resources and use other grant money on resources. More 1:1 time with individual child with particular needs. Spend time scaffolding.	Two teacher kindergarten with no parent help during the programme
Kōhanga reo 14 positive shifts, three "no change", four negative	Hoped to improve quality Wanted to keep staff and reward them for their hard work	Needed to pay staff wages have more staff and more resources	Whānau hui discussed kaimahi's suggestions	With low socio-economic component bought education resources, paid staff wages, paid for attendance at wānanga	Purchase and built things that "we have been a long time waiting for". Kept staff with te reo.	Also spent the language component on costs for kura reo wānanga, and other wānanga
Education and care 14 positive shifts, 6 no change and 3 negative changes	Get a few extra things we could not afford before. Like to employ a qualified Māori teacher.	Qualified staff understanding importance of child development, better quality and more resources	Centre examined areas of play and considered what was lacking	Curriculum resources, professional development, wages, camera and film and equipment. Included equipment for babies and toddlers (activity centre and floor rug)	Quality resources available for all children. Space created for babies. Interactions more supportive and challenging	Ongoing professional development focused on teachers investigating their own practice. Staff upgrading qualifications (not Equity Funding)

The services that sustained their quality ratings also used needs analysis, involved staff in decisionmaking, and spent on quality aspects. They had high mean ratings in 2003. Like the group that made many positive changes, the purposes for which Equity Funding were spent tended to reinforce each other.

Table 26 Equity Funding aspects and services with the greatest stability in ratings

Service and rating changes	Needs	Hopes	Decision making	Expenditure	Impact	Other factors
Kōhanga reo 21 no change, 1 positive	Most parents are single parents, seasonal workers, need to take children out. Many with special medical needs. Shops and services not locally available.	Children to have healthy food, to learn by participating in shopping and food preparation. Improve resources. Kaimahi to be upskilled.	Discussed at whānau hui and made decision as a whānau. Kaiako thought whānau becoming more aware of what funding is used for and channelling it in the right places.	Kai, travel costs, building and playground, training, kura reo and wananga	Kaimahi upskilled. Playground is safe. More resources for tamaiki.	Marae based. Own a van. High ratings in 2003
Kindergarten 15 no change, 5 positive, 2 negative	Quality resources, culturally appropriate resources, children having meaningful experiences and staff gauging this	Improved resources keeping in mind DOPs as spend, make a difference to environment.	Teaching team uses DOPs to decide. Manager approves what is reasonable.	Curriculum resources (including culturally appropriate resources), excursions, groceries, furniture	Able to upgrade in ways not able to before, staff in control over quality (association). Able to observe, plan and analyse learning situations and improve them, e.g. not enough dolls to share so purchased four new ones from different ethnic origins.	Would like extra staffing long term High ratings in 2003
Education and care 12 no change, 6 positive, 4 negative	Struggle to afford ratios. Under two ratios not adequate especially with large number of babies	Meet babies' needs, develop nursery.	Staff met in group and discussed needs and spending priorities – thought it important to hear all views	Digital camera, clip on high chairs, baby food for emergencies, 2 sets of cot bunks, comfort beds, car seats	Cots save staff backs. Clip on high chairs enable babies to interact more at meal times. Sense of well being enhanced. Many parents do not have photos of own child – able to give them these. Don't have to spend money on resources	Professional development reviewed DOPs for infants and toddlers High ratings in 2003

Apart from the kōhanga reo, the services with many negative changes tended to have decisions made by management and did not spend on quality items. The kōhanga reo did not make decisions on a long term basis. Most of the kōhanga reo's Equity Funding expenditure was on transport costs (which would be expected to enhance participation rather than quality) or te reo training and resources. The two positive changes made by this kōhanga reo from 2003 to 2004 were on ratings of te reo and tikanga Maori and of recognition of the culture of children.

Table 27 Equity Funding aspects and services with the most negative shifts in ratings

Service and rating changes	Needs	Hopes	Decision making	Expenditure	Impact	Other factors
Education and care 18 negative changes, three no change, one positive	Clean hygienic, bright, warm caring environment, teacher education and training	Better resources, staffing for better ratios, professional development and training so meet 2012 ratios.	Management decision	A few additional curriculum resources and groceries.	Staff couldn't say what Equity Funding did	Extra staffing from Equity Funding used in over two centre not this centre. More children with challenging behaviour in 2004.
Home-based 14 negative, 6 no change, 2 positive	Good caregivers, professional development, resources	Quality for children who would normally not participate.	Co-ordinator decision	Funded 2 children beyond 9 hours of childcare subsidy	Mothers better able to cope because they have time	Funding used for participation needs not quality "A more challenging" age range of children in 2004
Kōhanga reo 17 negative, 3 no change, 2 positive	Funding is adequate for ongoing running of kōhanga reo but nothing extra possible. Special needs child requiring one-to-one care	Special needs child to have one-to-one care, kaumatua to buy Christmas presents, end of year trip for tamariki, wananga training for kaimahi	Whānau hui. Kaiako thought "not a lot of whānau understand or know about Equity Funding". Unable to budget long term because unsure if funding would continue.	Funded transport costs for trip to an organic garden, van, resources, reo training and koha, kaumatua paid for te reo support	Whānau have greater support for kōhanga reo and are more involved in speaking te reo	High ratings in 2003

## Adequacy of resources and Equity Funding expenditure

In 2004, we asked service supervisors/directors to record any changes to the profile of their centre that they had given us in 2003. Very few changes were recorded. Where they were, we have gone back to information on Equity Funding use to see if there might be some relationship. We have used some of this in the earlier section on changes to participation, for the few services that noted improvements in attendance regularity, or children staying longer at the service.

We also examined shifts in field researcher ratings of the three equipment and activities items.<sup>13</sup> Consistent patterns between management views of the impact of expenditure on resources and field researcher ratings were found.

There were three patterns evident in relation to views of adequacy of resources over the two years that are related to Equity Funding use.

- Services that noted an improvement in adequacy of their outdoor space for children's play or equipment for children's play and curriculum resources had spent some of their Equity Funding money on this area. Field researchers ratings showed marked improvements from low or average ratings in 2003 to high ratings in 2004 for six services that spent substantially in relation to one or more of the three equipment and activities quality items.<sup>10</sup>
- Those whose views of adequacy had been very low in 2003 and who did not change their view in 2004 had not spent Equity Funding on resources. Field researcher ratings of the three equipment and activities<sup>10</sup> items for these services did not shift over this time, or were slightly lower (perhaps because of "wear and tear").
- Parent educators at one playcentre whose views of adequacy of their space and equipment were less positive in 2004 had been involved in further training in 2003. This may have made them take a more critical look at what was available.

## SUMMARY AND DISCUSSION

Most services involved teacher/educators in the decisionmaking about the use of Equity Funding, with more involvement of parents/whānau in parent/whānau-led services. Umbrella organisations acting as fundholders for individual services usually involved individual services in the decisionmaking for that service. When they did not, it could be viewed negatively. Some commented that it was useful to have a specific pool of funding that was not intended for general operation costs and had to be accounted for in relation to goals for the service.

Hopes for Equity Funding tended to be expressed abstractly in relation to aspirations for children or the service, but needs were more specific. Short term needs were often the focus in 2003, because some participants at the start were unsure about how long Equity Funding would last, and because compliance needs, e.g. health and safety, took priority. There was usually a more systematic analysis in 2004. When Equity Funding spending decisions were made as part of a wider needs analysis focusing on goals for the service or Te Whāriki/DOPs, and

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<sup>13</sup> *There are enough age appropriate books/toys/equipment, Equipment and activities encourage fine motor development, and Equipment and activities encourage gross motor development.*



other measures also supported the goal, there were benefits from spending in one area reinforcing spending in the other.

Services regarded participation as attracting enrolments, improving regularity of attendance, increasing duration of attendance, increasing the number of places, and encouraging parent engagement and family access to health and social services, and thought it was legitimate to spend Equity Funding on any of these aspects. Cost and transport were predominant barriers. The Ministry of Education suggestions on how to use Equity Funding do not include three aspects:

- increasing the number of places. The few services that sought to expand would need more funding than their Equity Funding to extend buildings and grounds, although a hospital service used Equity Funding to open provision in another ward. Discretionary Grants are available for expanding provision.
- addressing cost issues through fee relief. While cost issues may be appropriately addressed through bulk funding and the Childcare Subsidy, education and care centre participants said that all families needing fee relief did not meet criteria for the Childcare Subsidy for the time the service was needed. Planned funding changes and changes to the Childcare Subsidy criteria may help address affordability issues.
- encouraging parent engagement and family access to health and social services. Equity Funding was thought to be suitable for these purposes, which link to the strategic plan goal of promoting collaborative relationships, and could be addressed through spending on, for example, professional development about working with families, or employing staff to support work with families. Examples could be included in the Ministry of Education circular.

Some services, particularly kōhanga reo, were interested in buying vans to provide transport for children and parents/whānau, but Equity Funding was not seen as sufficient or appropriate to cover purchase costs. It was however used for running costs when services already owned a van.

Gains from the use of Equity Funding to address issues related to regularity of attendance or duration of attendance were most likely to be for individual children, rather than services as a whole. However, greater parental involvement and more positive views of involvement occurred when the service had tackled quality and participation issues together, for example by employing staff to reduce volunteer workloads in respect to routine administration or maintenance in playcentres, including parents in activities that interested them, such as excursions, employing additional staff to work with families, and rejuvenating resources and the service environment. In these cases, greater parent involvement was also associated with more regular participation.

There were signs that, with time, teacher-led services were focusing more on specific action they could take using Equity Funding to address issues related to parent/whānau participation, rather than seeing them as they had initially, as issues outside their scope to influence.

The main areas in which services spent their low socio-economic component were on curriculum resources, professional development, excursions, and staffing. Spending on staffing in 2003 appeared to meet the needs for additional staffing in half the services that spent Equity Funding on this – though it is likely that since these costs were ongoing, Equity Funding would continue to be used for the extra staffing identified. However, new needs were likely to be identified in relation to professional development by services that had spent in that area in 2003. Spending on curriculum-related resources in 2003 had in some, but not all cases, met current needs. Kōhanga reo were less likely than other services to spend on staffing and excursions, and somewhat more likely to address participation needs.

Few services used Equity Funding for uses that were not included in the Ministry of Education's suggestions: reducing fundraising, for general running costs, reducing service deficit, or for entertainment.

Gains from the use of Equity Funding to address quality were reported as improvements in the level of children's engagement and play, including opportunities for richer language use. The NZCER national survey data showed that over half the recipients of Equity Funding generally thought it had improved the level of their provision and facilities, and therefore the quality of education. Between a quarter to a third thought there had been improvements in teacher:child ratios, and the quality of teachers/educators.

Patterns of shifts in quality ratings of the study services between 2003 and 2004 showed that services that made gains were more likely to spend on professional development and teaching technology, such as digital cameras, that can be used for communication with parents and involving them in their child's learning, as well as directly for children's learning. Otherwise, the *area* of spending was not related to patterns of change on quality ratings, suggesting that the impact of most uses of the additional funding may be related to how well particular uses (both individually and taken together) support or change existing practice, and extend children's existing levels of experience and play.

A further analysis indicated several factors that may be related to making the best use of Equity Funding: the services that made gains or sustained their quality ratings were more likely to use needs analysis to make their decision on how to use the funding, and involve teachers; and there was more spending directly related to quality.

## 5. Use and impact of language component

The language component of Equity Funding is \$1,800 per annum. It is intended for the use of immersion ECE services. In this study, we included 17 kōhanga reo and 2 Pasifika services in both phases, and 25 kōhanga reo and four Pasifika services in 2004. All but four of the latter 29 services also received other components: 25 received the low socio-economic and therefore the special needs component, and 10 kōhanga reo received the isolation component.

Table 28 **Services receiving the language and culture component of Equity Funding**

Service type	Language and culture other than English	Special needs	Low socio-economic	Isolation	Total services
Kōhanga reo	25	21	21	10	25
Pasifika	4	4	4	0	4
<b>Total</b>	<b>29</b>	<b>25</b>	<b>25</b>	<b>10</b>	<b>29</b>

Their particular language is *the* driving force for sample kōhanga reo and Pasifika services. It is their reason for being, and the dynamic force in how things are done. Strengthening and supporting language and culture is relevant to this Equity Funding component and one kōhanga reo found it odd that the language component of their Equity Funding should be much smaller in dollar terms than their low socio-economic or special needs funding.

The Ministry of Education's ideas on how the language component could be used were given in the initial outline of Equity Funding:

- Support teacher/kaiako to improve quality delivery in the language,
- Provide incentives to retain teachers/kaiako,
- Improve staff: child ratios,
- Recruit people with language proficiency,
- Increase professional development of staff,
- Increase whānau based learning,
- Increase language resources,
- Pay training fees,
- Recruit and retain kaumatua support/advice, and
- Provide assistance to attend (e.g. transport assistance).

Te Kōhanga Reo National Trust's suggested spending areas for the language component were: ākongā fees, te reo wānanga, whānau based learning, to recruit and retain kaumatua support, and to pay for specialist support.

## **NEEDS OF KŌHANGA REO IN RELATION TO EQUITY FUNDING LANGUAGE AND CULTURE COMPONENT**

In the 2003 interviews, kōhanga whānau were asked what needs they had because they provided education in te reo Māori. Ten of the 17 kōhanga reo whānau identified people as their main learning resource (kaimahi, kaumatua, kaiako, whānau/parents and kuia) alongside other educational and cultural resources such as puzzles, CD ROMs, posters, videos, charts, pukapuka, dictionaries, jigsaws, computers, and waiata tapes. Consistent with valuing people as learning resources and the kaupapa of kōhanga reo as total immersion in te reo and tikanga Māori, needs were:

- encouraging te reo Māori speakers, especially through training (10 kōhanga reo);
- fluent speakers of te reo Māori, including kaumatua (5 kōhanga);
- upskilling staff and whānau in te reo Māori (5 kōhanga reo)
- resources in te reo (4 kōhanga reo).

The TKRNT 2003 national survey<sup>14</sup> asked whānau how they thought Equity Funding (in total) would help meet the needs of their kōhanga. Training headed the list (22 percent), followed by resources (15 percent), the learning of mokopuna (11 percent), te reo speakers (9 percent), building upgrades (8 percent), and general operations (6 percent). Twenty-three percent said educational and cultural resources would help improve quality, and 14 percent said people resources would assist.<sup>15</sup> The items related to language and culture (training, educational and cultural resources, and te reo speakers) were the same as those identified by the evaluation sample kōhanga reo, with a slightly higher priority given to resources by the TKRNT national survey respondents. This could be because the survey respondents answered generally about their needs, while the sample was asked about needs in respect to language and culture.

When asked about their needs for resources to support quality generally, sample kōhanga reo identified the following broad range:

- more funding to use on own priorities, more resources, and more training (4 kōhanga);
- more training in te reo (3 kōhanga);
- more wānanga (2 kōhanga);
- increased parent/whānau support (2 kōhanga);
- upgrading premises and outside areas (2 kōhanga).

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<sup>14</sup> The TKRNT national survey provided open-ended questions; hence the percentages of responses are likely to be lower than one would find for a survey with closed-questions.

<sup>15</sup> It is not clear whether the responses of the whānau are related to anticipated or existing use since they were asked "How has/will Equity Funding help meet your needs in relation to improving quality?"

Other needs reported by one kōhanga whānau each were: more professionals being involved in kōhanga, being able to pay teachers more, a professional development package from the TKRNT, and time, including time to prioritise their spending.

## Decision making

In 2003 kōhanga reo were asked who was involved in their decision-making about Equity Funding and the process they used to come to their decisions. Sixteen kōhanga said whānau were involved. Eleven kōhanga mentioned whānau alone being involved. Four kōhanga mentioned that whānau made the decisions in conjunction with one or more of the following people: kaumatua, kaiako, mokopuna, or kaiwhakahaere.

The processes by which these decisions were made in 2003, according to nine of the total 16 kōhanga responding to this question, occurred during the course of whānau hui (which are characterised by debate and consensus decision-making). Two kōhanga whānau reported that through being involved in a hui they were more informed about the budget, and felt assured that they were spending their Equity Funding “on the right things”.

In the TKRNT 2003 national survey kōhanga whānau were asked who was involved in decisions regarding the use of Equity Funding. The pattern of responses was similar to the case studies. Almost 95 percent of kōhanga reported that whānau are the main decision-makers. A small number of kōhanga whānau specifically mentioned the important role of kaumatua in whānau decision-making.

## Uses of the language component

Table 28 below gives the main uses given for the language component by kōhanga reo on forms sent out with TKRNT’s 2003 funding releases. Training was by far the most frequent use of this component, with specific Te Reo wānanga mentioned by just under a fifth.

Table 29 **Uses of Language component of Equity Funding – TKRNT information from funding release forms 2003**

Kōhanga reo receiving the language component Use	(n=208) %
Training/wānanga for kaimahi and whānau	54
Te Reo wānanga	18
Resources	10
Kaumatua support	9
Extra staff	5
Travel to wānanga	4
Fee subsidy	1

This pattern of spending was also evident in the interview responses. Generally the whānau spent the low socio-economic component on learning resources and equipment, and the language component to cover the course fees for Whakapakari, Te Ara Tuarua, Te Ara Tuatahi and for wānanga attendance. The language component was also used for purchasing materials for training needs such as coloured card, felt pens and laminating material, so

that kaiako could make resources as a part of their Whakapakari, Te Ara Tuatahi and Te Ara Tuarua training. These books, songs, games and activities were then left in the kōhanga for the mokopuna to use.

## Impact of Equity Funding

In 2004 the phase 1 kōhanga reo were asked what Equity Funding (in total) had enabled them to do that they were not able to do before. Seven out of 13 kōhanga reo reported that they were able to support more training (including first aid training and for the Special Needs teacher to learn te reo). Six kōhanga reo said they could purchase more resources; three said that they were able to upgrade and renovate their premises; two kōhanga reo had improved their transport or vehicle to bring tamariki to kōhanga, and a further two kōhanga reo provided better/more food for the mokopuna.

## Participation

In 2004 13 of the phase 1 kōhanga reported that Equity Funding had enabled them to improve participation. Some improvements were to resources, the environment and professional expertise, which whānau said had had an impact on whānau satisfaction and pride in the kōhanga reo, and hence involvement. Ways in which whānau thought Equity Funding had enabled improved participation in quality ECE were:

- improving resources, including developmental resources to meet learning needs (4 kōhanga);
- meeting transport needs to increase attendance (3 kōhanga);
- kaimahi training, wānanga and professional development which helped to change staff outlook and expertise (3 kōhanga); and
- trips for the whānau to increase learning opportunities and interactions (2 kōhanga).

Other improvements reported by individual kōhanga included that they could now advertise for a higher calibre of staff, and improvements made to buildings and facilities had contributed to the provision of a quality learning environment.

Because all but three of the kōhanga in the study received other components of Equity Funding, it is difficult to clearly separate out the impact of the language component alone.<sup>16</sup> For example, five kōhanga reported an improvement in regularity of attendance. Four of these attributed the change in regularity to uses of the low socio-economic and isolation components of Equity Funding, such as providing more learning resources, improvements in staffing, covering transport costs, and enlarging or changing the kōhanga.

One that had received only the language component had spent its Equity Funding on improving the quality of teaching, and said that regularity of attendance had improved because of that. The kōhanga now also had a waiting list of seven children. Another said that it was able to advertise and get a higher calibre of staff. third could purchase resources, pay for trips and cover the road tax for their van which was used to transport the children. All these kōhanga also had waiting lists.

Thus use of Equity Funding seems able to increase attendance and interest, if used in ways that indicate to whānau that quality education in te reo Māori is being provided.

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<sup>16</sup> This is true of any service receiving more than one component.

**Parent and whānau involvement**

The TKRNT 2003 National Survey asked “How has/will Equity Funding help to increase the participation of whānau in kōhanga, in wānanga, with other providers?” Sixty percent of kōhanga reo said that Equity Funding was helping or would help increase the participation of whānau in training, wānanga or whānau-based learning programmes. Twenty-nine percent said there had been a general increase in whānau participation, mentioning participation in whānau hui, and becoming more confident in speaking out and taking on responsibilities.

All but two of the 17 kōhanga reo in the study that completed the service profiles for 2003 and 2004 indicated that they had at least one whānau member taking part in the kōhanga each day. Eight of the kōhanga said that one to two whānau were in each day and four kōhanga said that five or more whānau were volunteering in the kōhanga. In 2004 14 kōhanga reo had no changes in the number of volunteers in the kōhanga. Two had moved from having no regular volunteers to having one. The other decreased from two volunteers to one.

In 2004, four kōhanga reo said that Equity Funding had positive impact on aspects of whānau involvement. These were through an improvement in decision-making by all parents, better communication and parent support because of the improvement in the building and facilities (a direct result of use of the low socio-economic component) and a higher percentage of parent involvement in the kōhanga work.

**Impact on quality**

In the 2003 case study interviews 16 kōhanga talked about their understanding of quality for kōhanga reo. Nine kōhanga responded that the programme needed to be totally in te reo, with strong te reo, and fluent staff and whānau. Eight kōhanga also mentioned that kaiako/kaimahi who can deliver te reo, are skilled, friendly and talk to the parents and children in te reo, have good attitudes, and good teaching skills, contribute to quality in the kōhanga.

Eight kōhanga also said that the wellbeing and happiness of the mokopuna within a te reo learning environment was another component of quality. Seven kōhanga identified tikanga, whanaungatanga and cultural values such as wairua, aroha, respect, trust and communication as being important components of quality. Other understandings of quality for kōhanga were a focus on the learning programme, parent participation, working as a team, and te reo resources.

Seven kōhanga identified a lack of money as the main barrier to their being able to provide such quality. Other factors were a need for more kaumatua and parent support, parents needing to learn te reo, availability of fluent staff, limited resources in te reo, accessibility to training and wānanga, and longer session times, to teach te reo.

Not surprisingly, the 7 kōhanga reo also saw more money as the resource and support needed to overcoming some of these barriers. This would assist in purchasing te reo resources (6 kōhanga); upskilling staff (6); increasing wages of staff (2) and paying for relievers(1). Other solutions were more kura reo; more trained kaiako and kaiawhina; sharing kaumatua and increasing parent support.

In the 2004 case study interviews 12 kōhanga whānau had seen an improvement in quality in their kōhanga reo. Six kōhanga mentioned attendance at wānanga as one of the reasons and five kōhanga saw training as contributing to the improvement. Other reasons were the employment of an extra kaimahi; the purchase of te reo resources and kura reo.

Table 30 below gives the responses in the TKRNT 2003 National Survey to the question “How has/will Equity Funding help meet your needs in relation to improving quality?” Training, professional development, and wānanga were almost universally seen as ways in which quality was, or would be, improved.

Table 30 **Views of how Equity Funding would help meet kōhanga reo needs in relation to improving quality from 2003 TKRNT national survey**

Kōhanga reo responding Use	(n=219) %
Training/professional development/wānanga	93
Resources	49
People resources	29
Kaupapa	26
General (buildings, kai, health, communication with whānau)	20

When we asked kōhanga reo in 2004 what difference Equity Funding had made to their service, the main differences mentioned focused on training and resources. Kōhanga were able to pay training course fees, send staff on courses, pay for relievers so that staff could attend kura reo, and purchase te reo resources. In turn this upskilled staff in te reo Māori, which contributed to the wellbeing and quality of the kōhanga reo. The kōhanga said that this could be seen in the fact that more te reo was spoken and the tamariki were happy and confident. In three kōhanga assessments were showing that the children were progressing in their Māori language skills, learning and development. One kōhanga reo mentioned that the local kura kaupapa Māori had particularly noticed how well their graduates were doing at the kura. These improvements were also linked to Te Whāriki through understanding the strands in the curriculum, planning, and being ‘more on to it’.

### **Process Quality Ratings**

Here we undertake the same kind of analysis as we did for the socio-economic component, but focusing on 13 items considered most closely related to the growth and development of language and culture in kōhanga reo. This analysis was done to see whether the use of funding from the language component of Equity Funding had affected aspects of quality in the items specifically related to language and culture.

The observations carried out in the case studies for the process quality ratings scored interactions between adults and adults, adults and children, and children and children for the purpose of finding out both language and cultural competencies. The participation of fluent adults is critical and is driven by cultural forms of interaction such as whanaungatanga requiring the whānau to observe protocols according to tikanga Māori. Manaakitanga, aroha, awhi and tautoko are some of these cultural interactions which call on support, love, guidance, respect and tolerance. Whanaungatanga or quality interactions as defined by tikanga were important process quality indicators.

### **Comparison of language and culture items in the process quality rating scale**

The following process quality items were selected for comparison:

- staff are responsive to children;



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- staff encourage, reinforce, explain, guide and discipline;
  - staff guide children within activities;
  - staff ask open ended questions;
  - staff join in play;
  - adults positively and respectfully interact;
  - tikanga Māori and te reo is evident;
  - ethnicity is taken into account;
  - setting is inclusive of all children's needs;
  - children co-operate with one another in language;
  - encourage child-initiated creative play (includes drama, music, singing);
  - stories are read, told, shared;
  - age appropriate resources are provided.

Table 31 Changes in language and culture items 2003–2004

Positive changes in language and culture process quality ratings					
Mean 2003	Mean 2004	Number of staff in training	Changes in 13 rating items 2003–2004	Language fluency (Language rating scales)	Funding band
3.68	4.25	2	5 or more +ve	2 fluent 1 semi-fluent 2 beginners	3
3.38	4.03	3	5 or more +ve	2 fluent 3 semi-fluent 2 beginners	5
3.50	3.63	1	5 or more +ve	1 fluent 1 semi-fluent 1 beginner	1
3.60	4.05	7	5 or more +ve	1 fluent 2 semi-fluent	5
3.65	4.40	6	5 or more +ve	2 fluent 1 semi-fluent 2 beginners	5
Stable language and culture process quality ratings					
3.58	3.80	2	no differences	2 fluent 3 semi-fluent 2 beginners	5
4.68	4.85	6	no differences	6 fluent 1 semi-fluent 1 beginner	1
4.98	5.00	4	no differences	1 fluent	2
Negative changes in language and culture process quality ratings					
4.28	4.13	2	5 or more –ve	1 fluent 3 semi-fluent	1
3.58	3.80	0	5 or more –ve	no data	3
4.75	3.90	0	5 or more –ve	3 fluent 1 semi-fluent	5
3.85	3.10	0	5 or more –ve	3 fluent 1 semi-fluent 1 beginner	4
4.20	4.15	1	5 or more –ve	2 fluent 2 semifluent 3 beginners	4
4.85	3.68	0	5 or more –ve	1 fluent 2 semi-fluent 4 beginners	5
3.80	3.75	no data	5 or more –ve	No data	1
3.85	3.26	2	5 or more –ve	1 semi-fluent	3
3.85	3.10	0	5 or more –ve	4 fluent 3 semi-fluent	4

In the above table the services are listed in three groups: those services that made positive shifts on five or more of the 13 items, those that made no significant shifts on the 13 items, and those that made negative shifts on five or more of the 13 items.

When the patterns of rating shifts for these 13 language and culture items were compared to the pattern of shifts for all of the items on the process quality rating scale, they were similar for all but one service. Thus, on the

whole, kōhanga reo that sustained or improved their quality ratings on the language and culture items tended to also do so for the quality items as a whole.

To see if there were any patterns in terms of the differences between the three groupings of services, additional aspects from the data sources have been included in the table: the data from the language surveys of the te reo fluency of staff,<sup>17</sup> and the funding bands for each service are included.

The funding bands occupied by the group of services with more positive shifts show that three out of five services received more than \$15,000 (band 5). For the group of services with more negative shifts on the 13 items for language and culture, there is a wider spread of funding bands. However, the numbers are small, and so this difference is best viewed suggestively.

No significant differences were found in relation to fluency. There does appear to be a pattern of greater numbers of staff in training in services with five or more positive shifts. During whānau interviews in 2004 data was collected about the kinds of training and wānanga that whānau had been holding or attending. The services with more positive shifts tended to be ones that were attending a greater number of wānanga. In addition, these wānanga were more likely to be for the teaching and learning of te reo, rather than professional development in curriculum and administration areas.

Parent/whānau involvement tended to be stronger and more stable in the group of kōhanga with five or more positive shifts, in comparison to services with five or more negative shifts. Turnover of whānau and/or staff during the year, the kōhanga needing to rebuild trust and relationships with whānau, and the whānau facing transitions in the past year are all possible reasons for negative shifts in item ratings. In the case of one kōhanga with negative shifts they were relocating premises and reported that they were saving their Equity Funding until they were in new premises.

### **Intended uses of Equity Funding in the coming year**

Professional development and improvement of te reo Māori were the main intentions for the use of Equity Funding in 2004, through kaimahi and whānau attending more wānanga and enrolling staff in the Whakapakari training course. Other intentions were to employ another kaiawhina, and introducing children to kapa haka. The kōhanga strategies were to strengthen te reo, have more kaumatua and more kaiako, with the long term goal of having fully qualified staff, which includes fluency in te reo Māori.

Several kōhanga noted that there needed to be ongoing communication about Equity Funding, particularly where there was a turnover of whānau. Two of the three kōhanga reo receiving only the language component would like more funding so they could improve their quality.

When asked if they thought that there was a minimum amount of Equity Funding that could make a difference none of the kōhanga gave an amount. One said that any extra funding was a bonus. Another kōhanga said “more

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<sup>17</sup> Fluency of staff was measured on self-rating scales for three sets of scales. The sets of scales were: speaking fluency, skills in understanding, and writing abilities. Speaking fluency was rated on a 1–6 scale from “not speaking” to “confidently speaking”. Skill in understanding was rated on a 1–5 scale from “cannot understand” to “confidently understand”. The third set of items asked participants to rate themselves on their writing ability on a 1–4 scale from “cannot write” to “confidently write. Overall ratings for “fluent” were: ratings of six, five or four on each of the three scales. For “semi-fluent”, ratings were in the mid range: four, three or two/three respectively. For “beginners” staff would have scored themselves at one or two on each of the three sets of scales.

would be nice, but we are grateful for what we do have.” Seven kōhanga also expressed their gratitude for the additional funding.

“Thanks Ministry very much for the extra funding. It has taken the stress off our drop [in] budget, now we can undertake training without having to feel burdened.”

## PASIFIKA CENTRES

### Pasifika services’ understanding of their philosophy

All four Pasifika services referred to the links between language, culture and identity as their guiding purpose. For example, one aoga amata expressed the service philosophy as:

*[children] knowing and learning their mother tongue and cultural values is the best and strong[est] weapon for their whole life identity and self knowing.*

Statements in their charters and written philosophies show that their main purpose serviced around ensuring that children (and their families) know and learn their own Pasifika languages and cultures:

*Our children’s learning experiences involve their “lived realities” of participating in cultural and traditional events. ....The objective of integrating traditional activities and knowledge is to enhance our children’s understanding of the(indigenous) Samoan values and to affirm their place and role in Faa-Samoa in the Samoan family system. [Aoga Amata Charter statement].*

Two of the Pasifika services in this study sample are located in church facilities and have a close relationship with the church ministers and elders. These services both declare that their philosophies are also based on Christian values “which is the foundation of our cultural values- the Fa’a Samoa” and their service is “dedicated to God” and is an integral part of the mission of the church ministers/elders.

### Needs related to language and culture other than English

We asked Pasifika services in 2003 to describe any extra needs they have because they provide education in a Pasifika language and culture. Both emphasised that to encourage the language to be used by the children and the parents, they needed Pasifika language and cultural resources such as books, including Big Books, tapes, and CDs, pandanus crafts, charts, and so on, in their language, and for parents/elders to come into the service to encourage the use of their language.

Both in 2003 and 2004 the Pasifika services reported a lack of printed resources in their Pacific languages that are suitable for children at the early childhood level. In 2004 the researcher observed that the Pasifika educators in the services, when taking shared reading with the children, tended to adapt English texts, using the pictures, whilst simultaneously translating either the English words or meanings (or both) into Samoan or Cook Islands Māori languages.

In the 2003 NZCER National Survey, managers of two further Pasifika services reported that the quality of their programmes would be improved by Equity Funding being used in a range of ways including increasing teaching and learning resources and improving the quality and qualifications of their teachers/educators.

When the study services were asked to identify their needs in relation to quality, they mentioned improving the quality of the language through staff qualifications, parent and staff training and professional development, the

provision of language resources and materials, and involvement of elders. The involvement of elders is important because they provide both language and cultural expertise, particularly where the staff are “New Zealand-born”. When elders were involved, one service liked being able to acknowledge their contributions through a *mea alofa* or small payment or gift.

Both Pasifika services involved in the first phase of the research wanted their staff to achieve early childhood qualifications, whilst at the same time maintaining high levels of fluency and cultural expertise in their Samoan and Cook Islands cultures. They also wanted to assist staff, and also the parent helpers where they were keen, to improve their knowledge through additional training. In 2004 these same needs were reported in the teacher interviews in three services. In order for the services to improve quality, they required qualified staff and the involvement of elders and others with cultural skills in their immersion and bilingual programmes.

### Hopes and expectations about Equity Funding for language and culture

The two Pasifika services in 2003 that received funding for this component reported that they were not always sure about the total amounts they were getting, whether the amounts they did receive would increase or decrease in the future, or whether indeed they might stop altogether. In the light of this uncertainty, hopes and expectations were restrained. Services were very happy to receive the language component to support their programme. They expected to use it to improve quality in terms of language resources, staff professional development, and training for parents.

### How Equity Funding spending decisions were made

In 2004 the teachers in three Pasifika services reported that decisions about the use of Equity Funding were made by the service supervisor and licensee and approved by the management committee. In the fourth service it was not clear whether the supervisor or any of the staff had any input into the decision-making on the use of Equity Funding.

All four services made their decisions on the basis of information they received at a Ministry of Education fono about Equity Funding. The supervisor from one service in 2003 reported they received no specific guidance on how it was to be used beyond the fono and anyway that tended to be “treasurer’s business”.

The Equity Funding was viewed by all four Pasifika services as part of Ministry of Education operational funding: “*our Equity Funding is treated as part of the bulk funding*”. Therefore, decisions were made in these services on the basis that this funding was “extra” to boost what they were already doing, as immersion and bilingual services, promoting a language and culture other than English.

However, the supervisor in one service had read the Ministry of Education information, and said it helped their service make decisions. In this service the staff and supervisor were also on the management committee, so they felt informed about funding and involved in decisions in its use. Minutes of management committee meetings for the two services over 2003 and 2004 indicate that Equity Funding and its uses were discussed but no reference was made to specific components of that funding.

In the NZCER 2003 National Survey the managers of all four Pasifika services responding (which were different from those involved in the Equity Funding two-year study) reported that the decisions about the use of Equity Funding were made by management. Two services also reported that teachers/educators were involved in making decisions, two services noted that parents/whānau were involved in decision-making, and one service

noted the involvement of the parent committee. However, the extent of representation of parents on Pasifika services' management committees is not known so it is possible that parents do contribute to decision-making through those committees.

## Uses of Equity Funding

Uses of Equity Funding by Pasifika services are summarised in the following table. This includes components other than the language component. The financial accounts and statements of the four Pasifika services showed that all Ministry of Education funding was aggregated, and thought of as one source. Financial records could not be used to isolate separate revenue or spending on any of the Equity Funding components.

Table 32 **Uses of Equity Funding for the period March 2003 to March 2004 by services receiving the language and culture other than English component.**

Area of use	
Training and professional development	4 Pasifika services paid small amounts to staff in training to help with their studies 3 Pasifika services paid for professional development for staff : 2 Pasifika paid for a Teacher-Only day; one service paid for off-site professional development for curriculum planning, and another paid for staff to go on a Marae trip to Rotorua for bicultural professional development.
Quality language resources	2 Pasifika services paid for language and curriculum resources including charts and books in Pasifika languages
Recognition of contribution of kaumatua, elders and others as language and cultural leaders	1 Pasifika service paid for a reliever to release staff for professional development and to lower staff:child ratios 1 Pasifika service paid an elder's travel expenses to attend and contribute to their programme
Excursions	1 Pasifika service paid for curriculum-linked excursions for children

The financial records from the two Pasifika services taking part in phase one and two (2003 and 2004), show that one service spent over \$1,000 on classroom resources in that year, and the other service spent \$3,000 (more than the total of the language component) on relievers and extra staff, to cover staff who were taking time out for studying and gaining qualifications. All four Pasifika service supervisors said in the 2004 interviews that they would like to be able to do more for staff in this regard as they work as a service towards meeting the qualifications requirement within the Early Childhood Strategic Plan.

The four Pasifika services in the 2003 NZCER National Survey showed similar patterns of use of Equity Funding. Two services purchased additional curriculum resources, and used it for professional development for teachers/educators, assisting staff to train or upgrade their qualifications, resources for children with special needs and to pay a *mea alofa* (contribution) to voluntary helpers (including elders involved in the service's programme). Two services also used the component to introduce staff recruitment and retention initiatives, to meet children's health needs, and to provide transport assistance.

## Impact on participation

Increasing the numbers of children attending was not a prime focus for Pasifika services in terms of the language and culture component of Equity Funding. However, there were some spin-offs from spending on improvements to quality, for children's regularity of attendance, and interest from families whose children were not enrolled.

The four Pasifika services reported in 2004 that children's regularity of attendance had increased as a consequence of Equity Funding. They thought that this was because children and parents enjoyed the enhancement of the cultural aspects of their programme. Three of the services reported an increase in enrolment

or demand for places. They were now operating at the maximum number of places. Rather than have a long waiting list, one service set up a playgroup in adjacent premises so that when a space becomes available in the service, a child from the playgroup will be considered first. All four of the Pasifika services report that once their children come in they tend to stay until they reach school age, unless they move away from the city where the services are located.

Three of the four Pasifika services are housed in altered or adapted buildings rather than purpose-built premises. All three reported the need for expansion in their physical premises, including outdoor spaces, in order to meet the expanding needs of their communities and demands for their immersion and bilingual services. All three are currently in negotiations with their host school, local authority or church proprietors to extend their premises. The expansion plans they report would increase participation i.e. access to Pasifika services and meet the present demand for more places. One of the service supervisors suggested that only a substantial increase in all Ministry funding (including Equity Funding) would assist their service to increase participation. Another service licensee suggested that the Ministry allocate some of the Participation Project funding directly to services such as their aoga, to enable them to create more early childhood places in their area. Note that Equity Funding is not intended to increase places.

### **Parent and whānau involvement**

Three of the four Pasifika service supervisors reported in 2004 that there had been an increase in aiga/kopu tangata support, particularly where they had more family focused activities such as cultural performances, fathers' days, trips and visitors to the service. Equity Funding had allowed them to increase the number of these activities. This had other spin-offs. They reported that when parents saw the involvement and progress of their children, they began to understand how important early childhood education is for their child's learning and development and consequently they became more involved. One aoga amata has a deliberate policy of approaching and supporting parents who show interest and ability in working with children. A number of their parents have gone on to formal training and gaining of early childhood education qualifications. "*We recruit from our own parents*".

### **Impact on quality**

In 2004 three service supervisors were interviewed and asked how had Equity Funding helped them to improve quality in their services in the past year. All three supervisors said that it had helped their services with the teaching of language and culture. One service reported that the Samoan language resources they had developed during the year were of high quality and were even being used by neighbouring palagi early childhood services. Another thought quality had improved because they had used the funding for supporting training, the employment of extra staff and for professional development for staff. A third service also reported that they had been able to help support staff in their training that would enable them to become better resources for the "sustainability of our culture". They had also used the money to bring a storyteller into the service to motivate the children, to take the children on a trip to the library, and to bring farm animals to the service so that the children could experience them first hand, and enlarge their vocabulary and language use.

Managers of the four Pasifika services responding to the NZCER 2003 National Survey said that they saw Equity Funding improving the quality of their early childhood service through improvements in teaching and learning resources; in the quality of teachers, and their qualifications; improved teacher: child ratios; and reduced workload for teachers.

The teacher language survey results from the two case study Pasifika services in both phases showed no significant differences from 2003 to 2004. The staff who rated themselves in terms of being confident speakers, confident in understanding and confident writing skills stayed the same. Conversely, the other group of teachers who rated themselves as being able to say only a few words or greetings, of understanding and using only basic words and sentences in their Pasifika language in 2003 did so again in 2004. However, language fluency per se was not the main use made by the Pasifika services of their Equity Funding; early childhood education qualifications and professional development related to the curriculum was.

### ***Evidence from Process Quality Ratings***

The same subset of the quality ratings used to look at change in the study kōhanga reo was used for the Pasifika services, other than the item related to use of te reo and tikanga Māori. One centre showed a general increase in quality, with a shift in average scores for these items from 3.8 to 4.3, and gains in 6 of the items; the other showed some decrease, with a shift in average scores from 4.5 to 3.6, and decreases in 11 of the items. The service that showed some improvement in quality seems to have made more use of its Equity Funding for staff to gain qualifications, and for professional development than the other. It received Equity Funding of more than \$15,000, while the other received around half that amount. It also catered only for children over two, while the second service catered for the full age-range, and found that the needs of its children under two years of age put pressure on its already limited indoor and outdoor space.

### **Intended uses of Equity Funding**

Supervisors in three of the Pasifika services were interviewed in 2004 and asked what was the intended use of their Equity Funding in the coming year. The service that had made gains on the quality ratings would use the funding to purchase new curriculum resources, particularly in the mathematics and science areas, and could pay for a tutor from the community to assist with parent education and parent involvement in the service. They said that they would continue to support staff in their training and development and they plan to pay for a fluent speaker from the community to give language classes for staff and parents.

A second service said that in order to sustain their immersion programme they would continue to support staff training and professional development. They would also continue to pay for cultural experts from their community to be involved in the service to help the New Zealand-born teachers. They wanted to continue to develop language resources that would be useful in the teaching and learning programme.

The service that showed decreases in quality ratings said that, in line with their own strategic plan, that professional development for their teachers was a priority for the use of their Equity Funding and they would continue to develop their language resources.

### **Thoughts about Equity Funding**

All four Pasifika services reported in the 2004 interviews that they were very glad to have received Equity Funding and were very grateful to the Ministry. They viewed the funding as recognition of the needs of their families, children and Pasifika communities. Allocation of the language component was a recognition of their own efforts in the provision of immersion and bilingual services.

The three supervisors interviewed were still uncertain about the ongoing nature of Equity Funding. They would also have liked some feedback from the Ministry of Education that they were using the funding appropriately.



Two of the services had been licensed for three years, but had not yet been visited by the Education Review Office. They were eager for formal feedback on the way they were operating, and the ways in which they were trying to achieve quality.

## **SUMMARY AND DISCUSSION**

### **Kōhanga reo**

The main use of this component by sample kōhanga reo and by those taking part in the TKRNT national survey was to support professional development, training, and wānanga. Specific mention of te reo training was mentioned by just under a fifth of all kōhanga reo nationwide.

Sample kōhanga reo whānau thought quality of cultural interactions and te reo was improved through Equity Funding expenditure. However, field researcher ratings of language and culture items in the process quality rating scale found positive change for only some kōhanga reo. Rather, the depth of te reo learning opportunities and participation of whānau seem to be what is important to lifting the levels of te reo and cultural interactions. Sample kōhanga reo that showed gains in quality ratings on these items were more likely to have staff and whānau in training, to be attending more wānanga, and wānanga that were focused on te reo Māori. They were also more likely to have good relations between staff and whānau.

Some kōhanga reo noted an improvement in children's regularity of attendance and whānau participation as a result of improvements to their programme, resources, and environment as a result of their use of Equity Funding.

### **Pasifika services**

Pasifika services used the language component for professional development and training, and to assist staff to gain early childhood education qualifications. It was also used to develop resources in their languages. Gains were particularly evident for one of the two Pasifika centres that focused on professional development related to children's learning, and linked excursions to the curriculum. Parental involvement and children's participation was also increased by improvements to the programme that staff thought had made it more enjoyable.

Both kōhanga reo and Pasifika services felt their particular purpose was affirmed by this component, but the total amount seemed small in the light of that same purpose, and these services' needs for fluent speakers who were also early childhood education educators, for whānau and family involvement, and for resources in the language.



## 6. Use and impact of the Isolation component

The isolation component of Equity Funding was received by ten services for whom we have both phase 1 and phase 2 data: three kōhanga reo, three playcentres, two kindergartens, one education and care centre, and one home based service.<sup>18</sup> We have used data from these ten services for outlining perceived needs, expectations, and for making comparisons between 2003 and 2004. Seven of the eight kōhanga reo added in phase 2 also received the isolation component, and information from them about use and impact of Equity Funding has been added to the original ten services in this chapter.

Payment for this component is a monthly grant, with three funding bands according to a service's relative isolation according to its distance in kilometres from centres of 3 different population sizes (5,000, 20,000, 100,000). The bands are set out below with their funding amounts as from 1 November 2002.

Isolation Index Bands	Annual Amount \$	1 November 2002
2.54 and greater	2,900	247
1.84–2.53	1,500	128
1.65–1.83	1,000	85

These 17 services and another playcentre in the study will also meet the criteria for the top-up of funding for small rural ECE services with an isolation index greater than 1.65 announced in the May 2004 budget.<sup>19</sup>

All the isolated kōhanga reo also received the language and culture other than English component, and the low socio-economic and special needs components. Two playcentres and the home based service also received the latter.

In this chapter, we focus as much as possible on those needs specifically identified in relation to isolation, and uses related to those needs.

The Ministry of Education's advice about the use of the isolation component was that it could be used to:

- Provide assistance to attend (e.g. transport assistance),
- Provide increased professional development opportunities for staff,
- Upgrade resources,
- Introduce staff recruitment and retention initiatives, and

<sup>18</sup> There were no isolated Pasifika or hospital services when this study began.

<sup>19</sup> Services generating \$5,000–\$10,000 funding annually will be topped up to \$15,000 per annum and services generating between \$10,000–\$20,000 funding annually will be topped up to \$20,000. The top-up is an interim measure to support rural ECE while the Ministry of Education carries out a review of rural education.

- Assist in meeting the additional costs of service delivery.

## **NEEDS FOR ISOLATION FUNDING**

All the services receiving Equity Funding for isolation knew that they were receiving Equity Funding to address issues they faced because of their isolation, and that the government aimed to improve participation and quality through Equity Funding.

At the initial interview in 2003, we asked services to describe the issues they faced. Transport was the key isolation-related issue for all the services. Lack of transport and its cost affected parent and whānau participation in the services, children's excursions, and teacher/kaiako attendance at wānanga, training and professional development courses.

Other problems for isolated services are created by limited local availability of management and professional support, families' distance from the ECE service, the higher cost of some goods and services, difficulties in recruitment and retention of qualified teachers, and the seasonal nature of some rural employment. Fundraising within a small community is difficult. Small centre size places a high volunteer workload on families.

## **PARTICIPATION ISSUES**

Participation issues described by services receiving the isolation component related to:

- regularity of attendance;
- children's access to an ECE service; and
- parent and whānau involvement.

### **Regularity of attendance**

Most isolated service participants said that irregular attendance is an issue for many children, largely because of transport access and cost. Some families travelled long distances to bring their child to the ECE service. Vehicle maintenance and petrol costs are higher for isolated families who use their vehicles for travelling long distances. Time costs for parents are also higher to bring their child to a service.

Irregular or limited attendance (for only some days the service was open) had a flow-on effect to the amount of bulk funding received. Under current funding rules, if there is a regular pattern of non-attendance for a child on a particular day, the child's enrolment (and funding) for that day ceases (Ministry of Education, 2000 #245, p.2).

Some rural employment has seasonal highs and lows, such as lambing time and fruit picking season, and participants spoke of a fall-off in ECE participation during those times. Poor weather was another reason for non-attendance.

### **Access to an ECE service**

Distance and transport costs were also barriers to being able to access an early childhood education service. Access was also affected by whether services existed in an area, or could be sustained. Sustainability was an issue for five services: a kindergarten that could not recruit permanent qualified staff, high volunteer workloads

and low government funding because of small rolls for three playcentres and one kōhanga reo. The ability to fundraise in isolated communities was also limited because of their smaller population bases. Some services said they were in competition with the local school for local support in fundraising.

One education and care centre had found that distance from WINZ offices, and time and cost taken to sort out subsidy eligibility and approval could also be a barrier to children attending their service, since parents eligible for subsidies were not willing for their child to start attending a service until they were sure the subsidy would be given.

### **Parent and whānau involvement**

High volunteer workload was an issue in all three playcentres. In addition, parents wanting to leave their children for sessions but having to stay with them was an issue related to parent and whānau involvement in one playcentre. Playcentre did not always suit the needs of parents in paid employment. Equity Funding could not be expected to address the second and third issues, but was used to reduce volunteer workload and so generate more positive parental views about participation in the education programme and training courses.

### **Main issues**

In summary the main needs of isolated services for Equity Funding related to participation were:

- to assist with transport and transport costs;
- to ensure services are not disadvantaged financially if family circumstances mean attendance is irregular;
- to support sustainability of small services.

## **CHANGES IN PARTICIPATION NEEDS BETWEEN 2003 AND 2004**

In the 2004 interviews with case study participants we asked what barriers there were to participation in the service, which of these barriers the service could do something about, which were outside the service's control, what measures could assist services to address those barriers, and whether Equity Funding could help.

Transport remained the key issue. Only seven kōhanga reo spent Equity Funding on transport costs, six because they already owned a van and could use it for petrol costs. Transport needs were unaddressed for other services through Equity Funding spending. None of these had their own van. Access to early childhood education for isolated families in paid employment who could not always take part in parent-led services was also a continuing issue. Equity Funding could not be expected to cater for needs for different provision.

However, two of three playcentres that had raised the issue that volunteer workload was a barrier to participation had spent their Equity Funding on contracting maintenance and cleaning support, and paying for staffing. They reported in 2004 that as a result, parent morale had lifted since less volunteer work was required. Parent involvement in areas related to children, and the number of parents undertaking training had increased. Volunteer workload was no longer an issue in these playcentres. Regularity of attendance was also said to have improved.

## Quality issues

### **Recruitment and retention of qualified staff**

Three isolated services commented on the difficulty of recruiting and retaining qualified teachers/educators/kaiako. In 2002, one playcentre faced becoming licence-exempt, and one kindergarten faced closure, if they could not reach their regulated qualification requirement. The playcentre had difficulty encouraging parents to do the playcentre training courses, partly because of the distance and cost of travelling to the courses. This difficulty was exacerbated by the small number of families using the service (15). There was a limited pool to call on and a high volunteer workload burden on a few people. In 2002, the kindergarten had advertised ten times without being able to recruit a permanent qualified teacher.

### **Access to professional and management support**

Isolated services in the study said that there was limited local professional and management support. Travel was required for attendance at wānanga, conferences, and professional development and training courses, incurring extra expenses over and above course costs. Local pools of people with expertise in specific areas were limited or non-existent, e.g. one service said that the Māori itinerant teacher who could be accessed by teachers in the service's nearest urban locality, did not travel to their isolated area. Playcentre and kindergarten teachers and volunteers had to travel to attend their association meetings and kōhanga reo kaiako and whānau had to travel to attend purapura hui.

### **Enriching activities**

The isolated services thought their children missed out on some enriching experiences that were not available in their own community. Cost of transport and entrance fees were barriers to taking children on such excursions.

### **Availability of goods and services**

Isolated services paid more for the delivery of many goods and services. For example, there are extra charges for both major and minor building renovations, playground equipment, and installation of land-line telephones. Telephone calls are frequently toll calls. Some isolated services did not have access to online technology, and this affected their ability to communicate and gather information. Travel was required for tasks like photocopying where a service did not have its own photocopier. Some participants said it was difficult getting quotes for work or getting trades people.

## **CHANGES IN QUALITY NEEDS BETWEEN 2003 AND 2004**

In 2004, we asked case study participants whether the service had unmet needs in relation to goals for quality, what measures could assist them to address those needs and in what ways Equity Funding could help.

On the whole, the quality needs related to isolation continued to exist in 2004. However, the playcentre that had faced loss of licensed status had more parents training, because it had employed paid staff to undertake the maintenance work, freeing up parent time for training (as described above in relation to participation), and the kindergarten with teacher recruitment problems that had spent some of its Equity Funding on a recruitment grant was able to recruit two qualified teachers, and remain open.

## CONTINUING NEEDS OF ISOLATED KŌHANGA REO

Transport dominated responses from 55 kōhanga reo whānau to the TKRNT 2003 national survey question *What other needs related to the isolation component, if any, does your kōhanga have that cannot be met by government funding (kaupapa and Equity Funding)?* Just over half mentioned transport. A further 7 percent mentioned vehicle maintenance. Other needs that remained unmet were access to resources (16 percent), professional development (13 percent), and quality kōhanga (including mention of smaller staff:child ratios, quality staff, whānau participation).

## DECISIONS ABOUT ISOLATION COMPONENT SPENDING

All services had decided how they intended to spend their Equity Funding and had started spending it for these purposes when we interviewed them in March 2003. Apart from one kindergarten, where the kindergarten association decided, decisions about spending were made by whānau, parents, kaiako, and staff.

Eleven (65 percent) of the evaluation sample receiving the isolation component were parent and whānau-led services with parents/whānau making the decisions about expenditure.

Those receiving only isolation funding listed possible expenditure and prioritised what was most important. One education and care centre described considering what would make the greatest impact from the range of needs, and decided it was best to channel Equity Funding into one area only rather than absorb it into running costs and spread it more thinly.

### Information from 2003 NZCER national survey

Thirty-two services of the 242 services responding to NZCER's 2003 national survey of a representative sample of early childhood education services other than kōhanga reo received the isolation component of Equity Funding. Parents/whānau committees were more likely to be involved in these decisions than in those receiving the low socio-economic component (41 percent compared with 29 percent), and teacher/educators less (56 percent compared with 74 percent). This is likely to reflect the higher proportion of parent-led services in isolated areas. Management were involved in the decisionmaking on Equity Funding use in half the services, and an umbrella group, in 25 percent.

## USE OF EQUITY FUNDING

The 17 services receiving the isolation component of Equity Funding used it on five key areas related to isolation. The areas were:

Table 33 Use of the isolation component of Equity Funding March 2003 to March-May 2004

Transport costs	<p><b>Seven isolated kōhanga reo spent Equity Funding on transport to attend</b></p> <p>The 6 kōhanga reo that had vans used some of their Equity Funding to pay petrol costs to transport their children and whānau to and from the kōhanga. Another paid bus fares so that mokopuna could attend.</p>
Wānanga, professional development	<p><b>Six isolated services spent Equity Funding on professional development/wananga</b></p> <p>Five kōhanga reo spent Equity Funding on transport and costs/koha to attend Kura Reo wānanga and purapura. A playcentre that also received the low socio-economic component spent some of its Equity Funding on travel costs for five adult education courses.</p>
Staffing	<p><b>Six isolated services spent Equity Funding on staffing</b></p> <p>A kindergarten association that had advertised 10 times in the preceding year for its isolated kindergarten and had been unable to recruit a qualified teacher into a vacant position offered an accommodation allowance (\$80 per week) and travel costs to attend association meetings. This resulted in the appointment of a permanent teacher. Another isolated kindergarten that had reported difficulties in getting parent help because of its isolation, paid for a teachers' aide to assist with resource preparation, administration, morning and afternoon teas, and undertake some group work with children so that the teacher could work individually with children. Two playcentres, that also received Equity Funding for the low socio-economic and special needs components, spent funding on wages. One paid wages for a co-ordinator, a cleaner and for lawn mowing. The other put money towards the supervisor's salary.</p>
Excursions and extending learning experiences	<p><b>Three isolated services spent Equity Funding on excursions</b></p> <p>An education and care centre, a playcentre and a kōhanga reo used Equity Funding to pay transport costs and entrance fees for children and adults to go on excursions. The education and care centre also purchased a "magnetic teaching station" for group story telling to extend the learning experiences of its many under two-year-olds. The centre found it hard to take these younger children on trips.</p>
Fees subsidy	<p><b>One isolated home-based service spent Equity Funding on fees subsidy</b></p> <p>A home based service paid the fees for two families who were only eligible for 9 hours under the childcare subsidy, to give the children more early childhood education, and the families some time out to help them cope.</p>

### Information from ECE services annual reports

Professional development was the main use of the isolation component evident in the sample of ECE non-kōhanga reo annual reports (12 services). Assistance to attend (including transport) was reported by nine services, and another nine services used it to meet the additional cost of service delivery in isolated areas. One used it to improve staffing.

The evaluation sample receiving the isolation component spent Equity Funding on similar items: professional development and assistance to attend the service were the most common spending items. More of the evaluation sample services spent on staffing and excursions and none spent on delivery costs.

### Te Kōhanga Reo National Trust data on funding use

Transport was the main area in which kōhanga reo nationally said they used the isolation component of Equity Funding. Professional development and resources were next.



Table 34 **Uses of Isolation component of Equity Funding – TKRNT information from funding release forms 2003**

<b>Kōhanga reo receiving the isolation component Use</b>	<b>(n=94) %</b>
Transport	59
Professional development	37
Resources	22
Building & maintenance	7
Specialists	7
Fee subsidy	1

### 2003 NZCER national survey data

Thirty-two of the 242 services responding to the 2003 NZCER national survey of early childhood education services received the isolation component of Equity Funding. Managers of these services were asked to indicate how they were spending their Equity Funding (in total, not by each component) by marking a given list of possible uses. Proportions indicating particular uses are likely to be higher for this closed-question, than the open-ended question used for the evaluation study. That said, the areas that were most mentioned in the evaluation services tended to be those that were most indicated by the national survey respondents: curriculum resources, professional development and training (two items in the national survey), and staffing (four items in the national survey).

Table 35 **Uses of Equity Funding – 2003 NZCER national survey data**

<b>Services receiving the isolation component Use</b>	<b>(n=32) %</b>
Purchase additional curriculum resources	50*-
Develop/purchase te reo Māori resources	31*-
Purchase resources for children with students with special educational needs	22*-
Subsidise excursions/trips outside the centre	31
Professional development for teachers/educators	38*-
Employ teacher aides/parent help	13*-
Improve buildings/outdoor areas	19
Meet children's health & nutritional needs	9*-
Assist staff train/upgrade their qualifications	13
Reduce fundraising	9*-
Put funding into general operational costs	16
Provide transport assistance	19
Employ extra registered teachers	3*-
Improve staff:child ratios	13
Pay for voluntary helpers	9
Parent/whānau education & training	9
Promote availability of service within community	9
Introduce staff recruitment & retention initiatives	13*+
Improve teacher/educator pay	13*+

The starred items are those where there a difference of at least 5 percentage points between the responses from managers of services receiving the isolation component, and those of services receiving the low socio-economic component. A minus sign indicates that fewer managers of isolated services reported a particular use, and a plus sign, the reverse. These differences are not on the whole statistically significant, but taken together, they do suggest that the use of Equity Funding to help services recruit and retain teachers is more likely to occur in isolated services, and that it may be used less for resource purchase and professional development (raising the issue of whether these uses are themselves encountering the barriers of time and dollar costs of distance).

It is also interesting to compare the national survey data from English and non-Māori language-medium services with the national data from kōhanga reo: the latter were much more likely to spend on transport. This is probably because many of the kōhanga reo owned a van, whereas the other services did not. Providing transport assistance may indicate that Māori families in isolated areas generally find transport less affordable than others; it could also indicate a greater sense of community among those involved in kōhanga reo, and TKRNT priorities to have optimum participation that is consistent with the mission of the kōhanga reo movement to ensure the maintenance and revitalisation of te reo Māori; and it could indicate the emphasis on kaimahi and whānau participation in wānanga and training, which often requires some travel in isolated areas.

## IMPACT ON PARTICIPATION

### Regularity of attendance and duration of attendance

Two of the isolated playcentres, two kindergartens, and one kōhanga reo reported in 2003 that children had irregular attendance. Both playcentres and kōhanga reo reported improvements in regularity of attendance for children in their service in 2004. In addition, the playcentre whose children generally left at age 3 or 4 now noted that children were staying until school age. The kōhanga reo had used Equity Funding to pay for a bus to transport children. One of the playcentres had not used its Equity Funding for transport, but had organised a transport pool. These services had all also used their Equity Funding to provide better support for parents and whānau as educators: through funding attendance at wānanga and purapura hui, paying qualified staff, and reducing demands on parents and whānau for fundraising and maintenance work. The kaiako at one kōhanga reo thought that regularity of attendance had improved because “*Whānau have a better understanding of their child’s learning, and new whānau have taken on the teaching of old whānau*”. At one of the playcentres, a parent thought that the improved regularity of attendance also reflected parents having more time to focus on education (rather than fundraising or maintenance), and therefore able to talk together about the value of regular attendance.

The two isolated kindergartens still reported some irregular attendance in 2004. They also used their isolation component to pay for staffing, ensuring in one case that the kindergarten remained open. It is interesting that we see two different patterns in outcome for some similar use of Equity Funding between parent/whānau and teacher-led services. This may be because, the role of parents is different in each type of service. Improving staffing in a teacher-led service does not necessarily mean any change to the nature or amount of volunteer workloads. Parent willingness and availability to take an active role in the programme can be decisive in whether a child attends a parent/whānau led service, but not in a teacher-led service.

In 2004, one kōhanga reo which had a high isolation index had irregular and poor attendance (five children on the roll). They faced what seemed like a catch-22 situation: there were sufficient children in the area to bring the roll to 20, but the kōhanga reo would need to provide transport, since most of the families did not have their own transport. The service could not afford to buy or run a van unless they already had 20 children attending. Another kōhanga reo had also wanted to buy a van to improve children’s attendance, but could not afford it.

One education and care centre that had regular attendance in 2003, had some irregular attendance in 2004, which was attributed to the parents’ seasonal work.

There were increases in roll numbers for one playcentre, where the number of children attending rose from 15 to 28. This was attributed to recruitment information provided through Plunket and the doctor’s rooms, and playcentre books in the library. They had not used their Equity Funding to do this.

The home based service which had paid fees for two families reported their attendance for more hours, and thought the children’s learning and wellbeing had benefited from this; parents also seemed to be coping better. There were no overall changes to enrolments and regularity of attendance.

## Parent and whānau involvement

Equity Funding made a difference to parent and whānau involvement in the education programme, and relationships with parents and whānau in six of the ten isolated services for whom we have both 2003 and 2004 data.

- The education and care centre which used its Equity Funding to pay transport costs and entry fees for excursions noted more participation of parents (including some fathers) on excursions. Management had said it was common for parents to think they should not have to help with the programme since they are paying fees, but this attitude was now shifting. Management commented on the “vibrant presence of children in the community”.
- As noted earlier, the use of Equity Funding by two playcentres and one kōhanga reo which relieved the volunteer workload for working bees and fundraising, enabled and supported those playcentre parents and whānau to focus on the education programme and their own training and education. This resulted in a higher take-up of training and involvement in the programme, and more focus on learning.
- Kindergarten teachers where Equity Funding was used to employ a teacher aide said that they had more time to spend with parents and were able to develop better newsletters, and home contact books. Parent committee members also said there were improved parent and whānau relationships.

## ECE service provision

As noted earlier, Equity Funding has effectively allowed two isolated services to remain open and provide early childhood education for children in those locations.

## IMPACT ON QUALITY

We drew on the following information to examine the impact of Equity Funding on early childhood education quality:

- service perspectives from the interviews in phase 2 on perceived linkages between Equity Funding use and changed quality (all services)
- answers from the 2003 NZCER national survey
- comparisons of ratings of process quality and notes from field researchers (phase 1 and 2 services only);
- comparisons of service profile ratings and field researcher ratings of adequacy of resources (phase 1 and 2 services only).

## Service perspectives

The impacts that staff at the services that had spent Equity Funding on curriculum resources or staff were mainly related to quality. Staff mentioned changes in children’s activities, for example, more creative play, boys taking part in dress-ups and fantasy play, and more use of books. They also noted improved interactions with peers, and more confidence in taking part.

## Information from 2003 NZCER national survey

After asking centre managers about their use of Equity Funding, and who had been involved in decisionmaking around it, we asked the centre managers “*How do you see Equity Funding improving the quality of your ecs?*” This could be interpreted in relation to future as well as current impact, so the answers below should be read with this ambiguity in mind.

Table 36 **ECE managers’ of isolated services’ views of how Equity Funding is improving the quality of their services – 2003 NZCER national survey data**

Services receiving the isolation component Improvement	(n=32) %
Improve equipment	53*-
Improve teaching/learning resources	63
Improve quality of education for all children	56
Improve facilities	38*-
Improve quality of education for some children	31*-
Improve teacher/educator:child ratios	28
Reduce workload of teachers/educators	9*-
Reduce financial burden on parents/caregivers	34
Improve quality of teachers/educators	16*-
Improve qualifications of teachers/educators	19
Reduce volunteer workload	16
Decrease group size	9

The starred items are those where there a difference of at least 5 percentage points between the responses from managers of services receiving the isolation component, and those of services receiving the low socio-economic component. A minus sign indicates that fewer managers of isolated services reported a particular use, and a plus sign, the reverse. These differences are not on the whole statistically significant, but taken together, they do suggest that those responsible for isolated services expected less improvement than those responsible for services in low socio-economic areas, perhaps reflecting the lower amounts most received from Equity Funding.

## Change in process quality ratings

Three of the ten services receiving isolation Equity Funding had at least ten positive changes in their ratings for the quality items, two had no change on at least nine items – but also positive change on eight or more, and the remaining five had decreases in ten or more items. There are no apparent patterns in relation to funding band. The three kōhanga reo had more items decreasing than increasing or staying steady, but any patterns related to type or funding band evident here are likely to simply reflect the small numbers overall in this table.

Table 37 **Changes in process quality ratings for services receiving Isolation component, 2003–2004**

Service type	Mean rating 2003	Mean rating 2004	Number of negative changes in ratings	Number of no changes in ratings	Number of positive changes in ratings	Funding band
Playcentre	3.43	4.02	3	4	15	2
ECC	3.82	4.34	1	10	11	1
Playcentre	3.67	4.11	1	9	11	1
Kindergarten	3.93	4.11	4	10	8	1
Kindergarten	3.98	4.14	5	9	8	1
Kōhanga reo	3.82	3.43	10	4	7	3
Kōhanga reo	4.22	4.09	11	5	6	4
Playcentre	3.11	2.75	15	2	5	2
Kōhanga reo	3.91	3.05	16	2	4	4
Home-based	3.45	2.91	14	6	2	4

Does the way these services spent their Equity Funding suggest any reasons for these different patterns of change in quality rating over the year? Those that showed increases in ratings or sustained their ratings had spent on curriculum-related resources, qualified teachers, a teacher-aide to release a teacher for more interaction with children, and some excursions. Several services based their decisions on which curriculum-related resources to buy on observation of children's play and engagement with existing materials, to see which gaps might exist. The services that showed decreases in ratings had spent their isolation component on transport, kai, or subsidising individual fees; these uses would be less likely to immediately affect quality.

### Views of adequacy of space, equipment, and resources

There was little change in the isolated services' views of the adequacy of their environment, equipment and resources. Two services that spent some of their Equity Funding on equipment for their outdoor space, and some renovations, shifted their rating from inadequate to good or very good.

## SUMMARY – DISCUSSION

Both isolated kōhanga reo and English-medium services in the evaluation sample spent the isolation component on professional development and resources. But kōhanga reo were much more likely to spend it on transport, and the English-medium services, on staffing. TKRNT national survey kōhanga reo also commonly spent on professional development and transport, although resources were not such a high expenditure item for them. The NZCER national survey participants and those sending in their annual reports had a similar expenditure pattern to the English-medium evaluation sample services, spending on resources and professional development. Like

the evaluation sample the national survey respondents also spent on staffing, but those sending their annual reports were more likely to spend on transport: delivery costs and assistance to attend.

Kōhanga reo were concerned to ensure the highest possible participation of both children and whānau, in line with their kaupapa. The English-medium services were concerned to ensure sustainability. Some teacher-led services spent on recruiting qualified staff, and in other parent-led services spending was to free up volunteer time from more mundane tasks to make parent/whānau involvement more meaningful and attractive. Both kōhanga reo and the English-medium parent-led services were mindful of the need for their parents and whānau to have training, and to make their involvement attractive, and their spending was related to that. Where parent/whānau involvement increases, it can result in increased regularity of children's attendance and new participants.

The isolation component of Equity Funding can enable services to remain open in isolated areas, allowing children there to participate in early childhood education. Where targeted to improvements in quality, particularly around matching children's needs with curriculum resources, staffing and learning experiences, it appeared to contribute to improvements in the quality of children's experiences.





## 7. Use and impact of the special needs component

The special needs component of Equity Funding is derived from the EQI, and given to all services whose EQI is 4 or less. The rate per FCH is \$0.17 for services with an EQI of 1, falling to \$0.07 for services with an EQI of 4. It is therefore targeted to the services that serve low socio-economic areas. This approach is efficient to administer, and is similar to the Special Education Grant (SEG) received by schools, which is linked to their socio-economic decile rating. However, the SEG funding is not limited to low socio-economic areas.

The special needs component of Equity Funding was also intended to provide additional funding for services to meet the needs of children who come from non-English speaking backgrounds. In the school sector, this funding is provided separately, on the basis of schools providing information on actual students meeting the criteria, with checking through random audits.

In 2004, 47 of the early childhood education services in this study received additional funding through the special needs component. The amounts received ranged from just under \$250 to just over \$9,000, with an average of \$3,202.

This component is separately identified in the Ministry of Education's funding advice, and initial guidance gave some ideas for its specific use. However, we found in NZCER's 2003 national survey that a third of those receiving the low socio-economic component did not also report that they were receiving the special needs component.

On our first visit in 2003, services were asked about the needs they had in relation to the special needs and non-English speaking background component of Equity Funding. Kōhanga reo and the Pasifika centres were asked only about their needs in relation to special needs. Some kōhanga reo identified all their children as having special needs, because of their particular need for fluency in te reo Māori and tikanga.<sup>20</sup>

Five services that did not receive the special needs component identified children for whom they needed additional support. They were two kindergartens, and one kōhanga reo, playcentre, and education and care centre.

We treat each of the two targets of this component separately.

### CHILDREN WITH SPECIAL NEEDS

Generally, it was services who had, or who had had, individual children with moderate or high special needs who identified issues. Eighteen of the 34 services receiving the special needs component for whom we have full profile data had children with special needs they were receiving assistance with: 11 had one or two children, four services had 3–4 children, and three services 5 or more. Thirteen of the services receiving the special needs

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<sup>20</sup> We have not included these numbers in the data used for this chapter.

component identified children with special needs they thought should be receiving assistance but who were not. Nine identified one child only, one identified three children, and three services identified four children. In 2003, there were 44 children in the study services receiving the special education component who were receiving some assistance, and a further 24 who were thought to have special education needs, who were not.<sup>21</sup>

The two hospital services both worked with children with medical conditions. In addition, one of the education and care centres offered an early intervention programme for children with special needs.

Most participants working with children with special needs said that specialist advice and support was a key issue for them. They described a range of special needs for which they wanted specialist advice and support, including language delays, behaviour problems, children with asthma, and children with physical disabilities. Seven services wanted more allocation of support or funding from Group Special Education. Several spoke of difficulty getting support for speech language therapy at an age where they thought intervention would make a real difference.

Three services wanted to employ additional staff to work with children with special needs; an additional difficulty for one of these, an isolated kōhanga reo, was finding someone suitably qualified who could speak te reo Māori. One isolated kōhanga reo needed transport to take children to the hospital for grommet operations under the movement's Mokopuna Oranga Pumau health scheme for children.

Four services identified the need for either ramps or toilets for the disabled so that particular children with special needs whose families wanted them to attend, could access their service.

The needs identified by the two hospital services were for additional staffing to reach all children using the hospital, including children placed in isolation, for liaison with early childhood education services when children leave hospital, either to ensure enrolment, or support re-entry, and for good quality resources for children to use.

## Decisions about the use of the special needs component

We have already described decisionmaking processes used by these services in chapter 4. Here we focus on the extent of specifically targeting the children for whom this component was intended. (This is not to say that they would not also benefit from other uses of the Equity Funding).

Only eight services: the two hospital services, the education and care centre providing early intervention, three kōhanga reo, and two kindergartens, specifically decided to target children with special needs as a distinctive group when they made decisions about Equity Funding. This is about a third of the services that had children who were currently accessing support and advice for individual children with special needs.

We found a reasonably low level of targeting in the 2003 NZCER national survey: 36 percent of the services receiving the low socio-economic component, and therefore some funding for the special needs component said they had spent Equity Funding on purchasing resources for students with special needs. This may indicate that other services had at the time no students with special needs.

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<sup>21</sup> Some services may have included children with, say, hearing, speech or developmental delays in this category; others sometimes did not, but did talk about them in the course of the interview. The figures here may therefore either understate unmet need for some services, or indicate that the service did not see the need for external assistance for such needs.

## Equity Funding uses & impact

The main use of this component was for staffing; sometimes in conjunction with other components of services' Equity Funding. Other main uses were for professional development, and building modifications. The latter was most likely to occur in services with low numbers of children with special needs receiving assistance or needing it. Staffing and professional development were most likely to occur in services with three or more of these children.

Table 38 **Use of the special needs component of Equity Funding March 2003 to March-May 2004 for children with special needs**

Staffing	<p><b>Six services with children with special needs spent Equity Funding on staffing</b></p> <p>One hospital service employed two extra staff members (.5 and .2) and upgraded an assistant position to a play specialist position. The second hospital service paid for a staff member to undertake on-call intensive work with children on a one-to-one basis. Part way through 2003, the position was disbanded and the funding used to provide a new service in outpatients. An education and care centre extended teachers' hours, because their GSE-funded Education Support Worker hours had been cut back. It also employed a special needs support person.</p> <p>A kindergarten employed an Asian teacher aide to work with Asian families and support children with special needs in the afternoon sessions.</p> <p>Two kōhanga reo employed kaimahi to work with their children with special needs.</p>
Professional development	<p><b>Five services with children with special needs spent Equity Funding on professional development</b></p> <p>Two kōhanga reo attended wānanga on special education. One enrolled their new kaimahi working with children with special needs in te reo classes. A hospital service focused on professional development on using art with children. An ECC focused on Picture Exchange Communication training.</p>
Resources	<p><b>One hospital service with children with special needs spent Equity Funding on resources</b></p> <p>One hospital service bought resources, including dress-ups, musical instruments, radio cassette player, videos, art aprons, cultural books, medical toys, and a puzzle display that children could choose puzzles from</p>
Building modifications	<p><b>Two services with children with special needs spent Equity Funding on modifying their building</b></p> <p>A hospital service put a perspex door into the playroom and bought a dishwasher. A kōhanga reo installed a toilet for the disabled and two kōhanga reo built new ramps.</p>
New provision	<p><b>A hospital service with children with special needs spent Equity Funding on expanding its provision</b></p> <p>A hospital service established a play and recreation service in the outpatients department of the hospital.</p>

Where this component was used for staffing, services reported that they had been able to better provide for the individual children who had been the main focus of the staffing. More children could participate in the hospital services. Several services thought that by spending more on staffing, teachers were able to spend more time with parents, and that this had been beneficial for children and parents.

Where the component was used for professional development, there were also gains for individual children, where their needs had been the focus of the professional development, and for other children who had similar or lower level needs in the same area.

The hospital service that spent Equity Funding on a wider range of resources for children was reported to have improved children's activities and self-esteem (the operation of choice in a largely involuntary environment is particularly important). The quality ratings for this service improved between 2003 and 2004 for the items for child initiated creative play, stories are read, told and shared, and the service provides a print-saturated environment. This service had also spent money on professional development focused on art.

No particular impacts were reported from spending on building modifications.

Field researcher ratings for the item *There is evidence that the setting is inclusive of children* showed these services were already operating at a high level with respect to inclusion in 2003. Some showed minor slippage and some minor gains between 2003 and 2004.

Table 39 **2003 and 2004 field researcher ratings for inclusion items for the centres using Equity Funding for children with special needs**

Item and year	Setting is inclusive 2003	Setting is inclusive 2004
Hospital service	5	4.5
Hospital service	4	3.5
Kindergarten	4.5	5
Kindergarten	4.5	5
Education and care	5	4.5
Kōhanga reo	5	4
Kōhanga reo	5	5
Kōhanga reo	3.5	4.5

\* Rating of 5 indicates the description is "very like" the service, 4 is "much like", 3 is "somewhat like", 2 is "very little like" and 1 is "not at all like".

The uses made of the Equity Funding addressed needs identified in terms of staffing and physical conditions. Some of the needs identified in terms of external advice and support were addressed through professional development. The number of children with special needs who were identified as having needs for assistance that were not being met remained the same in 2004: 24. In most cases, these appeared to be the same children identified the previous year. Three services who had had a child they thought needed assistance who was not getting it in 2003 no longer indicated this need in 2004. This may mean the child was no longer enrolled at the service, or that outside assistance had occurred. Two services that had not identified children with unmet needs for assistance in 2003, did do in 2004. Overall, it would seem that the need for outside assistance for children with special needs was not able to be met by use of Equity Funding; this is consistent with the calls on GSE, its need to prioritise, and its control of its allocation of resourcing, and on the shortage of specialists in some aspects of need (e.g. speech language therapy), and in some locations.

In terms of gauging changes in individual services' needs in relation to the special needs component, it also worth noting that the number of children who were receiving assistance for special needs dropped from 44 in 2003 to 35 in 2004. Two services who had had no such children, and no children with unmet needs for assistance, gained children who were getting assistance in 2004. This suggests how needs can change from year to year for individual services, which may have implications in terms of individual service planning for use of Equity Funding, and ability to meet such needs if they occur after the funding has been committed for a given period.

#### **Information from ECE services' annual reports**

Few services identified a use of their Equity Funding for the purpose of improving the quality of early childhood education for students with special needs. Two of the 71 services said they bought additional curriculum resources or supplies, and one each mentioned professional development and improved staffing.

#### **Te Kōhanga Reo National Trust data on funding use & national survey**

Building and maintenance was the most frequent use of the special needs component of Equity Funding reported by kōhanga reo to TKRNT in relation to funding releases in 2003.

Table 40 **Uses of Special needs component of Equity Funding – TKRNT information from funding release forms 2003**

<b>Kōhanga reo receiving the special needs component Use</b>	<b>(n=206) %</b>
Building & maintenance	41
Professional development	31
Resource maintenance	22
Resources	12
Extra staff	11
Transport	2

The kōhanga reo in the TKRNT 2003 national survey were asked what other needs they had related to the special needs component that could not be met by government funding (kaupapa and Equity Funding). Seventy-six of the 219 kōhanga reo responding to the survey made comments here. Their main unmet needs were for additional assistance, such as from GSE, and specialists working with children with special needs who could also speak te reo (39 percent), professional development for kaimahi and whānau (25 percent), and resources (16 percent).

## **CHILDREN FROM A NON-ENGLISH SPEAKING BACKGROUND**

Twelve of the 28 English-medium services had children from non-English speaking homes enrolled in 2003. In some cases, they had only one or two such children. But children from non-English speaking homes constituted between a fifth to a half of the roll at six services, and these were the ones that were likely to specifically mention uses of Equity Funding that were aimed at meeting these children's needs. These were:

- three kindergartens (two were EQI 1, one was EQI 4);
- two education and care centres (EQI 1 and EQI 4); and
- one hospital service (EQI 1).

The distribution of these centres in both EQI 1 and 4 bands, indicates the EQI had categorised as very high need some but not all sample services with a high proportion of children from non-English speaking homes.

The main needs they identified were for more multilingual and multicultural resources for children's early learning, and better ways of communicating with families. Staff in several services had created their own resources, and some had involved parents in their programme. Many of the services had built up their own contacts in different ethnic communities, but still felt the need for additional liaison by people from these communities, who could, for example, talk to the families about the service and its programme, discuss any issues with them, and help children settle in. Four services thought they needed teachers to share the languages of their ethnic communities. Only one service reported having multilingual staff.

There was a low level of targeting of the component for the use of children with non-English speaking backgrounds. Four services did so (a third of the 12 who identified such children on their roll). The very

introduction of Equity Funding and its focus had been particularly valuable for one hospital service, who said “it widened our eyes” to families from different cultures and their needs.

## Use and impact of Equity Funding

Staffing, resources, and excursions were the main uses made of the special needs component to meet the needs of children from non-English speaking backgrounds. Services that focused on these children’s needs tended to adopt more than one strategy in their use of Equity Funding.

Table 41 **Use of the special needs component of Equity Funding March 2003 to March-May 2004 for children from non-English speaking backgrounds**

Staffing	<b>Four services</b> employed additional staff part-time, three from non-English speaking backgrounds, most teacher aides. The fourth was an art teacher.
Resources	<b>One kindergarten</b> bought “ethnic” puzzles; two services bought digital cameras to help communication with parents (as well as children’s learning)
Excursions & visitors	<b>Two services</b> had more excursions; one service brought in visitors
Professional development	Teachers at <b>one service</b> undertook professional development on working with families whose English is a second language

The main gains participants reported from these uses of Equity Funding were related to increased parent and family involvement and support for their child’s attendance at the early childhood education service.

Services which used the digital camera and the service that focused on art reported gains in improved communication with families, and their support for the child’s early childhood education, because they could see what their child was learning, without having to be literate in English. Profile data for one of these services shows visits by extended family occurring in 2004, when they were not mentioned in 2003.

Both these services had also improved communication with families by appointing teacher aides from other cultures, who could liaise with parents. In one kindergarten, the parent committee said the appointment of a Samoan teacher aide who explained the kindergarten programme and the importance of regular attendance had led to Samoan parents feeling more confident about approaching teachers. The profile data for this kindergarten show an improvement in the overall regularity of attendance between 2003 and 2004.

The services that had used Equity Funding on excursions also saw gains in parental involvement, as some parents came on the excursions, giving the opportunity for parents and teachers to get to know each other. They also saw gains for children, who were exposed to new experiences, leading to richer English language learning.

The service that spent on multilingual and multicultural resources reported that this had also led to improved communication with families, as they felt their backgrounds recognised by the teachers.

Field researcher ratings for the item *There is evidence of recognition/acceptance of the cultures of children at the centre* showed centres improving or remaining at an already high level, suggesting their were tangible benefits from the process of identifying need for children from non-English speaking homes and targeting Equity Funding expenditure to that need.

Table 42 **2003 and 2004 field researcher ratings for recognition of culture item for the centres using Equity Funding for children from non-English speaking homes**

Item and year	Recognition of culture 2003	Recognition of culture 2004
Hospital service	2.5	3
Education and care	1	2
Kindergarten	3	4
Kindergarten	4	4

\* Rating of 5 indicates the description is "very like" the service, 4 is "much like", 3 is "somewhat like", 2 is "very little like" and 1 is "not at all like".

## SUMMARY AND DISCUSSION

The special needs component appears to have been not specifically directed towards the two groups of children it identified for most of the early childhood education services in the study that received it. The services that did treat it as targeted funding were those that had such children currently attending, and usually more than several. Spending for children with special needs in the study services was most likely to be in the form of increased staffing, professional development, and building modifications. These uses met some of the services' and individual children's needs. The national survey data suggest that resources, building modifications, and professional development were the main uses nationwide. The need which this component of Equity Funding could not meet so well was in relation to access to external advice and support. The need was not so much to purchase advice and support but rather to have advice and support readily available through established agencies, such as GSE, when it was needed.

Spending for children from non-English speaking backgrounds was focused on adding staff from these backgrounds, usually as teacher-aides or specialist part-timers, or adding to children's experiences through resources and excursions. These uses had benefits for communication with, and involvement of, parents, as well as for the children. It was harder to meet needs for permanent staff members who were multilingual.

The comparatively low level of targeted use of this component, and the fact that some services that did not get it had children who were in the targeted groups, raises the question of whether this way of supporting students with these particular needs is the most productive. Such information could inform thinking about this component of Equity Funding and whether it is reaching the right early childhood education services.





## 8. Is there a minimum amount of Equity Funding needed to make a difference?

One of the research questions for the evaluation was whether there was a minimum amount of money needed to allow services to make good use of the Equity Funding. The total amount of Equity Funding received by the services in this study varied widely, from a few hundred dollars, to just under \$30,000.

First we consider changes in quality as assessed by field researcher ratings. The services that received the least were usually small services, in isolated areas. Where they used their money for curriculum resources that were geared to meeting particular gaps that had been identified, some gains were evident. Where they used their money to support the attendance of just a few children, those children and their families gained. Where they used their money to support training for parents/whānau and employed others to take over tasks that were not child-related per se, such as maintenance, parent/whānau involvement improved, as did child attendance. Even small amounts of money, well-aimed, appeared to make some difference.

The amount of change in the quality rating items over the year between 2003–2004 did not seem to reflect the amount of money received, but more the use that had been made of it. We did not find that the services that had made more positive shifts than others were better funded, in terms of their Equity Funding alone. (We did not analyse total expenditure per child). Nor did we find the converse, that those who seemed to have slipped back, with more negative shifts, had received the least funding. Table 34 below shows the patterns of shifts in quality rating, by the total amount of Equity Funding. While there is a suggestion that those in the middle funding band were less likely to show positive gains, the numbers in each group are small, so statistically significant differences were not found.

Table 43 **Patterns of shifts in quality ratings 2003–04, by Equity Funding amount**

Shifts in quality item ratings	Less than \$6,000 (n=18)	\$6–\$14,999 (n=16)	\$15,000 plus (n=12)
8 or more positive shifts	50	25	58
No difference	22	31	25
8 or more negative shifts	28	44	17

Some caution is needed, however, in ascribing the changes evident in the quality ratings to Equity Funding spending alone. Some services changed staff, for example, and this could affect ratings (in either direction). We found quite noticeable differences in ratings in the same service in the same year when key staff members were not actually working with children. We have also indicated our own cautions about the solidity of the ratings in the methodology chapter: they are not exact, and should be used as indicative.

If we can find no clear relationship between the amount of Equity Funding received by a centre, and shifts in quality ratings, what about a relationship between the area in which it was spent? Again, we have found no clear

relationships when we cross-tabulated the three groups into which we classified the services in the study with their main use of their Equity Funding. Probably this is not surprising, since the gain from spending in an area is likely to be related to the existing extent of need, how the specific use fits with the rest of a service's programme or provision, and whether there remain larger needs that cannot be met through this funding.

Next we considered shifts in participation. Some services showed shifts in more than one area, with the most common shift being in parent/whānau involvement.

Services with small amounts of money were able to make positive shifts, especially in parent/whānau participation.

Table 44 **Patterns of shifts in participation 2003–04, by Equity Funding amount**

Shifts in participation	Less than \$6,000 (n=18)		\$6–\$14,999 (n=16)		\$15,000 plus (n=12)	
		%		%		%
Greater parent/whānau participation	9	50	7	44	8	75
More enrolments	2	11	2	13	1	8
More regular attendance	2	11	3	19	2	17
Children/child stays longer	4	22	Nil			
No shifts	4	22	9	56	4	33

## 9. Conclusion

The main purpose of the evaluation was to examine the use made of Equity Funding in relation to any impact.

### ARE SERVICES USING EQUITY FUNDING AS INTENDED?

Equity Funding was intended to help reduce disparity in two ways:

- increasing participation by providing additional resources to services to assist in reducing barriers; and
- improving quality through addressing the higher cost for achieving the same level of educational outcome.

No preference to either aim was given in the Ministry of Education advice to services on their use of Equity Funding, which was given in the form of ideas about use, rather than strict guidelines or targets. The use made of Equity Funding by the sample services and in NZCER and TKRNT national surveys generally fell within the Ministry of Education guidelines for expenditure.

In looking at the use made of Equity Funding and its impact, we have distinguished between participation, and quality. Participation includes regularity of attendance, length of time children attend, enrolment of new children not currently attending, and parent/whānau and others' involvement in a service. In looking at quality, we have focused on aspects of process quality (interactions, resources, experiences outside the service, physical environment) and structural aspects (number of staff, staff pay, professional development). We did not analyse shifts in the proportion of fully qualified teachers employed, since it was too difficult to separate out the role of Equity Funding in any changes seen, given other major policy changes to support for teachers to gain qualifications.

The evidence from this study is that in its initial stage, Equity Funding was more likely to be used to attempt to improve factors related to the quality of provision, rather than directly to increase children's participation. The main uses by sample services, respondents to NZCER's national survey, services sending in their annual reports, and respondents to TKRNT's national survey were for curriculum resources, training and professional development, employment of staff for extra hours, improving environments (e.g. outdoor play area), and taking children on excursions. The main uses by sample services receiving the isolation component were somewhat different from sample services receiving the other three components: they were less likely to spend on resources, professional development, and employing additional staff, and more likely to spend on staff recruitment initiatives and staff pay. This raises the issue of whether distance and time costs of accessing professional development and purchasing resources are a barrier to using Equity Funding for these purposes. Isolated national survey kōhanga reo were more likely to spend on transport, perhaps because of the TKRNT commitment to have regular and full-time participation so that children benefit from immersion in te reo and tikanga Māori. English-medium services were more likely to spend on staffing.

We did not directly ask services why they put a greater emphasis on quality. Some comments indicated that the amount of Equity Funding was not large enough to substantially address the issues people saw related to improving participation. Another stream of thought evident in some comments was that improving quality would make a service more attractive, and thus increase enrolments. However, most of the services in the study except playcentres were operating at capacity already, and were not facing issues of viability that would give issues of participation a greater urgency.

Three of the four particular components of Equity Funding: low socio-economic, language, and isolation, were largely being used as intended. The fourth, special needs and non-English speaking background, may need rethinking to ensure that the most productive use of this money is made for target children. Only a few services receiving this component used it for improving provision for these groups of children, and some services had children in these targeted groups but were not receiving the component. Those with a high number of children with special needs and those in the NZCER national survey were more likely to spend Equity Funding on increased staffing, professional development and building modifications. Spending for children from non-English backgrounds was more likely on additional staff from these backgrounds, resources and excursions. The need which the special needs component could not reach so well was for access to external advice and support: services wanted advice and support available through established agencies, such as GSE. The need which the non-English speaking background component could not meet so well was for permanent staff members who were multilingual, and access to interpreters and translators.

Perhaps there would be gains from moving to closer targeting. This could be done through identification of services that serve high proportions of these children, which is more possible for those from non-English speaking backgrounds.

## **DOES EQUITY FUNDING MAKE A DIFFERENCE TO ECE SERVICES?**

Equity Funding is a small amount of funding and cannot be split out here from other support and contextual factors that impact on services. However it does appear to be able to contribute to some improvements in participation and quality.

### **Participation**

Where Equity Funding was used directly for improving participation it was usually to subsidise fees, or provide transport assistance for a small number of children whose regularity or hours of attendance increased. It was mainly only those services already owning a vehicle that used it to subsidise transport costs. Equity Funding was not seen as sufficient to purchase a vehicle or provide fee subsidies for all families. Some participants thought Equity Funding could be used for expanding provision and thereby increasing the number of places, and a hospital service used it in this way.

Equity Funding did make some difference to the regularity or hours of participation for some individual children. It had unexpected spin-offs in improving parent involvement and regularity of attendance where it was used in ways that gave parents/whānau a greater understanding of the value of early childhood education attendance, the particular education programme, and better communication with teachers – for example through employment of teacher aides with non-English languages, for excursions that include parents, and for camera and film that were used to communicate with parents about children's experiences.

It was common for playcentres using Equity Funding to cut back the requirements for parental voluntary labour for routine maintenance and administrative work, to find that parents became more willing to participate in playcentre training and in the education programme. This involvement strengthened the main purposes of playcentre: children's learning and development and parent learning and support. Regularity and stability of attendance also improved. Playcentre participants in the *Research investigating quality in parent and whānau-led services* and the *Locality based evaluation of Pathways to the Future – Ngā Huarahi Arataki* have partly attributed the decline in playcentre enrolments and difficulties in recruiting parents to undertake higher levels of playcentre training to the amount of volunteer work required. These Equity Funding evaluation findings highlight good uses of Equity Funding to reduce volunteer workload.

## Quality

Service use of their Equity Funding did appear to make some difference to the range of curriculum resources available for children's learning, to the professional development or training opportunities for teachers and kaimahi, whānau and parents, to staffing levels, and to the quality of outside play environments. Overall, there were improvements in quality ratings for some, but not all, services. These were most evident where there had been spending on staffing, professional development, curriculum resources that were chosen in relation to children's interests and *Te Whāriki*, and some excursions. Equity funding cannot be guaranteed to make a positive difference to quality, but it appears that if decisions are well-founded on an analysis of need in relation to goals, and linkage with the existing education programme, then it is more likely to show some impact.

One example, an education and care centre, shows how a range of interventions, not all funded through Equity Funding, combined to support shifts to higher levels of process quality. The centre's analysis pinpointed a need for a more stimulating environment and interactions with babies and toddlers. This was supported by Equity Funding expenditure on curriculum resources for this age group and on professional development that encouraged staff to investigate their own practice, including their interactions with children. A digital camera, purchased through Equity Funding, was used to document teaching and learning for later analysis and to communicate about children's interests and learning with parents. Some staff were upgrading their qualifications although this was not being paid for through Equity Funding. These actions, all aimed at enhancing quality, seemed to reinforce each other.

It should be borne in mind that this evaluation was limited to the initial use and impact of Equity Funding, and that cumulative use over some years may show more impact, particularly in relation to wānanga, training, and professional development. It would be useful to return to the services in this study in two to three years time to see what ongoing use they have made of Equity Funding, and whether that use has increased the capacity at individual service level to analyse needs in a way that best builds on current provision. It would also be useful to see whether Equity Funding was used to access, or complement, the kind of professional development and training that has the most long-lasting effects (Mitchell & Cubey, 2003).



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## Appendix 1: Equity Funding process quality rating scale guidelines

### NZCER/ Te Kohanga Reo National Trust

The Centre/Service rating reflects what is observed throughout an entire visit. For this reason, it is best to wait until the end of the session before providing your final rating for each variable.

**COVER SHEET:** Fill in all details in space provided.

**TOTAL NUMBER OF ADULTS PRESENT:** Count the total number of adults present who are responsible for children. Visitors, for example, would not be included in this count.

**TOTAL NUMBER OF CHILDREN PRESENT:** It can sometimes be difficult to count exact numbers. Count all of the children who are there after you have been at the ECS for half an hour. If a staff member takes the roll during your visit, ask him/her for their count, to check against yours.

**RESPONSIBLE ADULT-CHILD RATIO:** This can be calculated after the visit.

**OBSERVATIONS/SPECIAL CIRCUMSTANCES:** If relevant, add notes that might provide some background to what was observed on that particular day. Include, for example, the presence of visitors, a greater than average number of children absent due to illness, odd weather conditions (e.g. very hot/very cold) or anything else out of the ordinary. This information will not be coded.

**THE RATING SCALE:** All variables are rated on a 1 to 5 rating scale:

1 = not all like/never      2 = very little like/hardly ever      3 = somewhat like/occasionally  
4 = much like/often      5 = very much like/always

**ELABORATION:**

The 1 to 5 ratings are used to rate whether or not the characteristics described in the main heading describe what is observed at this ECS:

- 1= This description is not at all like this centre/service. What is being described never happened during the visit.
- 2 = This description is very little like this centre/service. What is being described hardly ever happened during the visit.
- 3 = This description is somewhat like this centre/service. What is being described occasionally happened during the visit, perhaps two or three times.
- 4 = This description is much like this centre/service. What is being described happened often, i.e. on a regular basis throughout the visit.
- 5 = This description is very much like this centre/service. What is being described happened all the time during the visit.

At the end of the visit, all variables should have a rating.

**A STAFF:CHILD INTERACTION****1 Staff are responsive to children**

1 Staff ignore children's requests; are oblivious to their needs.

5 Staff respond quickly and directly to children and adapt their responses according to the children's styles and abilities. Staff provide support, focused attention, physical proximity and verbal encouragement as appropriate. Staff are alert to signs of stress in children's behaviour, and guide children in expressing their emotions.

**2 Staff model - and encourage children to use - positive reinforcement, explanation and encouragement as guidance/discipline techniques**

1 Staff consistently do three or more of the following when guidance or discipline is needed: blame, threaten, use harsh language, belittle or degrade children, place children in solitary confinement, immobilise them, deprive them of food, drink, warmth, shelter or protection.

5 Staff set clear limits. They guide and/or discipline using reinforcement, explanation and/or encouragement. Children are provided with opportunities to develop social skills such as cooperating, helping, negotiating and talking to solve interpersonal problems. Staff support children in being assertive while rationalising and talking through conflict. Staff support children to take on the view point of others.

**3 Staff model/guide children within the context of centre activities**

1 Children are left to choose all of their own activities, with absolutely no guidance or feedback from the staff.

5 Staff move among the children to encourage involvement with materials and activities. They interact with children by asking questions, offering suggestions, and adding more complex ideas. They offer active guidance and encouragement in activities that are appropriate for individual children, and the centre philosophy and cultural context, e.g. kōhanga reo in relation to mihimihi, karakia, waiata. As appropriate, staff prepare the environment and encourage children to learn through new experiences such as active exploration and interaction with other adults, other children and new materials

**4 Staff ask open-ended questions that encourage children to choose their own answers**

1 No open-ended questions are heard.

5 Staff take advantage of many opportunities to extend children's thinking by asking open-ended questions which encourage creative thinking. Staff offer opportunities for children to come up with a range of different answers, to encourage thinking and creativity. Children are encouraged to be creative and consider alternative answers.

**5 Staff join children in their play**

1 Staff monitor children's play but do not join in it at all.

5 Staff frequently join in children's activities (both individual and group), offer materials or information to facilitate play and learning around a particular theme. May enter into role plays with children, continue their interests throughout session. Staff encourage children to initiate activities and extend these activities by e.g. scaffolding, extending, discussion, modeling, or playing.

**B ADULT:ADULT INTERACTIONS****6 Adults interact respectfully and positively with each other**

1 Whānau and volunteers are not incorporated into activities. Staff/kaiako ignore or are abrupt with other adults. Staff/kaiako do not support each other, e.g. through positive comment.

5 Whānau and volunteers are fully included in activities. Good communication among adults is observed. All adults treat each other with respect and are positive towards each other.

**C CURRICULUM****7 Non sex-stereotyped play among children is observed**

1 Boys and girls always play separately, the two never mix.

5 There is a good balance of boys and girls in different activities: climbing equipment, cooking, carpentry, family corner. Stereotypical groupings are rare, eg. boys in one corner, girls in another. Role-play is not sex-stereotyped e.g. both boys and girls assume roles such as doctor, police officer, fire safety officer, nurse.

**8 Tikanga Māori (culture) and/or te reo Māori (language) is evident**

1 There is no evidence of tikanga or te reo Māori.

5 Māori language and culture form an essential part of the regular programme. Waiata, mihi, and other language activities occur regularly. Resources and practices reflect Māori culture, language, values and beliefs. There are books with Māori legends and Māori characters, posters, toys, puzzles and murals reflecting positive Māori images. Customs such as sharing food with visitors are incorporated into the programme; culturally inappropriate practices (such as sitting on tables where food is handled) are never seen.

**9 There is evidence of recognition/acceptance of the cultures of children at the centre/service. The ethnicity of the children at the ECS are taken into account and their cultures are represented.**

1 There is no evidence of recognition/acceptance of the cultures of the children at this ECS.

5 Resources and practices reflect the culture, language, values and beliefs of the children at the ECS (e.g. pictures, clothes, books, puzzles, toys, foods, items from other cultures available in family area, dolls representing different ethnic groups). Customs from other cultures are incorporated into the programme; culturally inappropriate practices are discouraged. Resources representing varying cultures and ethnic backgrounds are available. Staff extend children's experiences to include knowledge of other cultures. Staff encourage respect, acceptance and appreciation of differences and similarities amongst cultures. Indicators of affirmation of cultures within the community include values and customs being supported, parents/whanau invited to share aspects of their culture with other children, welcome notices and newsletter items in other languages.

There is evidence that the family and culture of each child is respected e.g. children in kohanga reo know their whakapapa, children are encouraged to share happenings and objects from home, parents and family are welcomed.

- 10 There is evidence that the setting is inclusive of all children and children with special needs are catered for.**
- 1 The programme is not tailored to the interests, knowledge and abilities of each child. Some children are observed to be excluded from play and activities, and adults make no effort to challenge this. Belittling or discriminatory language is not addressed or is reinforced by adults.
- 5 Adults help children to feel positive about themselves and others. Adults address discriminatory behaviour and negative attitudes e.g. if child is excluded from play, if children compare themselves with others in a way that is belittling, if children stereotype others. Young children are encouraged to be assertive and to stand up for themselves and others. Children are encouraged to play together, cooperate and support each other. Adults know the children well and build on the interests, knowledge and abilities of each child through the learning programme. This may include a special programme or adapted programme if this is needed. All children have access to activities. Specialist or extra assistance is provided when a need for this is identified.
- 11 Children support and co-operate with one another in language and actions.**
- 1 Children regularly tease, bully, fight with, threaten and/or in other ways unsettle other children. There is absolutely no cooperation among children.
- 5 Children are seen to share, extend comfort to other children, offer to help or in other ways support and co-operate with each other. Children use negotiating tactics to solve interpersonal problems. No fighting, teasing, name-calling or other verbal or physical aggression is evident. Children take responsibility for the well-being of other children.
- 12 Children are allowed to complete activities**
- 1 Children must finish all activities when adults dictate. There is a regimented, inflexible schedule.
- 5 Children have complete control over when activities are to be completed. Adults respect the needs of different children to complete activities according to their own schedules.
- 12 Children can select their own activities from a variety of learning areas**
- 1 There is an extremely limited range of activities for the children to choose from - less than three at most times.
- 5 Children can self-select from a wide a range of available activities. Some activities are set up or changed from session to session to attract attention and stimulate interest. Learning areas provide many different opportunities for children to develop their skills, including gross and fine motor activities, cognitive-language activities, creative activities (artwork, collage etc), science and nature activities, music activities and possibly others.
- 13 Children are encouraged to work on problems and experiment with solutions**
- 1 Children are not observed doing any problem-solving themselves.
- 5 Experimentation and problem-solving are observed, eg. children demonstrating "if this/then that" logic, weighing alternatives, reasoning comparing data, and sequencing events.

**14 Children are encouraged to explore mathematical ideas and symbols**

1 No mathematical ideas or representation through symbols is observed.

5 Adults pick up on children's mathematical ideas and extend them. Tasks are meaningful to the child and enjoyable. Adults encourage children to use mathematics for a variety of purposes, e.g. classifying, exploring quantity, counting, timing, patterning, labelling, e.g. in kōhanga reo, kaiako use place values of numbers, e.g. units such as tens and ones.

**15 Children know and can practice kaupapa without direction**

**(For kōhanga reo only)**

1 There is no evidence that children know or can practice kaupapa except when directed.

5 Children know and can practice kaupapa without direction. Children play a leading role in practising kaupapa, e.g. in powhiri, greeting manuhiri, in leading others to join karakia. Children explain kaupapa to other children and adults, e.g. no shoes inside.

**16 Children are encouraged to engage in child-initiated creative play**

(e.g. storytelling, singing, pretend play, drama, making music)

1 No creative play whatsoever is observed.

5 Frequent creative play is observed, over a wide range of activities, e.g. story-telling, singing, pretend play, making music drama is done by both boys and girls. Adults join in creative play and extend it.

**17 Stories are read/told/shared**

1 No stories are read, told or shared during the observation period.

5 Both children and adults share stories/books. Children are observed (either together or alone) reading or sharing stories. Story-sharing sessions occur at least once during the observation period and more than one story is shared. Children are actively encouraged to join in when the story-telling is going on, eg. to ask and answer questions about the story. Adults make connections between the child's world and the story, and move beyond the story to ask for thoughts about characters, behaviour and motivation.

**18 There is evidence of children's creativity and artwork**

1 There is absolutely no evidence of children's artwork or creativity in the ECS.

5 Paintings, collage, drawing, print-making, weaving, carving, constructing, cutting and stitching are being done during a large proportion of the session and by many children at this ECS. Artwork and creativity should be visible on walls, at or just above children's eye level. Artwork shows no evidence of children following adult templates - 'child's hand did the work'. There are a variety of activities observed such as pretend play, carpentry, story-telling, drama, dancing and music-making.

**19 The centre is a "print-saturated" environment**

1 There is no evidence of print whatsoever: no books, no posters, no other forms of writing.

5 The ECS is very print focused and encourages print awareness. Children are encouraged to listen to and read stories, look at books, and be aware of print in use. Print is visible on a variety of surfaces (e.g. posters, packets, charts, containers etc.) Much of the print is child-focused. Print should be visible at children's eye-level or just above. A range of books is readily accessible to children.

Children are encouraged to explore thoughts, experiences and ideas through using symbols, e.g. print, pictures, shapes, words, models and photographs. A range of writing materials is readily accessible to children. Children are observed to engage in writing or pretend writing.

**E RESOURCES****20 There are enough age appropriate toys/books/equipment (resources) to avoid problems of waiting, competing, and fighting for scarce resources**

- 1 There are very few resources and children are constantly fighting over those that are available.  
5 No competing or waiting is seen.

**21 Equipment and activities encourage fine motor skills development**

- 1 There are no fine motor equipment or activities seen whatsoever.  
5 There is a wide range of equipment and materials that encourage fine motor skills available. Items such as scissors, manipulative materials, Lego, Duplo, blocks, pegboards are available and easily accessible by children. Equipment is well-maintained, eg. all puzzle pieces are available, there appear to be no missing parts.

**22 Equipment and activities encourage gross motor skills development**

- 1 There are no gross motor equipment or activities seen whatsoever.  
5 There is a wide range of equipment and materials that encourage gross motor skills available. Equipment and materials that encourage large muscle coordination are available, e.g. balls, riding toys, climbing frames; opportunities for balancing, jumping etc. Equipment is easily accessible by children and well-maintained, eg. climbing frames have no broken edges, balls are pumped up.