

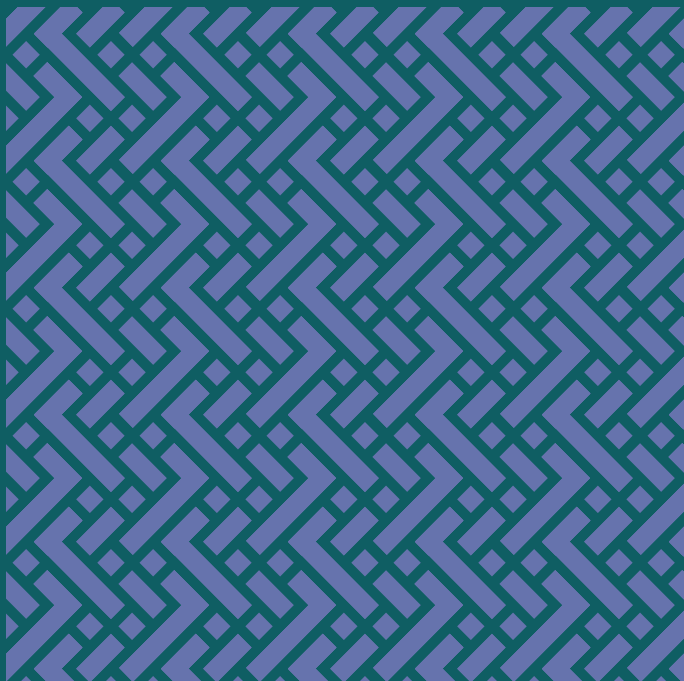


EDUCATION REVIEW OFFICE
Te Tari Arotake Mātauranga

Annual Report Te Pūrongo ā-Tau

For the year ended 30 June 2024

Presented to the House of Representatives pursuant to
Section 44 of the Public Finance Act 1989, section E39



Naming conventions

Akanuku Assurance reviews in early childhood services

Akarangi Quality evaluations in early childhood services

He Taura Here Tangata Our Māori strategy

Hui *Meaning:* Meet, gather

Kaiako *Meaning:* Teacher

Kaiāwhina Teacher aide role in Māori-immersion learning environments

Meaning: Helper, assistant, contributor, counsel, advocate

Kaimahi *Meaning:* Staff, employee

Mokopuna *Meaning:* Grandchild, descendant

Ngā Ara Whai Hua Early Childhood Services Quality Framework for Evaluation and Improvement

Pēpi *Meaning:* Infant, baby

Poutama Reo Te Reo Māori Self Review Quality Improvement Framework

Tamariki *Meaning:* Children

Te Waka Hourua ERO's Leadership Strategy

Wānanga *Meaning:* Deliberate, consider, seminar

Whānau *Meaning:* Family, family group

Ko te Tamaiti te Pūtake o te Kaupapa

The Child — the Heart of the Matter

Te Tari Arotake Mātauranga
Education Review Office Annual Report 2023/24

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2023/24 at a glance

Ko te 2023/24 hei karapatanga



We are the Government's evaluation agency, supporting education improvement in approximately 4600 licenced early learning services and 2500 schools and kura.



Early Learning Services

This year at a glance

 1,960

reviews of early learning services

 55

review officers

675
mostly
standalone
ECE services

122
kōhanga reo

1,145
services in
13 governing
organisations

18
puna reo

How we helped lift the quality of education

Surveys showing we helped identify or confirm opportunities for more effective practice and building capacity

 75%

Governing Organisations

Surveys showing our evaluations contribute to decisions about how to improve learner outcomes

 75%

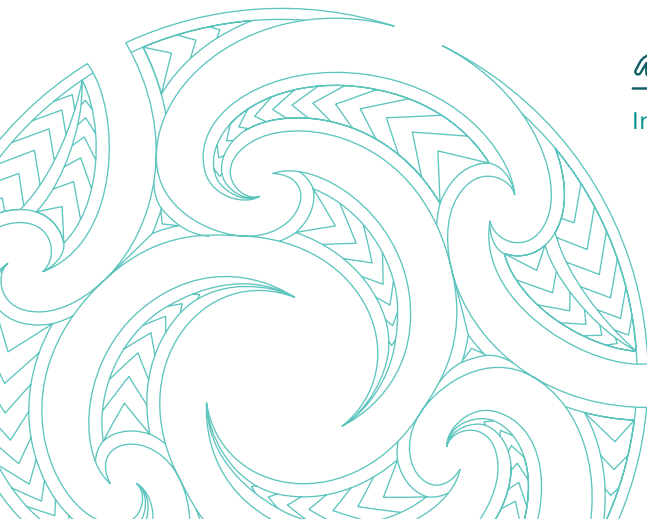
Governing organisations

 80%

Individual services

 79%

Individual services





Schools and Kura

This year at a glance

2,255

engagements with schools and kura

812

reports

82

Evaluation Partners working with schools and kura

32

Leadership Partners

6

Te Akatea Leadership Partners

662

English-medium state and state-integrated schools

34

Kura

21

Private schools

95

Home schools

How we helped lift the quality of education

29%

of all schools and kura were assessed for meeting standards that contribute to the safety of learners.

74%

of schools said our evaluation activities are having a positive impact on learners by contributing to decisions about how to improve learner outcomes.

151

English-medium state and state-integrated schools received more intensive support.

30%

English-medium schools use Poutama Reo to inform their strategy for the planning, monitoring and delivery of te reo Māori.

66%

schools identified or confirmed opportunities for more effective practice and building capacity.



Research & System Evaluation

This year at a glance

7

new insights reports

1

on what good practice looks like

2

evaluations of education initiatives

3

on our education system performance

1

on kaupapa Māori

28

of our people working on system-wide evaluations & national reports

How we helped lift the quality of education

94%

In a survey of 5 reports, 94% of respondents find our reports informative and useful for identifying or planning improvement within the system or its component parts.

Introduction from the Chief Review Officer

A key outcome of our work is providing guidance to early learning services, schools and kura to make self-review and continuous improvement part of regular practice. We prioritise our research, review and evaluation work programme, and improve our systems and processes to focus on areas where we see the biggest need across the sector.

Pockets of excellence but the overall state of our schooling is a concern

We are seeing pockets of excellence and improvements in the quality of education and learning environments in a number of schools. These schools have highly effective practices in place to ensure the best possible outcomes for their students.

Broadly speaking however, the state of our schooling is of concern. Schools are facing ongoing and complex challenges including with student attendance, classroom behaviour, learning support needs and lifting academic achievement.

Attendance is directly linked to both student wellbeing and academic outcomes. Regular attendance data in the second Term of 2024 has shown a slight improvement, however our schools are still in the midst of a truancy crisis. Regular attendance has been in decline since 2015, with yet another steep drop in 2022 ([Missing Out: Why Aren't Our Children Going to School?](#)). By 2022, the rate of regular attendance reached 40%, a further 18 percentage point fall from 2019 ([Attendance: Getting Back to School](#)). Chronic truancy (those attending less than 70%) has also doubled over the past five years.

We are seeing poor academic outcomes.

School principals warned at the beginning of last year that learning in 2023 is worse than they would expect.

The most recent Organisation for Economic Cooperation and Development (OECD) Economic Summary report reiterates the importance of education to sustain future economic growth. Achievement in our school education has declined between 2009 and 2022, with drops equivalent to approximately two years in education in mathematics, 18 months in science and one year in reading. OECD research is showing a negative impact on aggregate productivity by nearly 4% as a result.

Concerns have been highlighted in a number of insights, reports and studies – both from us and from others. Before the pandemic, we were already reporting decreased outcomes in literacy and numeracy and a plateau in many key indicators. In 2022/23 many students were well behind where they should be, with a significant drop in literacy and numeracy performance through the course of schooling.

In our exploration into early school maths teaching, at the beginning of this year, we found that many teachers were also not confident teaching maths ([Making it Count: Teaching Maths in Years 1 to 3](#)). Recent results show that just 22% of Year 8 students are at curriculum



expectations in maths ([Curriculum Insights and Progress Study 2024](#)).

Our research into new teachers have highlighted that they are not as prepared as they could be when they start in the classroom. These are teachers who did their initial teacher education and are in their two-year induction and mentoring programme. In particular, they report being less capable in the key areas of adapting teaching to different students, managing challenging behaviour, using assessment, and working with parents and whānau. After two years in the job, not all new teachers feel confident in teaching maths, science and technology. ([Ready, Set, Teach: How well prepared and supported are new teachers?](#))

We are also seeing more young people leave school early. The recent school leavers data from Education Counts shows the proportion of students who have remained at school until at least 17 years of age has decreased year on year from 2021 to 2023. Retention rates in 2023 are lower than they have been in any of the 10 years since 2013.

We are seeing disruptive behaviour in classrooms worsen. Our research showed teachers are facing increasing behaviour challenges in the classrooms, negatively impacting student learning and attendance. ([Time to Focus: Behaviour in our Classrooms](#)).

Our research over time has continually showed that Māori, Pacific, Ethnic and Disabled learners face significant, but often different, challenges in our education system. Many sources provide a comprehensive overview of the current state and historical context of Māori and Pacific educational achievement in New Zealand. Our own research and review of 27

specialist day schools this year found a good quality of education provision across schools, however demand has increased rapidly over the past decade. We also found many buildings not suitable to meet the needs of students and inadequate national opportunities to access meaningful professional learning and development for specialist staff.

Focusing our efforts where it matters most

Our reviewers have extensive experience in education and training in evaluation. Increasingly, our approaches in review work aims to directly influence improvements in school performance and learner outcomes.

Key elements in school performance include quality of teaching, leadership and curriculum.

These are strengthened by the conditions in the school environment. The latest assessment against ERO's School Improvement Framework shows just under 22% of schools have the conditions that support ongoing sustained high performance. 58% have established practices which require further strengthening, and close to 4% requires intensive effort from ERO and other support agencies.

We monitor and support numerous schools more frequently in an effort to lift the quality of teaching and learner outcomes.

Much of our efforts are focussed on the things that matter most. We pay close attention to their improvement plans and alignment with the strategic goals of the school. Through our review cycles we support schools in monitoring and evaluating their implementation plans.

We are currently focussing on what schools are doing to support student attendance and address non-attendance, and their strategies to address lost learning, particularly in reading, writing and numeracy.

It is our assessment that the lack of specificity and clear benchmarks in curriculum is resulting in high variability in learning outcomes. Strengthening the use of assessment, linked strictly to nationally established curriculum markers, is key to knowing how learners are progressing and how schools and teachers can effectively address the needs of struggling learners. Core foundational skills and accessing successful learning pathways will support students to lead successful lives.

Building an evidence base

Our research programme is focused on education system performance, evaluating nationwide initiatives, and shining a light on good practice. This year, we provided a strong basis for driving system-level improvement in education and shaping the conversation and focus on new principals, initial teacher education and maths. To ensure our work has a real impact on learner outcomes across New Zealand, we produced tailored good practice reports, guides, and resources for the education sector to use to better support children and young people.

We are a member of the global Evidence for Education Network and the New Zealand partner of the Education Endowment Foundation, which helps us draw on robust international evidence and best practice. These partnerships complement our research and evaluation for New Zealand schools and early learning services.

Early Childhood Education needs improvement to realise quality outcomes for children

Quality Early Childhood Education makes a difference. The expertise and practices of teachers and educators are essential for enhancing children's learning and developmental outcomes. Quality services are those where children receive high levels of emotional support, where teachers and educators foster active relationships with children, parents and carers, and where teachers and educators work as a team. Teaching is intentional and based on an understanding of child development and is responsive to the individual needs of the child.

We use our tools and resources to support improvement in the quality and safety of children and their learning environments.

We have improved our reviews to ensure services experience a nationally consistent approach. These reviews are now more deeply focussed on quality learning experiences for children.

64% of early childhood services were below the quality threshold in the quality and education of children. We are seeing improvements in services managing non-compliances that pose an unacceptable risk to children. 9% of services had non-compliances, down from the previous four years which consistently stayed at 12%.

Kōhanga Reo, Puna Reo and Māori-immersion early learning services

We found exemplary practice in 6% of services. 90% had areas of good performance and approaches that required extending or strengthening. Where non-compliance was identified in a prior review, we generally saw improvement in our most recent evaluation. In 70% of the spaces we visited, the number of areas of non-compliances was reduced or eliminated.

Supporting key policies in education

Early this year, we looked into the readiness of schools and kura to implement the new one hour a day reading, writing and maths and phones away for the day. Most had policies or were developing policies to be in place before the mobile phone ban came into effect. Just over half of schools reported that they needed to take some action to meet the requirement to teach one hour a day of reading, writing and mathematics. More about the work we are doing to support government's education initiatives on page 42.

We have a new structure

Nearing the end of the financial year, we consulted with our people to reorganise our business structure, ensuring we operate within the financial constraints required of us as part of the Government's savings programme. ERO's savings target was 6.5%.

Equally, the changes we have made ensures we can support the government's education priorities as well as support decision makers to drive improvements across the sector. A special thank you to our people who have fully engaged in this process and are already making the changes required. More on page 18 about our functions and people.

Looking ahead

We will continue to place a strong focus on what services, schools and kura are doing to support their tamariki and learners in learning and achievement. These include attendance and strategies for non-attendance to address lost learning, particularly in respect of reading, writing and numeracy.

Our reporting will focus on learner progress, achievement and assessment, with clearer

reporting to parents on what schools are getting right and what they aren't.

Strengthening the use of assessment linked to nationally established curriculum markers remains the key to knowing how learners are progressing and how schools and teachers can effectively address the needs of struggling learners.

We will continue to work with school boards, centre managers, government agencies, and the wider education sector to foster an education system that is focused on learning and achievement.

I also want to acknowledge all those who have contributed to the work of the Royal Commission of Inquiry into Abuse in State Care, and the resulting report *Whanaketia – through pain and trauma, from darkness to light*. ERO will take the appropriate next steps in line with the report, and any resulting recommendations from across Government.

We will continue to strive for all children, tamariki and learners to have equitable access to high quality education and so they can reach their full educational potential.



Nicholas Pole

**Te Tumu Whakarae mō te Arotake Mātauranga
Chief Executive and Chief Review Officer**

September 2024

Ko te Tamaiti te Pūtake o te Kaupapa
The Child - the Heart of the Matter

He kupu whakataki nā te Tumu Whakarae mō te Arotake Mātauranga

Ko tētahi putanga nui o ā mātou mahi, ko te ārahi i ngā whare kōhungahunga me ngā kura ki te whakaū i te arotake whaiaro me te whanake toitū kia pūmau. Ka noho mātāmua te mahitaka rangahau me te arotake, otirā ka whakapakari ake mātou i ā mātou pūnaha me ā mātou tukanga ki te aro ki ngā wāhi e noho matea nui ana puta noa i te rāngai.

Tērā ētahi e angitu ana, heoi anō e raru ana te whānuitanga o ngā kura

E kite ana mātou i ētahi wāhi angitu me te pikinga o te kounga o te mātauranga me ngā taiao ako i roto i ētahi kura. He kounga ngā mahi o ēnei kura e tiketike ai ngā putanga mō ō rātou ākongā.

Heoi anō te whānuitanga o ngā kura, e raru ana.

E pokea ana ngā kura e ngā whakapātaritari mauroa, e ngā whakapātaritari tuatini hoki, pēnei i te taetae o ngā ākongā ki te kura, ngā whanonga ki rō akomanga, ngā matea ako me te whakapiki i ngā tutukihanga ako.

Kua honoa horipūtia te taetae o ngā ākongā ki te kura ki te hauora me ngā tutukihanga ako.

Kua paku nei te pikinga o te raraunga taetae-kura i te Wāhanga tuarua o 2024, heoi anō e tairaru kē ana ō tatou kura. Nō te tau 2015, kua heke haere te taetae-kura, ā, i heke noa ake i te tau 2022 ([Missing Out: Why Aren't Our Children Going to School?](#)). Tae atu ki te tau 2022, i heke te ōrau taetae-kura ki te 40% noa iho, he hekenga 18% atu anō i te tau 2019 ([Attendance: Getting Back to School](#)). Kua tāpara hoki te taetae-kura tauroa (ērā kei raro iho i te 70%) i ngā tau e rima kua pahure ake nei.

Kāore e eke ana ngā tutukihanga ako. Ko te whakatūpatō a ngā tumuaki i te tīmatanga o tērā tau, ka kino kē atu ngā tutukihanga ako i te tau 2023 i tā rātou i whakapae ai. I te pūrongo Whakarāpopoto ā-Ōhanga hou katoa a OECD, i toaitia te hiranga o te mātauranga e toitū ai te whanaketanga ōhanga. Kua heke iho ngā tutukihanga ako i waenganui i te tau 2009 me te tau 2022; tōna rua tau te rite o te hekenga mātauranga i te pāngarau; tōna tekau mā waru marama te hekenga mātauranga i te pūtaiao; tōna kotahi tau te hekenga mātauranga i te pānui. E kitea ana i ngā rangahau a OECD, tata ana ki te 4% te hekenga iho o te māpua hiatonga te hua.

Kua miramiratia ngā māharahara i te huhua o ngā kitenga, o ngā pūrongo me ngā mahi rangahau – nā mātou tahi me ētahi atu. I mua i te mate urutā, i te pūrongo kē mātou i te hekenga o ngā tutukihanga pānui me te pāngarau, me te māniatanga i roto i ētahi anō tūtohinga matua. I te tau 2022 me te tau 2023, i tawhiti noa atu te huhua o ngā ākongā i te wāhi e tika ana, me te hekenga tāpua i ngā mahi reo matatini me te pāngarau i te roanga o ngā mahi kura.

I tā mātou rangahau i ngā mahi whakaako i te pāngarau ki ngā tau tōmua o te kura i te tīmatanga o tēnei tau, ko tā mātou i kite ai, kāore te huhua o ngā kaiako i te māia ki te whakaako i te pāngarau ([Making it Count:](#)



[Teaching Maths in Years 1 to 3](#)). E ai ki ngā putanga ako o mohoa nei, 22% noa iho ngā Tau 8 kei te kaupae mātauranga e tika ana i roto i te pāngarau ([Curriculum Insights and Progress Study 2024](#)).

Nā tā mātou rangahau i ngā kaiako hou, mārakerake ana te kite kāore rātou i te rite ki te taumata e tika ka tīmata ana rātou ki te akomanga. Kua oti kē i a rātou tā rātou whakangungu hei kaiako, kua uru atu ki te hōtaka e rua tau te roa hei whakaratarata, hei whakapakari i a rātou. Ina koa ko tā rātou i kī ai, kāore rātou e pakari ana ki te whakahāngai i ngā mahi whakaako ki ngā ākonga rerekē, ki te whakahaere i ngā whanonga taikaha, ki te aromatawai, ki te mahi tahi rānei ki ngā mātua me ngā whānau. Pau ana ngā tau e rua i roto i te mahi, kāore tonu ngā kaiako hou katoa e māia ki te whakaako i te pāngarau, i te pūtaiao, i te hangarau hoki. ([Ready, Set, Teach: How well prepared and supported are new teachers?](#))

Kua piki noa ake te huhua o ngā rangatahi e wehe wawe ana i te kura. E ai ki ngā raraunga hou a Education Counts e pā ana ki ngā ākonga kua wehe i te kura, nō te tau 2021 ki te tau 2023, kua heke iho te tokomaha o ngā ākonga kua noho tonu ki te kura kia 17 ngā tau te pakeke ia tau, ia tau. I te tau 2023, i raro noa ake te pāpātanga pupuri ākonga i tērā o ngā tau 10 kua pahure ake nei, mai anō i te tau 2013.

Kua mōrearea ake ngā whanonga whakatōhenehene kei rō akomanga. E ai ki ā mātou rangahau, kua piki ake ngā wero whanonga e kitea ana e ngā kaiako ki rō akomanga me te pānga kino ki ngā tutukihanga ako me te taetae-kura o ngā ākonga. ([Time to Focus: Behaviour in our Classrooms](#)).

I ā mātou rangahau i te roa o te wā, kitea ai te hirahira, otirā te rerekē o ngā taumahatanga

o te pūnaha mātauranga ki ngā ākonga Māori rātou ko ngā ākonga Pasifika, ko ngā ākonga Mātāwaka, ko ngā ākonga Whaikaha hoki. Kei ngā puna kōrero huhua te whakakitenga whānui o te āhua o ngā tutukihanga ako e pā ana ki te iwi Māori me ngā manene Pasifika o nāianeī, o mua rā hoki i Aotearoa nei. I ā mātou rangahau me ā mātou arotake i ngā kura e 27 i tēnei tau, he kounga tonu te mātauranga e whakaratoa ana puta noa i ngā kura, heoi anō hohoro ana te pikinga i ngā tau tekau kua pahure. Ko tā mātou hoki i kite ai, kāore i te tika te huhua o ngā whare mō ngā matea o ngā ākonga, ā, kāore hoki i te rawaka ngā arawātea ā-motu ki ngā kaimahi mātanga ki te whai i ngā whakangungu ngaio e whai hua ana mō rātou.

Te arotahi ki ngā kaupapa matua

He nui ngā wheako mātauranga, arotake hoki o ā mātou kaiarotake. Kua kaha ake te whāinga o ā mātou mahi arotake ki te whakapakari i ngā mahi a te kura me ngā tutukihanga o ngā ākonga.

Ko te kounga o te whakaako, o te hautū, o te marautanga hoki ngā āhuatanga matua o ngā mahi a te kura. Mā ngā heipūtanga o te taiao kura ēnei e pakari ake ai. Hei tā ngā aromatawai hou katoa e ai ki te School Improvement Framework a ERO, kei raro iho i te 22% ngā kura, he tika ngā heipūtanga ki te whakatipu toitū i te ekenga tiketike i roto i ngā mahi. Tata ana ki te 4%, me āta mahi tahi ki a ERO me ētahi anō ratonga tautoko.

Kua auau ake tā mātou aroturuki, tā mātou tautoko hoki i te huhua o ngā kura hei whakapiki i te kounga o ngā putanga ako, putanga whakaako hoki.

Kei te arotahi tō mātou kaha ki ngā kaupapa matua. I tēnei wā, kei te aro mātou ki ngā mahi a ngā kura ki te tautoko i te taetae-kura o ngā ākonga me tā rātou whakatika i te kore taetae-kura, tae atu ana ki ā rātou rautaki ki te whakatika i ngā hekenga mātauranga; mātua ake i roto i te pānui, i te tuhituhi me te pāngarau.

Ko tā mātou e aromātai nei, nā te kore whāiti, nā te kore mārama o ngā paerewa kei te marautanga i taurangirangi ai ngā putanga ako. Mā te whakapakari i te whakamahinga aromatawai, e tūhonoa horipūtia ana ki ngā paerewa ā-motu kua whakatauria, ka mārama ake te whai a te kaiako i te whanake haeretanga o ngā ākonga, ka mārama ake te wāhi ki ngā kura me ngā kaiako ki te tautoko i ngā matea o ngā ākonga e raru ana. Ko ngā pūkenga tūāpapa matua me te whai i ngā ara ako angitu te huarahi ki te āwhina i ngā ākonga kia angitu ai.

Te whakahiato i te puna taunakitanga

E aro ana tā mātou hōtaka rangahau ki ngā tutukihanga o te pūnaha mātauranga, ki te arotake i ngā kaupapa ā-motu, ki te whakatairanga i ngā mahi kounga anō hoki. I tēnei tau, i whakahiato mātou i ngā taunakitanga hei āki i ngā whakapikinga ā-pūnaha i roto i te mātauranga, me te whakaaweawe i te aronga ki ngā tumuaki, ki ngā whakangungu tōmua mā ngā kaiako, ki te pāngarau anō hoki. E whai hua ai ā mātou mahi ki ngā putanga ākonga puta noa i Aotearoa, i whakaputa mātou i ngā pūrongo e pā ana ki ngā mahinga kounga, ngā aratohu, ngā rauemi hoki mā te rāngai mātauranga e kaha ake ai te tautokona o ngā tamariki me ngā rangatahi.

Me kounga ake te Mātauranga Kōhungahuna e kounga ake ai ngā putanga ki ngā tamariki

He nui te painga o te Mātauranga Kōhungahuna e kounga ana. Whakahirahira kau ana te mātau o ngā kaiako me ā rātou mahi ki te whakatītike i te ako a ngā tamariki me ngā putanga whanaketanga. He kounga ngā ratonga

ka tino tautoko i ngā kare ā-roto o ngā tamariki, ka rite tonu hoki te whakapāpā a ngā kaiako ki ngā tamariki, ki ngā mātua me ngā kaitiaki, ā, ka mahi tahi ngā kaiako me ngā kaimahi. He whai hua te mahi, he hāngai te mahi ki te whanaketanga o te tamaiti, he hāngai hoki te mahi ki ngā matea ake o te tamaiti.

Ka whakamahi mātou i ngā rawa me ngā rauemi ki te tautoko i te whakapikinga o te kounga o ngā mahi, i te haumarutanga hoki o ngā tamariki me ō rātou wāhi ako.

Kua whakatikatika mātou i ā mātou arotake kia ōrite ai ngā mahi huri noa i te motu. Kua kaha ake ēnei arotake ki te arotahi ki te kounga o ngā wheako o ngā tamariki.

E 64% ngā ratonga kōhungahuna i raro i te paerewa mō te kounga me te whakaako tamariki. Kei te kite mātou i ngā pikinga o ngā ratonga e whakatika ana i ngā takahitanga-tūtohinga e mōrearea ai te noho a ngā tamatiki. He takahitanga-tūtohinga ā te 9% o ngā ratonga, he hekenga tēnei i ngā tau e whā kua pahure ake nei, i noho roa ki te 12% kē.

Ngā Kōhanga Reo, ngā Puna Reo me ngā raotnga kōhungahuna e rumakina ana ki te reo Māori

Kairangi ana te mahi a te 6% o ngā ratonga i arotake ai mātou. I te 90% o ngā ratonga, i kitea ētahi wāhanga e kounga ana, i kitea hoki ētahi wāhanga me whakapakari ake. I ngā ratonga i kitea ai he takahitanga-tūtohinga i ngā arotake o mua, i tika ake ngā mahi i te arotake o mohoa nei. I te 70% o ngā ratonga i tae atu ai mātou, kua iti ake ngā takahitanga-tūtohinga, kua kore rānei.

Te tautoko i ngā kaupapahere matua o te mātauranga

I te tīmatanga o tēnei tau, i aro ake mātou ki te rite o ngā kura ki te whakauru i te kotahi hāora ki te pānui, ki te tuhituhi, ki te pāngarau me te rāhui i ngā waea pūkoro. I oti kē i te nuinga

ētahi kaupapahere, i te whakarite kaupapahere rānei i mua i te whakamanatanga o te rāhui waea pūkoro ki rō kura. I kō paku ake i te haurua o ngā kura i kī mai, he mahi anō me mahi e tutuki ai te herenga ki te tāpui i te hāora kotahi ki te pānui, ki te tuhituhi, ki te pāngarau hoki. He kōrero anō kei te whārangi 12 e pā ana ki ā mātou mahi ki te tautoko i ngā kaupapa mātauranga a te kāwanatanga.

He anga hou tā mātou

I mua tata i te paunga o te tau pūtea, i uiui mātou i a mātou anō ki te whakahou i tā mātou anga pakihī, e tika ai tā mātou mahi i raro i te hōtaka penapena pūtea a te Kāwanatanga. E 6.5% te whāinga penapena a ERO.

Ka mutu, nā ngā panonitanga i oti ai i a mātou, ka tika tā mātou tautoko i ngā whakaarotau a te kāwanatanga e pā ana ki te mātauranga, me te āwhina i te hunga whakatau kaupapa e kōkiritia ai ngā mahi e kounga ake ai te rāngai. He mihi tēnei ki te hunga i whai wāhi mai ai ki tēnei tukanga, e mahi nei i ngā mahi e tika ana. He kōrero anō kei te whārangi 8 e pā ana ki ā mātou mahi me ā mātou kaimahi.

Te pae tawhiti

Ka aro tonu mātou ki ngā mahi a ngā ratonga me ngā kura ki te tautoko i te ako angā tamariki me ngā ākongā. Ko aua mahi rā, ko te taetae-kura me ngā rautaki e pā ana ki te kore taetae-kura e tika ai ngā āputa ako, tae atu ana ki te pānui, ki te tuhituhi, ki te pāngarau hoki.

Ka hāngai ā mātou pūrongo ki te whanaketanga ako, ngā tutukinga ako me te aromatawai, ā, kia mārāma ake ngā pūrongo ki ngā mātua e pā ana ki ngā mahi tika a ngā kura me ngā mahi hei whakatika hoki mā ngā kura.

Ko te whakapakari i te whakamahinga o ngā aromatawai e hāngai ana ki ngā paerewa marautanga kua whakatauria te ara e mōhiotia ai te whanaketanga o ngā ākongā me ngā mahi mā ngā kura me ngā kaiako ki te tautoko i ngā matea o ngā ākongā e raru ana.

Ka mahi tahi tonu mātou ki ngā poari kura, ki ngā kaiwhakahaere ratonga, ki ngā tari

kāwanatanga, ki te rāngai mātauranga whānui hoki kia hua ai he pūnaha mātauranga e aro ana ki te ako me ngā whiwhinga.

He mihi hoki tēnei ki te hunga i whai wāhi ai ki te pakirehua a te Kōmihana Roera e pā ana ki ngā Tūkinotanga i ngā Kaupapa Atawhai a te Karauna, me te pūrongo i hua mai ai e kīia ana ko Whanaketia – through pain and trauma, from darkness into light. Ka whai a ERO i ngā mahi e tika ana, e hāngai ana ki te pūrongo, me ngā tūtokinga ka puta mai i te Kāwanatanga whānui tonu.

Ka whai tonu mātou kia taurite te horanga o te mātauranga e kounga ana ki ngā tamariki me ākongā katoa, e ea ai ō rātou pitomata katoa.

Nicholas Pole
Te Tumu Whakarae mō te Arotake Mātauranga

Mahuru 2024

Ko te Tamaiti te Pūtake o te Kaupapa
The Child - the Heart of the Matter



1.

About us Mō mātou

Our ambition



Equity and excellence in outcomes for all learners
Ko te tautika me te angitu i ngā hua ki ngā ākonga katoa

Strategic Intentions 2023-2026

Ā Mātou Whāinga Rautaki

Our ambition



Equity and excellence in outcomes for all learners

Ko te tautika me te angitu i ngā hua ki ngā ākonga katoa

What we want to achieve



High quality education for all learners



Māori success as Māori



An improvement-oriented system



A strong and effective system

How we will deliver

①

Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.

②

Strengthen the quality and performance of early learning services.

③

Drive improvement in school performance.

④

Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation.

Enabling Strategies

- Enhance our frameworks, methodologies and tools
- Develop new skills and make the best use of our capabilities
- Build enduring partnerships and networks.
- Modernise our technology systems
- Use our information for better insights
- Boost our confidence in te reo Māori
- Grow leadership in our people.

Supporting Strategies

- He Taura Here Tangata — our Māori strategy
- Pacific Strategy
- Te Waka Hourua — our leadership strategy.

Our Commitments

- Honour our obligations under Te Tiriti o Waitangi
- Enhance diversity and wellbeing of our workforce
- Reduce our environmental footprint.

Who we are and what we do

Ngā kōrero mō mātou me ā mātou mahi

We are the Government's education evaluation agency. Our institutional reviews and system-wide evaluation and research aim to improve education system performance, promote and inform quality teaching practices, and provide information and advice to policymakers, education sector leaders, and guidance to government agencies.

Schools, kura and early learning services have a high level of autonomy in our education settings

As the government's education evaluation agency, our independence from schools, kura, services and other government agencies that set policy, funding and standards remains critical to our effectiveness.

It enables us to support schools and services on their improvement journey, and equally provide impartial assurance to the Minister, Government, parents, whānau and the broader community on the quality and integrity of our education system.

Our statutory functions

Our statutory functions are set out in the Education and Training Act 2020 (The Act), which requires us to evaluate and report on the education and care of learners in early learning services, schools and kura. New Zealand's Chief Review Officer, who is also our Chief Executive, uses their powers to initiate reviews, evaluation and research, and reports findings to the Minister of Education.

Our purpose

Our purpose is to translate our evaluation evidence into performance insights to improve learning outcomes for children and young adults across New Zealand.

Our role

Our role is to conduct research and evaluation that provide system level information to inform prioritisation, action and improvement. We support a high-quality learning environment for all children through inquiry into areas that affect their learning experience.

We work in two distinct ways:

- **At a provider level**—We carry out impartial review and evaluation to inform and facilitate improvement in Māori, English and Pacific education settings. We identify issues and opportunities at the individual provider level to support them in improving their practice.
- **At a system level**—We carry out system-wide inquiry, evaluation and research to generate insights on areas that effect equitable participation, engagement and learner achievement. We translate our findings and add them to our evidence base, so they can be applied in learning settings by education practitioners, boards, and service managers.




The Chief Review Officer initiates most of our work

They set a programme of review and evaluation designed to provide informative and constructive insights and advice on the issues and opportunities we see. The Minister of Education may also request reviews of specific aspects of education. We make recommendations to the Minister and other education agencies (such as the Ministry of Education, The New Zealand Qualifications Authority, The Teaching Council of Aotearoa New Zealand, and individual schools and early learning service providers).

Our findings include recommendations for action

We identify areas to improve practice in schools, kura and early learning services. While ERO reviews and reports can make recommendations for improvement, our powers do not include enforcement. The publication of our reports remains the prerogative of the Chief Review Officer and is free from influence.

Our people by the numbers

 245
people in our organisation

 73%
work directly with schools, kura and services

 82%
of staff are female

 18%
of staff are male

 51
is the average age

 81%
of senior leaders are women

 25%
of senior leaders are Māori

 5.86
years is the average tenure

 6
Office locations



Multiple home-based locations

Our people

As of 3 July 2024, we have 245 people in our organisation. Over the latter part of the financial year, we reorganised our structure. This positions us to support the Government's drive for meaningful improvement in lifting educational achievement while also ensuring we operate within the financial constraints required of us.

The Chief Executive and Executive Leadership Team

The Chief Executive and Executive Leadership Team sets our strategic intentions and direction. We have six business groups that carry out key functions to achieve our strategic priorities. Our people have broad skillsets that relate to research, evaluation, analysis, education, organisational performance, and development.

The Review and Improvement Services Group

The Review and Improvement Services Group evaluates early childhood services, schools and kura in English-medium to provide information on their performance and to support ongoing improvement for high quality education. Within this group we have two national teams. The Schools National Team's work also involves strengthening the evaluative capability of schools. The Early Childhood Services National Team reviews and evaluates centre-based, home-based, and hospital-based services with a focus on accountability and improvement.

The Review and Improvement Services Māori Group

The Review and Improvement Services Māori Group carries out reviews of kura, wharekura, kōhanga reo and puna reo. This group is

dedicated to the evaluation and improvement of Māori medium education with a focus on improving te reo, educational achievements and wellbeing outcomes for Māori learners.

Te Ihuwaka Education Evaluation Centre

Te Ihuwaka Education Evaluation Centre draws on local and international research to build a stronger evidence base to better support decision-makers at all levels of the education system. The centre includes the capability to conduct research that influences learner outcomes across kaupapa Māori education, Māori-medium education and the experiences of Māori learners in English-medium education settings.

Performance and Implementation Group

Performance and Implementation Group ensures ERO knows it is driving and delivering for impact for learners. This new function will support government to know impacts being created within the education system by concentrating ERO's capabilities in performance measurement, methodology, professional practice, systems implementation and data insights.

Corporate Services Group

Corporate Services Group provides core business services such as human resources, legal, finance, payroll, security and information services for ourselves and Aroturuki Tamariki – the Independent Children's Monitor.

The office of the Chief Executive

The office of the Chief Executive has a small team led by the Chief of Staff who is responsible for Ministerial and Governance support.

Our operating environment

The Annual Report period for 2023/24 covers two distinct education reform priorities from two successive Governments.

The ambition of the previous government

The ambition of the previous government was to build an education system that strives to bring out the very best in everyone. The Statement of National Education and

Learning Priorities (NELP 2) outlined the Government's priorities for education.

The priorities of the new government

The new government prioritises every child to receive a world-leading education. Its education priorities aim to ensure every child is engaged in their learning, to the best of their ability, and can gain the skills and qualifications to support them into further study and employment.

The new Government's drive in lifting educational achievement

Six Education priorities to deliver a world-leading education system

- **Clearer curriculum:** Establishing a knowledge-rich curriculum grounded in the science of learning.
- **Better approach to literacy and numeracy:** Implementing evidence-based instruction in early literacy and mathematics.
- **Smarter assessment and reporting:** Implementing consistent modes of monitoring student progress and achievement.
- **Improved teacher training:** Developing the workforce of the future, including leadership development pathways.
- **Stronger learning support:** Targeting effective learning support interventions for students with additional needs.
- **Greater use of data:** Using data and evidence to drive consistent improvement in achievement.

Two education public service targets to be achieved by 2030

- **Increased student attendance:** 80% of students are present for more than 90% of the term.
- **More students at expected curriculum levels:** 80% of Year 8 students to be at or above the expected curriculum level for their age in reading, writing and maths by December 2030.

Government's key policies

- **One hour a day reading, writing and maths | pānui, tuhituhi and pāngarau:** Applies to students in years 0-8 to spend an average of an hour a day teaching reading, writing, and maths
- **Lifting Attendance:** Addressing New Zealand's attendance issues
- **Phones away for the day:** All state and state-integrated schools and kura are required to restrict student access to cellphones during the school day
- **Rephase NCEA Change Programme:** Start has been delayed by two years. Changing the approach to give certainty to teachers, parents and students about the implementation timeline of the NCEA Change Programme and put in place a clear, knowledge-rich curriculum.



2.

Our performance Ā mātou mahi 2023/24

Our institutional reviews and system-wide evaluation and research aim to improve education system performance, promote and inform quality teaching practices, and provide information and advice to policymakers, education sector leaders, and guidance to government agencies.

Supporting the new Government's priorities | Te tautoko i ngā whakaarotau a te Kāwanatanga hou

We are working to support the government's key education priorities and policies. We have also been asked to increase our focus in a number of areas, including structured literacy, regular student assessment in schools, capability building in terms of teacher development, evaluating progress on improving attendance, and updating our reporting to parents.

Phones away for the day and One hour a day reading, writing and maths | pānui, tuhituhi and pāngarau

In Term 1 2024, we engaged with 1,975 schools and kura about their experience and readiness to implement the new legislation. This included 1,556 primary schools, 390 secondary schools, and 29 kura. (More on page 43).

Lifting attendance

Getting learners back into the classroom and lifting student engagement is a key area of focus for schools. Regular attendance at school is critical to achievement. As a system, many of our learners are not engaged with their learning. We have a large number of students who attend school less than 70% of the time.

We are working with schools to shape strategies to lift attendance during our reviews. This may include verification that the board and school has systems and processes for recording and monitoring attendance and following up on

non-attendance. We are supporting schools to make attendance and engagement key priorities for strategic planning, reporting and evaluation. ERO will also evaluate the school's success in addressing attendance and engagement, and report on this if necessary.

We are currently working on an attendance review to find out how good the supports are for students with persistent absence from school. Our research has drawn attention to the importance of regular school attendance, which is a key step to shifting parent and learner attitudes.

In 2022/23 we produced two reports on school attendance:

- *Missing Out: Why Aren't Our Children Going to School?*
- *Attendance: Getting Back to School.*

School leaders were provided copies with insights on what might be affecting attendance, and practical actions to improve attendance.

In 2023/24, we looked at the challenging behaviours students and teachers face in schools and its impact. Our [Behaviour in our classrooms](#) report showed disruptive behaviour had become worse in the last two years, affecting students' learning and attendance.



Clearer curriculum

As part of the *New Zealand Curriculum and Te Marautanga o Aotearoa* refresh, our role has been to provide independent quality assurance (IQA) to the Ministry of Education and the Minister of Education during the writing process. Given the importance of this work, we have prioritised our resources to ensure that we can deliver on the assessment of the curriculum products. Leaders and teachers from schools and kura around New Zealand are working with us to assess curriculum products for their clarity of content, sequencing and teacher support. Our independent quality assurance process includes benchmarking against other jurisdictions recognised for excellence in education, as reflected in international benchmark data, such as PISA and the OECD. The curriculum refresh is led by the Ministry of Education.

Regulatory sector review into early childhood education (ECE)

Minister for Regulation David Seymour initiated a regulatory sector review into early childhood education. The review will assess whether regulations are achieving appropriate outcomes for the sector and are improving outcomes for our children. The review will be a thorough examination of how the Government regulates early childhood education across education, health, safety, child protection, food safety, buildings, and workplaces within the early childhood sector.

We are working with the Ministry of Regulation to find a simple approach and to ensure regulation settings are appropriate and fit for purpose. We are supporting the Ministry for Regulation in creating awareness of the consultation process to ensure all stakeholders, including ECE business owners, unions, child advocacy organisations, research bodies, the ECE workforce, parents and caregivers can participate in the review.



Structured literacy for year 1-3 students, including a phonics check

Next financial year, ERO will be evaluating the implementation of structured literacy to understand what supports and resources work best to train teachers. We will also look at the impact on teaching practice and learning.

Strengthen teacher training

Our report, [Ready, set teach: How well prepared and supported are new teachers?](#) has informed policy changes in initial teacher education, shining a light on what else can better support new teachers to be prepared when they start in the classroom. (More on page 25.)

Standardised assessment and regular reporting to parents

Multiple ERO evaluations over the years have identified the need to use high quality assessment tools consistently and on a regular basis so that student progress can be monitored. This allows for a much stronger focus on student progress and outcomes at the classroom and school levels.

Our core function is to support schools in ongoing improvement. Access to consistent school achievement information will allow ERO to improve the efficiency and impact of our reviews and evaluations, which is ultimately to support each school's improvement over time.

Updating our reporting to parents

We will be updating our reporting so parents have clear useful information on assessment, progress, achievement, attendance and the quality of teaching, with emphasis on Mathematics and Literacy. Parents will be able to see how schools and kura are supporting their children and young people's learning.

Reintroducing Charter Schools

Independent from the Ministry of Education, a new departmental agency, the Charter School Agency (as the secretariat for the Authorisation Board) was established to implement and operate the new charter school model. This includes negotiating, managing contracts, delivering funding, monitoring and reporting the performance of charter schools.

The next step is for the Education and Training Amendment Bill currently before Parliament to be passed into law.

Should the Amendment Bill (as introduced on 24 June 2024) pass into law, the Authorisation Board must seek views of the Chief Review Officer on the focus of the proposed charter school, the standard of tuition, the mode of curriculum delivery and regularity of instruction, including whether every governing member of the proposed sponsor who operates the charter school is a fit and proper person. The Authorisation Board may also require the Chief Review Officer to review the governance and management of the charter school as an intervention if provided under the charter school contract.

Rephase NCEA Change Programme

We have started a review of NCEA Level 1 looking at the implementation of the changes and the impacts (More on page 26).

Savings programme

As part of Budget 2024, ERO's appropriation was reduced by 6.5% (\$2.456 million) per annum effective from the 2024/25 financial year.

We have made several changes, including to return 6.5% in savings and carefully managing our cost pressures going forward. We have reduced our establishment, spend on travel, use of contractors and consultants, and publication design cost. The change to our structure is reflected 23 in 'Our People' section of this Annual Report.

Royal Commission of Inquiry

ERO has been an active participant in the Crown's response to the Royal Commission of Inquiry into Abuse and Care. In August 2022, the Chief Review Officer through the public hearing commented on many aspects of the education system, accountability, and the legislative mandate of the Education Review Office.

We acknowledge all those who have contributed to the work of the Royal Commission of Inquiry into Abuse in State Care, and the resulting report [Whanaketia – through pain and trauma, from darkness to light](#). ERO will take the appropriate next steps in line with the report and subsequent decisions by Government.



Progressing the delivery of our strategic priorities

Building a comprehensive and trusted evidence base that informs decision-making and practice



Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.



Strengthen the quality and performance of early learning services.



Drive improvement in school and kura performance.



Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation.

✓ Summary of what we did this year

This year, we released seven insights reports, growing the evidence base in English-medium and kaupapa Māori settings. These reports and insights facilitate a better understanding of the performance of education in New Zealand and how it can be strengthened.

This was also the first year we assessed the use and impact of our te reo Māori Quality Self Review Improvement Framework, which supports schools to act on their goals for te reo Māori.

Our evidence-based insights have provided a strong basis for driving system-level improvement in education that can have a real impact on students across New Zealand—through informing decision makers, supporting teaching practice, and bringing education issues to the fore. We continue to grow and build our research and evaluation capability through our two specialist units:

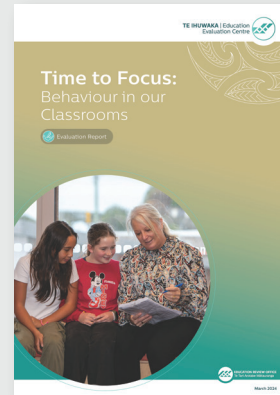
- **Te Ihuwaka**—our Education Evaluation Centre for English-medium schools and early learning services
- **Te Pou Mataaho**—our specialist research unit for kura kaupapa Māori, Māori-medium and high population Māori settings.

This year, our national evaluation and research team has made our insights and reports more accessible than ever. All of our reports and guides can now be found more easily at www.evidence.ero.govt.nz.

The Education Evaluation Centre's research and evaluation have had significant impact and reach, with 9,100 new users visiting the website. Five reports were covered widely on media platforms with over 150 media stories. This helped drive public and sector awareness of our insights and how they can be used to support education in New Zealand.

Useful and informative national evaluations

Following the release of five of our reports, we surveyed key audiences on how useful these were. 94% rated our national evaluations useful and informative for identifying or planning improvement within the system or its component parts.



Education Evaluation Centre - Te Ihuwaka

Our research programme focuses on education system performance, evaluating nationwide initiatives, and shining a light on good practice. A key focus of our research programme has been translating evidence into practice, by producing tailored good practice reports, guides, and resources for the education sector to use to better support students.

Education system performance

How prepared and supported new teachers are

Teachers have significant influence on student outcomes in schools. To raise student achievement, it is critical that our teaching workforce is well prepared and supported.

Our report, [*Ready, set teach: How well prepared and supported are new teachers?*](#) found that while most new teachers enjoy teaching, nearly half are unprepared for teaching when they start and over a quarter find their initial teacher education ineffective.

This report has had impact by informing policy changes in initial teacher education and by shining a light on what else can better support new teachers to be prepared when they start in the classroom.

Behaviour in our classrooms

Good classroom behaviour is critical for creating learning environments in which students can learn and achieve, and teachers can be most effective. Our report, [*Time to Focus: Behaviour in our Classrooms*](#) looked at challenging behaviours students and teachers face in schools and the impact of those behaviours. We found all types of disruptive behaviour had become worse in the last two years, and that this was affecting students' learning and attendance.

This report has had impact by shining a light on the extent of the impact of disruptive behaviour in our classrooms and recommending a national approach to how we manage behaviour in our



Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.

schools so our kids can get the best out of their education. In addition, we produced evidence-based good practice guidance with practical actions schools can take and which captures the great approaches teachers are already adopting.

How prepared are new principals for the role

More than a third of our principals have less than five years' experience in the role, and it is important that they are set up for success. However, in our report, *'Everything Was New': Preparing and Supporting New Principals*, we found that only a quarter of new principals report being prepared when they start. We found the complexity of the role and the reality of the school they are in are two key reasons new principals report arriving unprepared or anxious, and that having an opportunity to hold a leadership role before becoming a principal is important.

To drive change in this space, ERO is recommending clearer pathways to become principals, better opportunities to gain experience and skills before becoming principals, and ongoing support once in the role.

“As a result of working through these findings with the Ministry, New Zealand’s Principal Federation was invited to ... co-construct a programme that can be used to support all principals when beginning in a new school. Induction is important for all principals, not just first-time principals”.

Principal Matters, issue 18, 15 November 2023

Review of NCEA Level 1 changes

We have started a review of NCEA Level 1. The Minister of Education has asked ERO to look at how the implementation of the changes is going, and the impacts. We will explore if the revised NCEA Level 1 is now credible, high quality, inclusive and deliverable. The findings will inform future decisions about the NCEA qualification and supports for schools.

Attendance

We have started a review on attendance, looking at the supports for students with persistent absence from school. Attending school every day is really important, but in Term 3 last year, over 200,000 students missed more than two weeks of school or were not enrolled at all. We want to know who the students are who are persistently absent from school and what their learning and life outcomes are. We want to know how effective the supports and interventions are at getting students back to school and staying there, and what needs to change, to improve student attendance.



Good practice

Teaching maths in early school years

The first few years of primary school are when crucial maths learning happens. Years 1-3 are when students develop the foundational maths skills and understandings that they need for future success. However, many students are not as confident about maths as they could be, and national maths achievement is declining. In our report, [Making it Count: Teaching Maths in Years 1 to 3](#) we used robust evidence to clarify ‘what good looks like’ for maths teaching in the early years of school. The report provides teachers in Years 1 to 3 with practical examples of approaches to maths teaching that we know can make a difference for all students.



Evaluating initiatives

How the new Aotearoa New Zealand Histories curriculum is going

In 2023, teaching Aotearoa New Zealand's Histories (ANZ Histories) became compulsory for students in Years 1-10. In our report, [Teaching Histories - Implementation of Aotearoa New Zealand's Histories and the refreshed Social Sciences learning area](#) we looked at how the implementation of ANZ Histories is going. We found that the new curriculum is being taught in all schools but not all content is being taught with many schools prioritising local histories rather than national events and the global context. In addition to this, schools have been focusing on teaching the new content rather than teaching key skills.

This report will have impact by informing the continued direction of the Aotearoa New Zealand Histories curriculum implementation. We recommend that clearer expectations are provided about what needs to be covered to ensure all areas of the curriculum are taught. Teachers and schools also need a more explicit curriculum and more “off the shelf” content that they can use.



Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.

Specialist Māori research unit - Te Pou Mataaho

Tool to support schools in te reo Māori

In September 2022, we launched *Poutama Reo*, our te reo Māori Quality Self Review Improvement Framework. The self-review tool was developed with school leaders and educators, to meet the needs of learners and their whānau.

This is a multi-year programme to understand the implementation of *Poutama Reo* our te reo Māori Quality Self Review Improvement Framework. This includes its impact on English-medium schools on the revitalisation of te reo Māori.

Leaders Kit to simplify community engagement

To simplify the process of engaging the school community in the *Poutama Reo* approach, we have developed a *Poutama Reo Leaders Kit*. It provides sample images, presentation templates, video, messages, information templates, and newsletter inserts. This helps schools to easily explain *Poutama Reo* and its benefits to boards, teachers, learners and whānau.

Some schools are using the framework

We surveyed English-medium schools to find out how they were going with their *Poutama Reo* journey. We received 649 responses with 193 (29.7%) schools reporting they are using *Poutama Reo* to plan, implement, or monitor te reo Māori.

81 schools ranked themselves on the progression levels (Table 1). Most identified themselves on the first (He Hikoki) and second level (He Hikinga). The levels are intended to support the building of capability and continuous improvement.

While there is strong support among schools to prioritise te reo Māori, more work is needed to build awareness of the tool and its effective use. The *Poutama Reo Leaders Kit* will support this work to simplify the process of engaging the school community in the *Poutama Reo* approach.

Most schools are at the stage of building confidence. We expect the *Poutama Reo* process will help guide schools in what the next steps should be for effective improvement. Progress information will continue to help ERO build upon the *Poutama Reo* programme. We will provide ongoing support to schools as part of our work with them.



Table 1: Where 81 schools using the framework placed themselves

Level 1 He Hikoki	Level 2 He Hikinga	Level 3 He Hiringa	Level 4 He Huringa
46%	47%	7%	0%
of schools need significant guidance and support for improvement, presenting the beginning steps on their improvement journey.	of schools are raising expectations and progressing towards self-sufficiency.	of schools are transforming practices and leading the way for quality te reo Māori provision.	No schools placed themselves at this level of delivering high-quality te reo Māori programmes, and high levels of te reo proficiency.

The practice and impact of kaiāwhina, the supporters of learning in a kura environment

In kaupapa Māori, kaiāwhina acts as a supporter of learning in a kura environment. In English-medium learning, the role is likely that of a teacher aide. The *Ringa Rehe - He tini pūmanawa, he tini pūkenga* report sets out the work of kaiāwhina in kaupapa Māori settings, what works best for them, the kura, tamariki and their whānau, hapū and 17 Kaupapa Māori/ Māori Medium iwi. It examines how kaiāwhina use innovative practices that acknowledge te reo Māori, tikanga Māori and mātauranga Māori.

The report provides 9 recommendations suggesting actions across 6 areas of focus: career pathing, Professional Learning and Development (PLD), resources and learning programmes, evidence base, the teacher aide pay equity matrix and Limited Authority to Teach (LAT) policy.

This report can be used to inform professional learning and development, resources, resourcing, and progression that best meets the needs of kaiāwhina, kura and by extension learners across Aotearoa.

“...kaiāwhina love and nurture tamariki as if they were their own and consistently participate and contribute to the growth and development of each tamariki in their care.”

Ringa Rehe, Page 27

NCEA evaluation of Te Marautanga o Aotearoa and Kaupapa Ako Māori

We conducted an evaluation of the Te Marautanga o Aotearoa (TMOA) and Kaupapa Ako Māori NCEA Level 1 mini pilots and Te Ao Haka pilot on behalf of the Ministry of Education and in partnership with New Zealand Qualifications Authority (NZQA). We looked at the effectiveness of the processes during pilots in 2022 to support kaiako and learners and provide a summary of the evaluation of achievement standards and assessments. This report provides recommendations for consideration for NZQA and The Ministry of Education.

Progressing the delivery of our strategic priorities

Strengthening the quality and performance of early learning services



Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.



Strengthen the quality and performance of early learning services.



Drive improvement in school and kura performance.



Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation.

✓ Summary of what we did this year

In 2023/24 we completed 1960 reviews in early learning services. These include 675 mostly standalone early childhood education services (279 Akanuku | Assurance Reviews, and 396 Akarangi | Quality Evaluations), 1145 services through 13 governing organisations reviews (we sampled 148 services), 122 kōhanga reo and 18 puna reo.

Quality education and care in early childhood contribute to children's success as lifelong learners.

Our review of services aims to support improvements in the quality and care of children. To ensure we can support the sector in making quality improvements, we have made some refinements to our reviews to ensure services experience a nationally consistent approach. These reviews are more deeply focussed on quality learning experiences while still being vigilant about the safety and care of children.

Through our reviews we make recommendations and evaluate progress against our recommendations as well as their quality improvement plans. During subsequent visits we will look at the areas where there has been progress and support services to take a closer look at further actions, if required, to improve the learning conditions for children. With continued support in internal evaluation and improvement, we expect to start seeing an increase in the overall quality of service provision.

At this point, we are still seeing too many services who are not meeting the threshold for overall quality of education and learning.



64% of the services we reviewed this year were judged below the ERO quality threshold with just 35% judged as above the threshold.

Our approach

We use our tools and resources to help guide our approach to review and evaluation in early childhood services. The Ngā Ara Whai Hua Quality Framework for Evaluation and Improvement framework includes Te Ara Poutama – indicators of quality for early childhood education: what matters most. We use three review processes to evaluate the performance of early childhood education services:

- **Quality Evaluations | Akarangi** evaluate the extent to which a service has the learning and organisational conditions to support excellent and equitable outcomes for all learners. Evaluations of standalone services focus on improvement for equity and excellence. If compliance matters are identified during this process, the reviewers will undertake an Akanuku | Assurance Review.
- **Assurance Reviews | Akanuku** assess whether a service is complying with regulatory standards and associated licensing criteria, and that they are meeting the learning, safety and wellbeing needs of children in their care.

- **Governing Organisation Evaluations | Akatea** have an impact on larger groups of services. These evaluations focus on what the governing organisation knows about its own performance, the role the organisation plays in supporting improvement in its services and the system-wide approaches they have in place.

Overall quality of education and learning in services reviewed in 2023/24

Quality Evaluations

In 2023/24, we completed 396 Akarangi | Quality Evaluations. Reviews of standalone services focus on improvements in quality and learning. Judgements across three areas help build a picture of the overall quality of education and learning at a service.

The areas are:

1. Conditions for learning
2. Organisational conditions
3. Outcomes for learners



Strengthen the quality and performance of early learning services.

Table 2: Quality of education and learning in services¹

Sustaining Whakawhanake	Embedding Whakaū	Establishing Whāngai	Emerging Whakatō
4%	31%	49%	15%
Evidence of capability and capacity to sustain ongoing improvement to its systems, processes and practices (conditions) and the impact of this improvement in realising equitable outcomes for children.	Established and embedding coherent systems, processes and practices (conditions). Consistently implementing practices and processes to enable improvement in quality for children.	Establishing systems, practices and processes (conditions) and building shared understandings to improve quality for children.	Early stages of developing the systems, processes and practices (conditions) to improve quality for children.
<p>↑... 35% were judged to be above the threshold for quality</p>		<p>↓... 64% were judged below the quality threshold</p>	

Standalone services judged as ‘Embedding’ and ‘Sustaining’ are considered to be above the minimum quality. Standalone services judged as ‘Establishing’ and ‘Emerging’ are considered to be below the quality threshold. These are assessed as being in the early stages of having conditions and outcomes that support children’s learning and wellbeing.

Table 3: % of services above the minimum quality for conditions and outcomes that support learning and wellbeing in services

	Conditions for learning	Organisational conditions	Outcomes for learners
Sustaining	6%	4%	6%
Embedding	34%	32%	25%
Total above min quality	↑... 40%	↑... 36%	↑... 31%
Establishing	46%	48%	53%
Emerging	13%	16%	17%

¹ Adds to 99% because of rounding.

In 2022/23 we judged 52% of the group of services we evaluated to be above the threshold for quality, and 48% were below. Across both year groups, we see that a considerable proportion of New Zealand's early childhood services are needing more support to lift the quality of education and care they provide.

Considerable improvement is still needed to realise equitable outcomes for children.

We expect to see an increase in the overall quality of service provision with continued support in internal evaluation and improvement.

“Our team were unanimous that it was the most easeful and enjoyable ERO review they have been a part of – both here and in the community. A common thread of this ease was whakawhānaungatanga being at the centre of each playroom visit. Reviewers made time and space to connect and acknowledged the uniqueness and individualised practices. The service expressed that the level of respect shown for the mana of each service was evident and that the presence of the reviewers felt seamless.”

Feedback from a hospital-based ECE review

Services maintaining regulatory standards and licensing criteria

Assurance Reviews

In 2023/24, we completed 279 Akanuku | Assurance Reviews. These reviews focus on whether a service meets and maintains the four regulatory standards and licensing criteria for:

- Curriculum
- Premises and facilities
- Health and safety
- Governance, management and administration.

We also look at how a service manages areas that have a potentially high impact on children's wellbeing:

- emotional safety (including positive guidance and child protection)
- physical safety (including supervision, sleep procedures, accidents, medication, hygiene, excursion policies and procedures)
- suitable staffing (including qualification levels, safety checking, teacher certification, ratios)
- relevant evacuation procedures and practices.

Assurances in services reviewed in 2023/24

Overall, we found non-compliances in 76% of services. 9% of services had non-compliances that posed an unacceptable risk to children. This is a reduction from the previous four years, which consistently stayed at 12%. It demonstrates that services are becoming more aware of and compliant in areas that pose the most risk to children.

148 services were sampled across 13 governing organisations. We found 43% (64) had non-compliances.

Compliances checked during an Akarangi | Quality Evaluation found 41% of services had non-compliances that were still to be addressed by the time the report was confirmed.



Strengthen the quality and performance of early learning services.

Where a service has non-compliances still to be addressed or non-compliances that pose an unacceptable risk to children, we recommend the Ministry of Education follow up with the service.

Issues mostly relate to the health and safety practices to uphold the safety of children

Table 4: General areas not met in accordance to the intent of licensing criteria

Intent of licensing criteria	Non-compliances %
Appropriate management and record keeping of prescription and non-prescription medicine to ensure that medication is administered appropriately by the service. (Licensing criteria HS 28)	14%
Record of excursions to ensure the inherent risks involved in outings and excursions from the licensed premises are managed to uphold the safety and wellbeing of children. (Licensing criteria HS 17)	19%
Heavy furniture, fixtures, and equipment that could fall or topple and cause serious injury or damage are secured. (Licensing criteria HS 6)	14%
Record of risk management system to uphold the safety of children by ensuring that services have a mechanism to assess and address environmental hazards in an ongoing way. (Licensing criteria HS 12)	21%

Supporting large governing organisations in high quality education and care for children

Governing Organisation Evaluations

A governing organisation is an early childhood education owner who has oversight of a number of services that operate within the same systems, processes, policy or organisational frameworks. These may include centre-based, home-based or those with mixed centre and home-based provision.

New Zealand has 29 governing organisations operating 2029 services. This represents nearly half of all early childhood services (47.9%).

Through our reviews, we support these large organisations in their internal evaluation capability and improvement planning, improving the quality of education and care in more services for more learners. Both the governing organisations and ERO benefit in terms of effectiveness and efficiency from this approach.

Our governing organisation evaluations focus on:

- what the governing organisation knows about the performance of all its services
- the role the governing organisation plays in supporting each of their services' continuous improvement journey
- evaluating system-wide approaches in place by the governing organisation.

We use the ECE Improvement Framework in our evaluations, which provides a clear distinction between foundational (basic) practices and practice excellence. It has well-defined expectations for demonstrable practice and assists organisations to set priorities for quality improvement planning.

This approach draws on *Te Ara Poutama - Indicators of quality for early childhood education: what matters most*, and *Te Whāriki*. It is underpinned by Te Tiriti o Waitangi and incorporates the *National Education and Learning Priorities (NELP)*.

In 2023/24, we evaluated 13 governing organisations who, collectively, operate 1145 services

As part of these evaluations, we sampled 148 services. We evaluate the extent to which a governing organisation can demonstrate what they know about their organisational conditions.

Organisational conditions evaluated in this period shows six governing organisations are above the threshold for quality.

We will continue to work with governing organisations to raise the bar on quality and develop a collective, system-wide positive contribution to high quality education and care for all children.

How services found our reviews and evaluations²

Survey results: Quality Evaluations

Most services find our reviews are strengthening individual services' capability for internal evaluation.

80% said that we have helped to develop their internal evaluation capability and capacity.

89% said the review provides an opportunity for engagement and discussion.

88% said the evaluation process supported them to identify the actions they need to take to improve quality within the service.

81% said our evaluation had helped them engage in quality improvement planning.

89% of services said our resources had helped them to understand the quality evaluation process.

79% indicated that they are making decisions about how to improve learner outcomes as a result of ERO's contribution to their improvement journey.

78% said the evaluation helped them to be more intentional about what they can do to improve learning for children in relation to the outcomes in *Te Whāriki*, the early childhood curriculum.

74% of services said the evaluation helped them to enhance the learning conditions in their service.

² Following a review or evaluation, we send a post-review survey to service leaders to understand how useful our reviews and evaluations are for the service and what impact we are having on the quality of education and care for children.



Strengthen the quality and performance of early learning services.

Survey results: Assurance Reviews

Most services agreed that the information we provide before a visit is helping them better understand the requirements and what is expected of them.

93% reported that our review helped them understand what they are required to do to meet and maintain compliance with regulatory standards.

92% said they had addressed the actions for compliance identified in our report.

“Information was very clear and precise, any questions we had were answered.”

“It was very useful and informative, and helped us be adequately prepared for the review. Any questions we had were answered immediately too and it was good that we had the opportunity to engage with the reviewers via both email and telephone.”

Survey results: Governing Organisations

Governing organisations told us that our evaluation process will help or has already helped to develop internal evaluation capability and capacity. This includes engaging governance and management in quality improvement planning for their organisation and individual services. Our evaluation process also helps to improve the organisational conditions to enhance learning conditions for children in their services.



“This has been such a rich meaningful process that we have learnt from in so many ways. We really value the feedback and have already started utilising it, but we also really appreciated the process as we were learning the whole time of ways to develop evaluative practice that can be embedded into our organisation.”

Improvement in Kōhanga Reo and Puna Reo performance

This year we reviewed 140 Kōhanga Reo, Puna Reo and Māori-immersion early childhood services across the motu. Working with whānau and educators, our reviewers examined the conditions that support safe and meaningful education opportunities for some of our youngest learners.

While we have identified a group of strong early learning settings with exemplary practice, the majority (90%) are medium priority. This indicates areas of good performance and approaches that require extending or strengthening into the future.

Table 5: Reviews ratings in terms of priority

 <p>6% Low priority</p>	<p>Arotahi - Review identified examples of innovative, or exemplary practice with highly effective, robust, and performance orientated systems.</p>
 <p>90% Medium priority</p>	<p>Aropaki - Review identified the need to expand and extend on the existing conditions.</p>
 <p>3% High priority</p>	<p>Aronui - May find examples of good practice, and positive outcomes. However, the review will have highlighted areas of performance, provision or compliance that require a focus on improvement.</p>

Case study: What does innovative practice look like?



The puna reo manager draws on a distributive model of leadership. Knowledgeable and competent kaimahi work together to plan and implement a responsive curriculum, assess tamariki learning and evaluate their practice. Kaimahi professional learning is supported through sound internal evaluation practices and an appropriate professional growth cycle.

They completed a comprehensive teaching inquiry in 2023, using the Ministry of Education’s Tapasā, Cultural Competency Framework Tool, to build kaiako competency in teaching Pacific learners. Tamariki learn in an environment that increasingly reflects their cultural identities.



Strengthen the quality and performance of early learning services.

Supporting shifts in practice and provision

Evaluation has a strong focus on building self-evaluation capability

Like our reviews in kaupapa Māori kura, our evaluation approach for kōhanga reo, puna reo and Māori-immersion services has a strong focus on building self-evaluation capability. We know a commitment to self-evaluation, reflective practice and monitoring helps support ongoing improvement beyond the areas identified in our initial review.

Across all reviews, self-evaluation was the leading focus for ongoing improvement followed by the improvement of safety and wellbeing aspects, planning and governance functions.

Following on from the unconfirmed report, whānau have recently sourced and enrolled kaimahi on professional development opportunities to support their progress in planning, assessment and programme evaluation.

From a kōhanga Reo review report



The whānau have worked with the regional office staff to complete policy review. Whānau are in a better position to sustain daily operations of the kōhanga reo and provide quality education. Mokopuna benefit from effective whānau whakahaere systems and processes.

From a kōhanga Reo review report

At the time of the onsite review, whānau had yet to implement an appraisal process and an action plan. Since then, an appraisal process to support kaimahi has begun, and an action plan to track and monitor whānau strategic goals has been completed. Mokopuna care and learning is further prioritised.

From a kōhanga Reo review report

Table 6: Leading areas of focus across all reviews

 56% Self-evaluation	 35% Safety and wellbeing	 26% Strategic and annual planning	 23% Governance
<p>Including implementing, developing, and embedding self-evaluation approaches to drive ongoing improvement.</p>	<p>Including undertaking drills for earthquakes, ensuring policy is ratified or making changes to policy and approaches.</p>	<p>Including updating strategic plans, or ensuring planning is coherent across all aspects.</p>	<p>Including ensuring timely ratification of policy, embedding or developing governance understanding, and ensuring management day to day is as expected.</p>

Across all reviews, self-evaluation was the leading focus for ongoing improvement followed by the improvement of safety and wellbeing aspects, planning and governance functions (table 6).

Other emerging themes identified as a key area of improvement include assessment (22%), improving curriculum (10%) and whānau engagement or contribution (17%).

Through our reviews we have provided clarity to improve the quality of learning for 3170 tamariki mokopuna and pēpi as they begin their learning journey. This also helps whānau make informed choices about the care and education of their children.

While family engagement in their child's education is common for kōhanga reo and puna reo, whānau participation in education is central

to the approach. Within puna reo, whānau support the learning aims. In the kōhanga reo philosophy, tamariki are inherently linked and both will benefit when whānau are actively engaged in the kaupapa of kōhanga reo.

Highlighting the safety of tamariki

Our reviewers draw clear links between the overarching goals of every kōhanga reo, puna reo and immersion service (i.e providing safe, improvement focussed environments with our youngest learners at the centre of their practice) and compliance.

We generally saw improvement in our most recent evaluations where issues were identified in a prior review. In 70% of the spaces we visited, the number of areas of non-compliance was reduced or eliminated.

Case study: Shifting whānau participation

In our previous review, this setting wanted to explore further strategies to strengthen whānau participation in planning and evaluation, and involvement in decision making. Social events and functions were well attended; however, staff recognised the positive outcomes for children is enhanced by greater whānau participation.

In our next review, we found whānau involvement and a commitment to te reo Māori was part of the operation of the setting. Expectations for whānau involvement sat at the right level to make the impact they were looking for.



Strengthen the quality and performance of early learning services.

Case study: Strengthened practices

When we last reviewed this setting we identified gaps in planning, policy and oversight impacting outcomes for tamariki in both learning and wellbeing. In our most recent review, we noted that personnel management systems have been implemented, with clear job descriptions and contracts that both embed core competencies required, and legislative requirements.

The setting now has an annual plan, providing clarity on operational and administration tasks and when these are to be completed. Useful information is gathered and documented in health and safety registers. From this review, the setting is now focused on embedding and strengthening their existing practice across evaluation, and te reo Māori.

Our reviews identified just over 130 instances of non-compliance. In most cases (52% of reviews) non-compliance consisted of a singular area of focus. In some cases, kaimahi and whānau moved quickly to address concerns highlighted before we confirmed our report.

Where multiple areas of non-compliance are highlighted, more time may be required to make a lasting improvement. In 5% of our reviews, we found five or more areas of non-compliance that required improvement.

Areas of compliance will generally align to the overarching theme of improvement identified within a review. This year across all reviews the key themes were evaluate or monitor aspects of the kōhanga or puna reo and health and safety. Reflecting on compliance areas is another tool educators and leaders can use to clarify and guide improvement.

Table 7: Reflecting on compliance themes from our reviews.

In settings where 5 or more compliance areas are identified we found four key themes			
20% Evaluation and monitoring	20% Health and safety	12% (appr) Human Resources, including appraisals	12% Whānau contribution or engagement
Identified both within compliance, and within the review process as a theme for improvement.	Compliance here is related largely to the completion of drills, and the creation, ratification and updating of policy and procedures.	Appraisals are a key theme, often linked to ensuring appropriate professional learning and development opportunities are provided to support improvement in areas including curriculum, policy and evaluation.	Both whānau engagement, and the consultation, and embedding of whānau perspective into planning and strategy were identified as key themes for compliance.

Progressing the delivery of our strategic priorities

Driving improvement in school and kura performance



Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.



Strengthen the quality and performance of early learning services.



Drive improvement in school and kura performance.



Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation.

✓ Summary of what we did this year

Our reviews and evaluations support schools and kura to identify areas for improvement that have the greatest impact on equitable and excellent education outcomes for all learners. No two schools or kura are the same. We work differently with each according to its context, culture and needs. We want every school and kura to be a great place to learn and where every child can succeed.

In 2023/24, we worked with 2255 schools and kura, and produced 812 reports. This includes 662 English-medium state and state-integrated schools, 34 kura, 21 private schools and 95 home schools.

ERO employs a bespoke and highly differentiated approach in its work with schools dependent on assessed performance. This method holds schools accountable for addressing underlying concerns. For those schools where we have serious performance concerns, we maintain regular contact and oversight to ensure they stay focused on delivering an agreed improvement plan.

In 2020, we introduced our Te Ara Huarau approach to school evaluations. By the end of June 2024, 94% of schools have been onboarded into the new approach (2164 English-medium state and state integrated schools).

We review provisions where schools have international students or hostels for students. In 2023/24 we completed 169 reviews of Provision for International Students, and 21 reviews of Hostels.

In 2023/24, we completed 95 homeschool reviews to judge whether the exempted student





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is taught at least as well as in a registered school, and at least as regularly as in a registered school. Of these homeschool reviews, we found that 91.5% of learners are taught at least as well as in a registered school and 96.8% as regularly as in a registered school.

Evaluation of Government initiatives

Government introduced two new education policies for schools and kura as part of their commitment to lifting educational achievement.

- **One hour a day reading, writing and maths | pānui, tuhituhi and pāngarau**
- **Phones away for the day.**

Before the requirements came into effect, we asked schools about their experience and readiness to implement the new legislation. We spoke to 1,975 schools and kura (1,556 primary schools, 390 secondary schools, and 29 kura). We found:

79% of schools had policies and/or procedures developed or were developing policies and/or procedures to meet requirements for teaching one hour a day of reading, writing and mathematics.

53% of schools reported that they needed to take some action to meet the requirement to teach one hour a day of reading, writing and mathematics. Some were minor changes, such as adjusting bell times, and others were major changes such as a complete timetable redesign.

92% of schools and kura already had policies, procedures or rules in place to meet the requirements for student mobile phone use prior to implementation.



Implementation of one hour a day of reading, writing and mathematics

The government has set an aspirational target of getting 80% of our children to curriculum by the time they finish intermediate. From Term 1 2024, all students in Years 0 – 8 will be taught reading, writing and maths for an average of one hour a day in each subject.

We heard from some primary and intermediate schools that they experienced some challenges while implementing the one-hour a day of reading, writing and mathematics requirements.

27% of schools needed to revisit timetables and communicate with staff and/or parents.

17% said they needed to adjust the curriculum coverage and time spent on other curricula.

10% of schools said they now had an increased emphasis on planning for teaching.

Schools told us they were thinking more deeply about how they structure learning programmes. They were being more explicit and intentional in delivering a balanced curriculum for their students, with one school telling us that following a review of their practices, they have deliberately increased the time spent teaching mathematics.

We heard positive feedback about the Ministry of Education's resources, in particular, the reflection tool. For example, a school identified that some classes needed more maths learning time, which has now been implemented.

Implementation of the student cell phone rules

The ban on cellphones in schools is to reduce distraction and help maximise class time to lift achievement. Restrictions on cellphones during school hours will help students focus on their schoolwork during classroom time.

We found that while the majority (92%) of schools and kura already had student cell phone rules in place to meet the new requirements, some faced challenges during implementation. This included parents who did not support implementation of the new legislation and students who were unwilling to comply.

We monitor compliance with the requirements as part of our review process.

255 Board Assurance Reports were confirmed between 19 February and 30 June 2024, with all schools/kura attesting to compliance with the one-hour-a-day requirement.

112 Board Assurance Reports were confirmed between 29 April and 30 June, with all schools/kura attesting to compliance with the student cell phone rules.

We notify the Ministry of Education of any non-compliance identified.



Drive improvement in school and kura performance.

Diagram 1: School Improvement Framework



Drawing attention to areas that have the greatest impact on learner outcomes

Our refreshed School Improvement Framework (SIF)

The new *School Improvement Framework* (SIF) places greater emphasis on one outcome domain: Learner Success and Wellbeing, three core domains and six conditions for success domains (diagram 1).

Core Domains have the biggest impact on learner success and wellbeing

Effective school leadership sets the stage for quality teaching and responsive curriculum and has a significant impact on school improvement. Effective leadership sets clear goals and expectations; fosters trust, collaboration and a culture committed to quality teaching and improvement; and uses high-quality evidence to inform planning for improvement.

A responsive curriculum and **quality teaching** reduce barriers and provide opportunities for learners to engage in meaningful learning.

Conditions for Success domains set out what needs to be in place to support improved outcomes for learners and ensure the core domains have the maximum impact.

Te Tiriti o Waitangi is the 'foundation for success' woven throughout all other domains.

The Evaluation for Improvement domain spans across domains and considers a school's internal evaluation practices and capability – a key practice for sustained school improvement.

Schools use our SIF to understand more about their own learners, what is working well and what can be improved. The framework also supports schools in their strategic planning. It draws on our *School Evaluation Indicators* along with legislative requirements and obligations on schools. The SIF provides schools with a best practice framework of key conditions to drive improved education outcomes for all learners. It is a useful self-evaluation tool that defines the characteristics of highly effective schools as well as outlining a pathway for improvement.

In 2023/24, we purposefully focused our attention on areas that we know have the greatest impact on learner outcomes. Sector feedback has helped to shape the refreshed SIF. In June 2024, we released a suite of tools and guides to support its use.

Schools consider their position across each domain and share evidence with ERO in support of their decisions. We engage with the school information, affirming, challenging and sharpening the focus on schooling improvement and progress on specific domains. We also use the framework to gain a sector-wide view of school performance.

Where schools are placed on their journey of improvement

SIF data provides insights into the state of schooling performance across New Zealand.

Analysis of learner success and wellbeing and core domains

The sample below (table 8) provides insights into the current state of schools looking at progression against learner success and wellbeing, and three core domains.

Table 8: Progression against performance categories in SIF outcomes domain and three core domains

School Improvement Domains	Performance Categories				Total number of schools
	Improvement required	Working towards	Embedding	Excelling	
Learner success and wellbeing	111 (7.6%)	402 (27.6%)	757 (52.0%)	185 (12.7%)	1455 (100%)
Leadership	73 (5.1%)	296 (20.5%)	737 (51.1%)	337 (23.4%)	1443 (100%)
Curriculum	82 (5.6%)	373 (25.7%)	795 (54.8%)	202 (13.9%)	1452 (100%)
Teaching and learning	79 (5.5%)	346 (24.0%)	806 (55.9%)	211 (14.6%)	1442 (100%)

Only 12.7% of schools have been assessed as highly effective, excelling in learner success and wellbeing

This domain describes the outcome of practice where every learner is supported to reach their full potential in an environment that nurtures their physical, social, emotional and cultural health and wellbeing as well as their academic potential. Learner success and wellbeing means all students, regardless of background,

learn and progress, achieve their goals and improve over time. 35.2% do not have these excelling practices in place.

Core domains of Leadership, Curriculum and Teaching and Learning provide the biggest demonstrable impact on learner success and wellbeing. A significant number of schools need to make considerable improvements in these areas.



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Pockets of excellence: What great schools do who are excelling across core domains

School A

This school takes a collaborative and reflective approach to working with the SIF. They have a strong focus on learners' success. The school identifies diverse learners quickly and decides as a team the best way to support their learning and wellbeing.

Assessment practices include a range of student assessments. Teachers are always considering the data. Moderation is school-wide and achievement targets are known. Use of a broad range of teaching strategies helps student progress in their learning. Teachers adapt their planning based on the needs of learners, analysing data and talking about shifts in practice. Importantly, leadership has high expectations while also being realistic and encouraging. This approach gains support from teachers as they work together to support their learners. Leaders also generously share their learning with other schools.

Decisions are research-based and not made lightly. Research is done to make sure initial understandings are clear and any external professional development providers are able to tailor provision to what the school knows it needs. Targeted, quality professional development has continued to build expertise and capability for improvement and innovation. The school's actions have seen considerable and improved achievement in writing and high levels of authentic learner agency.

Students work with teachers to analyse achievement data, identify next steps. Teachers reporting to the board also come up with innovative and effective ideas to get students to school on time when a pattern of lateness starts to emerge.



School B

This school has strong leadership that is relentlessly focused on schoolwide improvement. Their vision drives the direction of the school. Systems, initiatives and innovations are clearly aligned and coherent schoolwide. A strong synergy is evident in driving their vision, their values and the enactment of the local curriculum.

Leaders and teachers in this school are proactive and open to learning. The school welcomed the opportunity to use the SIF as a tool to take stock of where they were at and explore areas for ongoing improvement.

A genuine partnership with whānau is evident. Leaders actively seek and value the voice of the community to inform change. Local contexts and people are showcased to enact the values of the school, supporting students to make meaningful connections with their community and the environment.

Programmes of learning empower students which supports engagement and ownership of learning. Students' sense of place and understanding of culture is a key strength and is woven throughout all aspects of teaching and learning.

There is high quality teaching and learning. It is age appropriate and well-paced to the diverse range of learners and their needs. Strong professional teaching capability is recognised and purposefully extended. Classroom teachers are the curriculum leaders of learning.

Their responsive approach to well-being is prioritised. All language is positive and demonstrates high expectations and belief in all learners, supporting an inclusive culture.

A wide range of programmes are in place for the diverse needs of their children to engage in. A proactive approach to exploring and identifying learners' needs supports students and prevents behaviours from escalating.

This school maintains a strong focus on positive behaviours for learning and engaging in school.

School C

This school has leadership and teachers who are confident and skilled at collecting, analysing and interpreting data. With a strong emphasis on student agency, learners have a good understanding of how they learn.

Students have developed confidence in and taken ownership of their learning. They lead and participate in decision making that helps them to gain independence. This has a positive impact on their learning.

It is clear that this school would be able to use the SIF well, and take part in the evaluation process alongside ERO, in scrutinising evidence to support thinking about continuous improvement.

ERO and school leaders jointly observed in-classroom learning. Documents, such as achievement information, were shared and discussed. This evaluative process helped shine a light on a group of students that were not achieving as well as others. It was interesting to note that progress for this group was faster than other students where acceleration was occurring within the expected levels of achievement, which was the ultimate goal.

Teachers are supporting high levels of learner engagement through relevant and engaging contexts for learning and pose the types of questions that promote deeper levels of thought. The provision of a relevant localised curriculum is designed to meet the various needs of learners and is adjusted to ensure students understand and connect with their learning.

Strategic direction considers the learning and wellbeing needs of students and keeps them at the centre of the school's focus on improvement and innovation.



Drive improvement
in school and kura
performance.

School D

This school has a strong leadership team that is focused on improving outcomes for learners. Strategic planning emphasises their priorities for improvement. These goals are stepped out in the annual plan to give clear direction for the whole school. The strategic plan drives all aspects of this school with teachers and leaders being aware and knowing their key responsibilities in enacting these.

Teachers and leaders deliberately engage and work with iwi to know and understand the environment around them and ensure the curriculum reflects the areas the children live in.

Student voice is valued and informs strategic planning. Information is gathered from students throughout the year and supports leaders to respond to their needs and how well the school is supporting their engagement in learning.

Achievement information is gathered and scrutinised for progress, achievement, trends and patterns. It is used to inform strategic priorities as well as next steps in learning, supporting teachers in inquiring into the impact of their practice on improving outcomes.

The SIF is used in ongoing leadership discussions to review the alignment and ensuring clarity of improvement priorities across the school.

Assessment of schools across all School Improvement Framework domains

We calculated an average across all assessed domains, using 1487 schools' most recent assessment from 1 July 2022 to 30 June 2024³.

One fifth (21.7%) of schools assessed have conditions that support ongoing sustained high performance (excelling).

58.1% of schools are strengthening established systems, processes and practices (embedding). A fifth of schools (79,000 children) require more support (working towards and improvement required). Of these, 3.8% of schools require intensive effort from ERO (improvement required), and often other agencies to bring about crucial improvements to provide learners with the rich opportunities expected from a quality education.

³ Methodology: The sample includes all schools with at least one School Improvement Framework Indicator judgement/score - a sample of 1487 schools. Where a school has more than one assessment, the most recent assessment is chosen. Where a school does not contain all ten domain scores, we use the existing domain scores to calculate the averages. The analysis uses the School Improvement Framework data as of 01 July 2024, and the School Roll data from the Ministry of Education 1 July 2023 roll returns (<https://www.educationcounts.gov.nz/statistics/school-rolls>)

Limitations: some schools are yet to receive a School Improvement Framework assessment. These schools may be different from the population of schools.

Where conditions for success domains provide the environment that supports learning to occur, we judged only 19.4% of schools having the right conditions for success to flourish.

Over 80,000 children are in schools where learning conditions are hindering their opportunities for progress and achievement. These domains include professional development and collective efficacy, inclusion and wellbeing, partnership, stewardship and governance.

Marked improvements in schools who receive additional support from ERO

Marked improvement is noted in learner success and wellbeing and core domains where ERO provides additional support or extended resourcing. These schools often have complex learning environments.

At the heart of our approach is exploring the quality of teaching and the supports and systems operated in the school. ERO analysis suggests that the quality of teaching contributes around 65% of the in-school influence on learner outcomes. Additional elements include the strength of a school's leadership, a coherent curriculum use of assessment data, high expectations for learner success and strong professional learning communities.

Improvement plans initially focus on establishing short-term building blocks necessary to enhance school performance or facilitate turnaround efforts. These may include implementing effective leadership structures, addressing school-wide behaviour and violence issues, increasing attendance, or strengthening school-community partnerships. Subsequently, the focus shifts to curriculum-related issues, building teacher capability, and extending learner pathways.

The sample below shows the percentage of where schools showed improvement, stayed the same or declined (table 9).

Table 9: High priority schools and extended resourcing⁴

School Improvement Framework domains	Improved	Stayed the same	Declined	Number of schools
Learner success and wellbeing	18 (46.2%)	14 (35.9%)	7 (17.9%)	39 (100%)
Leadership	19 (48.7%)	15 (38.5%)	5 (12.8%)	39 (100%)
Curriculum	15 (38.5%)	18 (46.2%)	6 (15.4%)	39 (100%)
Teaching and learning	14 (35%)	20 (50%)	6 (15%)	40 (100%)

Most schools have shown pleasing levels of improvement, particularly in the outcome domains of Learner Success and Wellbeing (46.2%) and the core domain of Leadership (48.7%). Many of these schools however remain at risk. ERO closely monitors these schools

and uses evaluation to help boards and other school leaders sharpen their focus on areas of improvement, what needs to be addressed, prioritising their actions and understanding the impact of decisions made on outcomes for learners.

⁴ Methodology: The sample includes high priority and extended schools with two School Improvement Framework scores in the same domain – a sample of 44 schools. (the school population varies across domains as some schools do not contain all ten domain scores). The analysis uses SIF data as of 01 July 2024. Limitations: These schools may be different from the population of high priority and extended schools.



Drive improvement
in school and kura
performance.

Taking steps to improve governance and management of schools

As part of our review process, school boards and management verify that they are meeting Regulatory and Legislative requirements by completing an assurance statement (Board Assurance Statement).

In 2023/24, we completed assurance statements with Regulatory and Legislative Requirements reports for 660 schools, 34 kura, 21 private schools and 21 hostels (29%).

Since the introduction of separate compliance reports in 2022/23, we have completed 1680 reports (67%).

This year, we also completed 95 homeschool reviews, an activity that supports our compliance undertakings to ensure the safety and quality learning of children.

For schools and kura, we found that 23% (163) had areas of non-compliance. Of these most had addressed, or taken steps to address, the non-compliance before their reports were confirmed. 22 schools had not yet taken steps to address identified non-compliance when the report was confirmed.

In English-medium schools, the most common non-compliances identified were:

- Completion and documentation of workforce safety checking - ensuring all school staff hold a current police vet, and checking both primary and a secondary identity document
- Training of teachers and staff to undertake physical restraint
- Evacuation procedures
- Statement on the delivery of the health curriculum.

In kura, the most common non-compliances identified were:

- Develop and implement a robust process for assessing the performance of teachers
- Develop and implement emergency plans, including pandemic planning, lockdown procedures and notification procedures
- Maintain an on-going programme of self-review in relation to policies, plans and programmes.

When we identify a school of high concern, we make recommendations to the Ministry of Education for intervention or tailored support.

In private schools, 38% (8 of 21) had non-compliances during the review process. In most instances these were addressed before the final report was published.

In hostels, 19% (4 of 21) had non-compliances of which three took the necessary steps towards addressing non-compliance.

Our evaluation activities are having a positive impact on learners

Feedback from schools confirms that the review experience is driving improved learner outcomes.

Overall, survey results tell us that Te Ara Huarau is highly valued by the sector who see the evaluation process as largely positive. The concept of having a critical, trusted evaluation relationship with an evaluation partner is seen as pivotal to the success of the evaluation approach to make a difference to schooling improvement.

ERO is influencing change in schools, particularly in the areas of strategic planning and data driven decision-making. The School Improvement Framework is seen as a valuable tool to help schools see where they are doing well and next steps to prioritise. The framework is often used to support strategic planning.

74% of schools/kura said our evaluation activities are having a positive impact on learners by contributing to decisions about how to improve learner outcomes. This is a 6% improvement from the past two years. We expect this to continue to increase over time as our Te Ara Huarau evaluation approach is being embedded in schools.

66% of schools said our evaluations are helping them to identify opportunities for improvement for more effective practice for school improvement.

While there is a 6% decrease overall from last year's survey, a closer look provides greater detail. There are two components to this question: effective practice for school improvement; and internal evaluation capability.

The Evaluation Process:

"I have found the partnership so valuable. They do not do it for you, but ensure you are pushing change in the right areas. I feel it has moved from a model of judgement to support and accountability."

"The reviewers respectful and collegial approach resulted in robust, open conversations."

School Improvement – Strategic and Annual Planning:

"Working with the team has also led us to more critical analysis of student achievement data and to higher expectations for early diagnosis and intervention strategies."

"We have benefited from the flexible approach to align with our school's direction and the collaborative approach to strengthen systems and consistency."



Drive improvement
in school and kura
performance.

Of the evaluation component:

57% of schools rated us highly in strengthening their internal evaluation capabilities. We recognise that schools/kura who already have well developed skills in evaluation are less likely to rate our contribution to strengthening their evaluation capability at a high level.

Of the effective practice component:

we help schools identify and confirm opportunities for more effective practice for school improvement, 74% agreed that we had considerable influence in improving practice, and 31% noted that our influence was significant. Improving learners' progress and achievement (60%) and the quality of teaching (57%) were the most common areas of focus for schooling improvement.

Other key findings:

85% of schools said that following engagement with us, the school generated new knowledge about its practice.

79% of schools reported a change in teaching or leadership practices as a result of our engagement

68% of schools say that as a result of our engagement with them, the school has seen improved outcomes/equity for their learners.

School Improvement Framework:

“We were able to identify the areas we are focused on and share our practice in a useful and dynamic way. We made good use of the School Improvement Framework to do this, identifying any gaps and ensuring we were not missing anything.”

“The School Improvement Framework prompted us to think about next steps for progress in our school and helped us to frame our strategic direction in our charter.”

“It has worked well because of the approach of our evaluation partner. They are an expert and helped us to understand the framework and to use it as a model for school improvement.”

Specialist day schools: A focus on some of our most vulnerable learners



Specialist day schools provide education to disabled students with high and very high needs.

For disabled children to thrive in education they require quality teaching and specialist supports, underpinned by strong partnerships and nurturing environments tailored to their specific needs.

In 2022, ERO released two national research reports looking at the quality and inclusivity of education in Aotearoa New Zealand ECE (Early Childhood Education) services and schools for disabled learners.

- *'Thriving at school? Education for disabled learners in schools'*
- *'A great start? Education for disabled children in early childhood education'*

In 2024, we did further work based on our work in individual institutions with the release of our summary report *'Built in, not bolted on - Evaluation of education at specialist day schools'* (June 2024).

In this review, we found that the quality of education for students at specialist day schools is generally strong and that many of

these schools are also playing a critical role as experts in supporting disabled learners in non-specialist school settings.

We reviewed all 27 of New Zealand's specialist day schools in 2023/24 and found a good quality of education provision across schools, with students experiencing highly adapted and individualised programmes of learning.

Nine out of 10 parents told us they were happy with the quality of their child's schooling and agreed that their child is learning about things that are important to their child. Parents also say they have a clearer picture of their child's progress.

Demand for specialist day schools has increased rapidly over the past decade and most specialist day schools report that they have long waitlists. We also found many buildings not suitable to meet the needs of students. In addition, there are inadequate national opportunities to access meaningful professional learning and development for specialist staff.

With no new schools established in over 50 years, growth has largely been accommodated through a network of satellite class provision where the majority of students enrolled in these schools receive their education.

To realise the potential of specialist day schools, we recommend that work be done to ensure students and their families can access the right education for them. Our findings show that there is potential for a more joined up approach across specialist day schools given their highly specialist role and believe that they can play a bigger role in the system in sharing their expertise.

As a starting point, greater planning around satellite provision and national guidance around the expectations and operation of this provision is desperately needed. Work is also needed to improve the suitability of specialist day schools' properties to ensure that they meet disabled students' needs. We also recommend that there is increased support for a national approach in curriculum guidance, assessment tools, and professional development.



Drive improvement
in school and kura
performance.

Across agencies we need better support for young disabled people transitioning beyond school. All students are entitled to high quality education, whether this is at their local school or a specialist school. There is great potential in improving the educational experiences and outcomes of disabled students at both specialist day schools and local schools.

Following the release of our report on specialist day schools, the government announced funding in Budget 2024 to redevelop specialist facilities and increase satellite classrooms for students with high needs. This includes upgrading specialist schools in poor condition, and funding to deliver additional capacity through satellite classrooms for specialist schools, relieving pressure on the network.

Niue Review: demonstrating our commitment to the Pacific region

The Government of Niue invited ERO back to undertake a follow-up evaluation of the quality of the country's education provision. This follows a review that we completed in 2016.

Funded by the Niue Government, our reviewers visited Niue's two schools in May 2024. Niue has one primary and one secondary school. Early childhood services are attached to the schools.

The findings and recommendations from this evaluation provide a framework of actions that focus on strong student outcomes for Niue's children and young people.

We are committed to supporting high quality education across the Pacific region. We have a longstanding, positive relationship with our realm countries Niue, Tokelau and the Cook Islands. We work collaboratively with the region so that Pacific children and young people succeed.

'Afa Framework

In 2022/23, we piloted a draft tool, 'Afa Framework, to support quality Pacific language provision in school settings. We are gathering feedback from schools who are using this framework before finalising and publishing the final framework on our website. The 'Afa Framework provides clarity for our reviewers and the sector, ensuring all educators who champion Pacific language learning can do so with an understanding of the conditions that support language learning success.

The framework clarifies practice and areas of focus (domains) which drive effective Pacific language learning. Through self-evaluation, schools can understand the domains that contribute to quality bilingual and immersion Pacific language provision, along with examples of effective practice. For schools who are preparing to offer bilingual and immersion Pacific Language learning, they can use this tool to evaluate their readiness to support students on their learning journey.

Improvement in kura and kura kaupapa Māori performance

This year, 78% of our review programme focussed on kura within areas impacted by extended Covid lockdowns in 2021-22, and severe weather events in 2022-23.

We visited 34 kura providing full Māori language immersion education, helping whānau, kaikao, kaiāwhina, tumuaki and leadership clarify how they are supporting the aspirations of the 1639 tamariki learning in these settings. 78% of our review programme focussed on kura within areas impacted by extended Covid lockdowns in 2021-22, and severe weather events in 2022-23. Both events causing delays in review. Our reviews found the majority of kura (69%) are Aropaki medium priority, or Arotahi low priority representing kura of least concern.

Reviews in kura use kaupapa Māori evaluation approaches, which ensure reviews are relevant to each kura from across Te Rūnanga nui o ngā Kura Kaupapa Māori o Aotearoa, Ngā kura ā iwi o Aotearoa, and Kura Motuhake, Kura Māori and Wharekura.

“Leaders, over time have established a strong culture of collective responsibility for rangatahi success. A distributive leadership model inspires a pursuit for excellence approach and commitment from all staff. Mentors, coaches and teachers are highly collaborative and meet regularly to plan and evaluate programmes.”

Feedback from an Arotahi Kura

What we found in the kura we reviewed in 2023/24

 6%
Low priority

Arotahi - Review identified examples of innovative, or exemplary practice.

 63%
Medium priority

Aropaki - Review identified the need to expand and extend on the existing conditions.

 30%
High priority

Aronui - Review identified the need for a strong development focus.

Themes for improvement across our reviews in kura provide a snapshot of improvement areas.





Drive improvement
in school and kura
performance.

Table 10: Areas of improvement

51% Governance	Ensuring clear roles and responsibilities, strengthening day to day operations, and supporting smooth transitions.
48% Curriculum	Developing or embedding local curriculum and strengthening skills for leading curriculum development through professional development.
54% Assessment	Developing assessment approaches and reviewing assessment practice to monitor progress and ensure differentiated learning opportunities are provided.
54% Teaching	Developing more consistent teaching capability across a kura and strengthening pedagogical leadership.
54% Achievement	Strengthening planning for segments of learners to support achievement and putting in place acceleration strategies to support achievement lifts.

Sharing insights and examples of effective practice to support quality provision

Alongside the evaluation process itself, we have been working to identify ways we can share insights from, and examples of effective practice to support quality provision. When possible, we attended hui and wānanga with peak bodies, and their kura to share insights we hope can support improvement.

Examples include:

- common areas we identify that require improvement, and themes from past reviews that can support kura to proactively identify and take action upon areas of improvement
- diving into the evaluation approach we use to ensure that kura can maximise their self-review, and their time with on-site review officers.

To support this, we have also focussed on ensuring our practice and processes can empower partnerships with peak bodies that drive improvement across our collective areas of focus.

Supporting shifts in practice and provision

Driving improvement through a focus on self-evaluation

Nearly all of the kura we worked with this year have been reviewed before, with 54% showing improvement on one or more areas identified in their prior review. Of these, 23% had made progress in establishing, embedding, or growing the self-evaluation practice we know will help kura make progress on the next steps identified during their time with our evaluators.

Importantly, self-evaluation will enable kura to identify their own goals for improvement through challenging times, such as Covid-19, severe weather events, or through changes in leadership or governance. Change in governance or leadership was a common theme this year with 36% of kura we reviewed experiencing recent change.

Ensuring kura operate within legislative frameworks

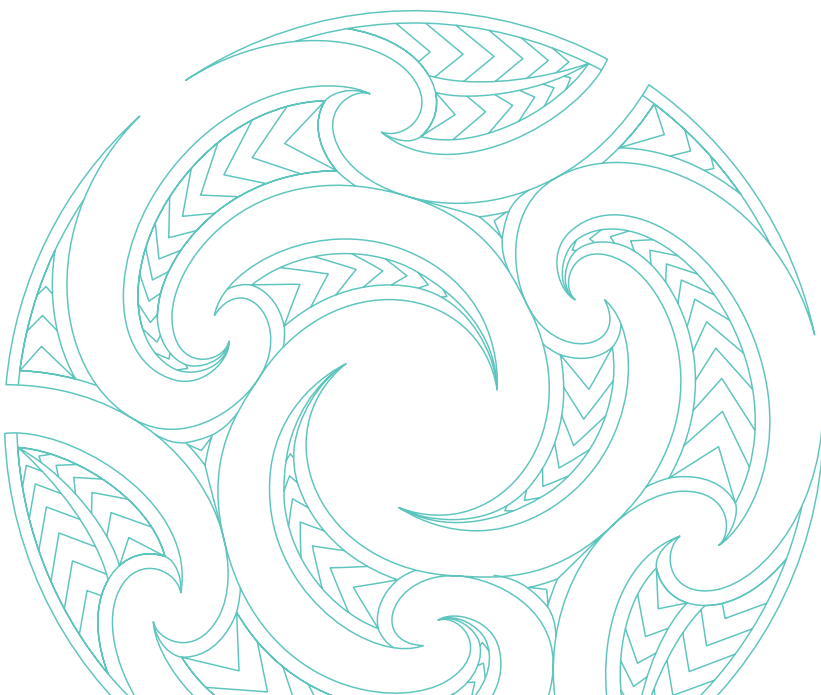
Through the evaluation process, we help clarify how improvement can be supported when identifying areas of non-compliance. All kura had seen improvement across one, if not all issues highlighted. Where non-compliance was identified in a prior review, all kura had seen improvement across one if not all the areas.

Improvement seen in most recent reviews relate directly to teaching and learning practice, strategies. Other areas relate to the conditions that directly support improvement in the provision of education, including the appraisal process for team members, and implementing self-review processes. When looking at current reviews we identified non-compliance in 16 kura with over half consisting of non-compliance across more than one area. 12% of reviews identified more than five areas of non-compliance.

The most common areas included ensuring kaiako, and tumuaki undergo performance assessment, maintaining a self-review programme and providing analysis of variance between the school's performance and the aims, objectives and priorities outlined in the school charter.

Attendance, achievement and assessment

Government targets for attendance, achievement and assessment were introduced for the education sector in the latter part of this reporting period. 12% of reviews found attendance as an area to improve.



Progressing the delivery of our strategic priorities

Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation



Continue to build a comprehensive and trusted evidence base that informs decision-making and practice.



Strengthen the quality and performance of early learning services.



Drive improvement in school and kura performance.



Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation.

✓ Summary of what we did this year

This year we considered how our existing approaches work best for all who contribute to kaupapa Māori and Māori medium education.

We focussed on two key areas to support continued culturally responsive practice:

- **Te Pou Reo:** developing, testing and socialised an enhanced review approach giving learners, whānau, and educators alike the clarity needed to support improvement in Māori-medium in English-medium schools
- **Improvements in planning and practice:** enabling empowering partnerships.

Te Pou Reo: enhancing evaluation, insights and equity

A growing number of learners and their whānau choose to undertake Māori-immersion learning in a rumaki reo, or bilingual unit within an English-medium school. Over 11,000 rumaki reo rua and bilingual immersion students learn through te reo Māori between 50% and 100% of the time. Although these spaces are within an English-medium environment, the curriculum, planning, and teaching strategies may differ from the broader school.

As experienced practitioners in developing indigenous evaluation approaches and research exploring Māori learner success, we know evaluations drive the most improvement when insights are appropriate and meaningful. This year, we developed an enhanced review approach, reflecting the kaupapa of these spaces and the improvement focus of the wider school.

What does Pou Reo mean?

Historically, pou whenua marked occupation on the whenua displaying the mana of a particular individual or group over a rohe. The role of pou as an important marker, stabiliser, and point from which progress can be built, underpins the kaupapa of the specialist pou reo evaluators, and their contributions to quality learning through te reo Māori. He pou whenua, he pou tangata, he pou reo. A marker of belonging, identity, language and culture.

Innovative approach, specialist team, enhanced review

We established the Pou Reo work programme in 2022/23. This year, we moved from establishment to action. Our specialist team brings together the necessary experience and skills to evaluate the quality of teaching and learning, through te reo Māori in rumaki reo rua and bilingual immersion settings.

This evaluation focus was informed by our body of work exploring Māori learner success, and the need to both ensure reviews align to the improvement planning shaped by Te Ara Huarau across the broader school, and the unique kaupapa of the Māori-medium spaces.

The Pou Reo team developed systems, tools and review methodology for trial in term 3 and 4 in 2023. Working with a group of central North Island schools, we found our methodology identified examples of good practice, and opportunities for improvement not identified in prior reviews.

Seven schools who were part of the trial agreed that the evaluation approach would lead to changes in school practice across several areas. These include assessment and progression clarity, improving and enriching curriculum, and building effective support for kaiako.

The majority of whānau participating in the trial expressed their aspirations for tamariki to be able to stand confidently and comfortably in te ao Māori (5 out of 7). Whānau from four of these schools explicitly expressed their desire for immersive learning in te reo Māori and tikanga Māori with emphasis on effective communication.

Te Pou Reo refined their evaluation approach before socialising the review approach further in terms 1 and 2 of 2024. We visited over 20 schools and identified examples of good practice and key next steps to support improvement best suited to the kaupapa of those settings.



Strengthen cultural responsiveness in kaupapa Māori education settings through partnerships and innovation.

In 2024, Pou Reo evaluations identified five key themes for improvement

- **Curriculum development:** This includes developing local curriculum, formalising existing curriculum, and working with iwi to strengthen their curriculum
- **Transitions and pathways:** Developing effective plans to support transitions from Māori-immersion settings into their rumaki or bilingual units, or onto another appropriate setting
- **Analysing and using assessment data to provide differentiated, and progressive learning opportunities:** This could include building upon existing approaches or developing further skills in this area to implement in the learning setting
- **Professional Learning Development to support improvements in practice and planning:** This includes te reo Māori, pedagogical approaches for language learning, leadership development, and the analysing and use of data.

“...the whole experience felt mana enhancing and that was down to the whole vibe of your team.”

Leader in response to their Pou Reo review



3.

How we work

Pehea ta mātou mahi
2023/24



Enabling strategies

Te whakaahei i ngā rautaki



Enhance our frameworks, methodologies and tools



Develop new skills and make the best use of our capabilities



Build enduring partnerships and networks



Modernise our technology systems



Use our information for better insights



Boost our confidence in te reo Māori



Grow leadership in our people



Enhancing our frameworks, methodologies and tools

We have continued to improve our methodologies, frameworks, tools and resources. This supports both our own work and the sector in its own monitoring, review and evaluation activities.

Early childhood services

This year, we updated the Early Childhood Education (ECE) Improvement Framework to ensure it is relevant and useful for standalone services as well as governing organisations. The framework aligns with recent changes in reporting our findings, particularly new judgement on the quality continuum. It is a useful tool in both internal and external evaluation and clearly describes the improvement progression from 'improvement needed' to 'excelling'.

Schools

In early 2024, we shared a refreshed School Improvement Framework (SIF) with schools in response to sector feedback. The changes provide detailed guidance and greater clarity between domains. Our data and the latest national and international evidence informed which domains make the greatest impact on learner outcomes. 'Core domains' include leadership, teaching and learning, and curriculum. Core domains are supported by four 'conditions for success' and an 'evaluation for improvement' lens. Te Tiriti o Waitangi is a foundation for success, woven throughout all domains. Schools use the SIF in their internal evaluations and ERO as part of external evaluations. The SIF helps build consistency, shared expectations and school improvement capability across the sector.

Developing new skills and making the best use of our capabilities

Governance

We have refined our governance approaches in the last 18 months as we continue to modernise as an organisation. A key driver is ensuring we can strategically make an impact, knowing where we could make further impact, and equipping our people to do the work that matters most for our learners. It also offers an opportunity for leaders across our business to develop and contribute to ERO meeting its obligations (both internal and external).

ERO's governance functions include:

- **Executive Leadership Team Board**—responsible for setting ERO's strategic direction, monitoring and ensuring delivery and performance, stewarding ERO's organisational policies and frameworks, and managing key risks to the organisation.
- **Organisational Performance**—monitors and provides advice to the ELT Board on how ERO is delivering as an organisation, identifying risks to delivery and performance, and providing recommendations on areas for improvement.
- **Technology, Data and Digital**—oversees technology, data, and digital investments to ensure they aligned to ERO's digital strategy and strategic intentions, key risks and issues are managed, and benefits are realised.

- **Health, Safety and Wellbeing**—supports the Chief Executive in their role as the Person Conducting a Business or Undertaking (PCBU) to govern obligations, opportunities and risks to ERO under the Health and Safety at Work Act 2015.
- **Risk and Assurance**—supports the Chief Executive to identify and manage risks by providing advice and guidance on, and challenging, the effectiveness and adequacy of risk management and assurance activities and processes across ERO.

Evaluating our practice

As a learning organisation we are focused on continuous improvement in the quality of evaluation practice and its impact practice in early childhood services, governing organisations (ECE) and schools.

To provide internal and external accountability and assurance of the fidelity, rigour and impact of our evaluation methodologies, we have refined our approach to Quality Assurance and Improvement (QAI) Panels. Two trials of the QAI Panels took place in May and July 2023, with an evaluation in September and a revised framework coming into effect in February 2024.

Collaborative professional learning and development

An ongoing professional learning programme (PLD) supports evaluators to improve the impact of their work in early childhood services, schools and kura. Themes are identified through our internal moderation and quality



assurance processes, feedback from staff and managers, and reflecting on sector changes and new research. This ensures that evaluators are continually and critically reflecting on and improving their practice with a focus on improved outcomes for learners.

More targeted approaches to lifting the performance of schools/kura with Māori learners includes the induction and training of the Pou Reo team and the development of specialist tools and frameworks.

Build enduring partnerships and networks

Leadership Partners Programme 2023/24

ERO launched the Leadership Partners programme in 2020 as part of our strategic priority to enhance the sector's confidence and trust in educational evaluations across schools in New Zealand. The Leadership Partners programme continues to provide a unique professional development opportunity that also improves ERO's impact in the field.

The Leadership Partners programme brings current senior school leaders into the evaluation process. It elevates ERO's evaluations with practical insights. Equally, it deepens participating leaders' understanding of ERO's internal and external evaluation practice. Participating leaders also develop insights into their own schools, establishing enduring partnerships and networks. Collaboration and sharing expertise across the sector enrich the review process for both schools and ERO, resulting in more robust and cooperative educational assessments.

The programme is a year-long professional development initiative. We select experienced school leaders to become ERO Leadership Partners. Following a tailored induction programme and designation as Review Officers, Leadership Partners work with an ERO evaluator for up to 10 days per term across a number of schools.

Since inception, 62 senior leaders have participated in the programme. Six became permanent ERO reviewers. Two have been seconded to the national specialist schools' review. Those in the programme have demonstrated proven capability and sector credibility. They support pan-ERO work such as aiding in complex reviews, trialling new tools,

connecting ERO with the sector, and participating in research activities.

Many of the Leadership Partners who have participated in the year long programme have remained as designated ERO partners beyond the programme to be called on to contribute their expertise on individual reviews and during national evaluation work.

In November 2023, ERO inducted a new 10-strong cohort of Leadership Partners from across the country. These Leadership Partners have been working closely with their Evaluation Partners not only undertaking school reviews, but also contributing aspects of the wider ERO work programme.

Te Akatea Leadership Partners

In May 2024, ERO inducted the first cohort of six Te Akatea Leadership Partners, nominated by Te Akatea | New Zealand Māori Principals' Association.

The emphasis is on education improvement for Māori learners, proactively advancing Māori Education and responding to the needs of Māori Education. It promotes the development of Māori professional leadership and management.

Participating leaders highly valued the induction programme. Described by some as 'the best professional development experience of their careers' underscores the relevance and effectiveness of the programme in enhancing educational leadership and evaluation practices.

ERO and Te Akatea will continue to work together to build evaluative capabilities among Māori education leaders, fostering mutual learning and contributing to transformational change for all learners in Aotearoa, with a particular focus on Māori students.

Education Endowment Foundation

We have partnered with the Education Endowment Fund to provide the sector access to a toolkit of international education evidence on particular approaches used in schools. The toolkit can help support further research to inform decisions. The [International Evidence Toolkit \(ero.govt.nz\)](https://ero.govt.nz) is available on our Evidence and Insights website.



✦+ Modernise our technology systems

HR systems

In 2023/2024 we implemented a new Applicant Tracking System (ATS) for recruitment. This has seen a significant decrease in the use of external recruitment agencies and subsequent savings have been realised. Managers have increased access to recruitment information and improved reporting capability. The use of task management software has seen a significant uplift during the 2023/2024 year, streamlining the handling of HR, Finance and IT queries, improving efficiencies and improvements in the quality of query responses.

Finance systems

At the start of 2023/24 a Finance Helpdesk portal was launched to log and keep track of queries. This leveraged the successful implementation of IT Helpdesk portal. The portal has enabled queries to be responded to as efficiently as possible and training to be developed based on the types of queries received.

In 2023/24 we implemented a new way of processing invoices to improve the user

experience of coding and approving invoices, timeliness of payment of suppliers and gain efficiencies within our Finance function. We have also realised benefits from the expense management system which was introduced in late 2022/23.

In 2024/25 we will continue to explore options to improve our Finance systems and meet the increasing external reporting obligations.

IT systems

Over the last year, we have continued to provide information management and ICT guidance and support to Aroturuki Tamariki / The Independent Children's Monitor as part of ERO's ongoing role as Aroturuki Tamariki's departmental agency host.

We participated and prepared evidence for the Archives New Zealand audit of public office recordkeeping as part of the 2023/2024 cohort. We initiated and supported the move of ERO's legacy digital resources to the cloud, making those resources available to the business via our electronic document and records management system. We continue to support and increase our office productivity environment with resource development and training.

We continue to modernise ERO's operating environment, including migration to the cloud; and the deployment of a SD-WAN network with a zero-trust access solution. This provides greater security for our information regardless of where staff access it from. We will continue to support our teams to ensure our technology-based projects meet government requirements for security, availability, and accessibility.

Use our information for better insights

We continue to invest in tools and processes that allow us to better target our efforts and enhance our view of system-wide performance. During the first six months of 2024, we established a data platform that will combine data collected by ERO, with other data about schools from across the education sector. The data platform will provide our frontline people with information that gives a more in-depth view of a school's progress and aids the discussions that review officers have with schools focused on improvement.



Boost our confidence in te reo Māori

See the section on He Taura Here Tangata—our Māori strategy on the following page.

Grow our team's leadership

See the next section on Te Waka Hourua—our leadership strategy on page 69.

Supporting strategies

Ngā rautaki hei tautoko



He Taura Here Tangata—our Māori strategy



Pacific Strategy



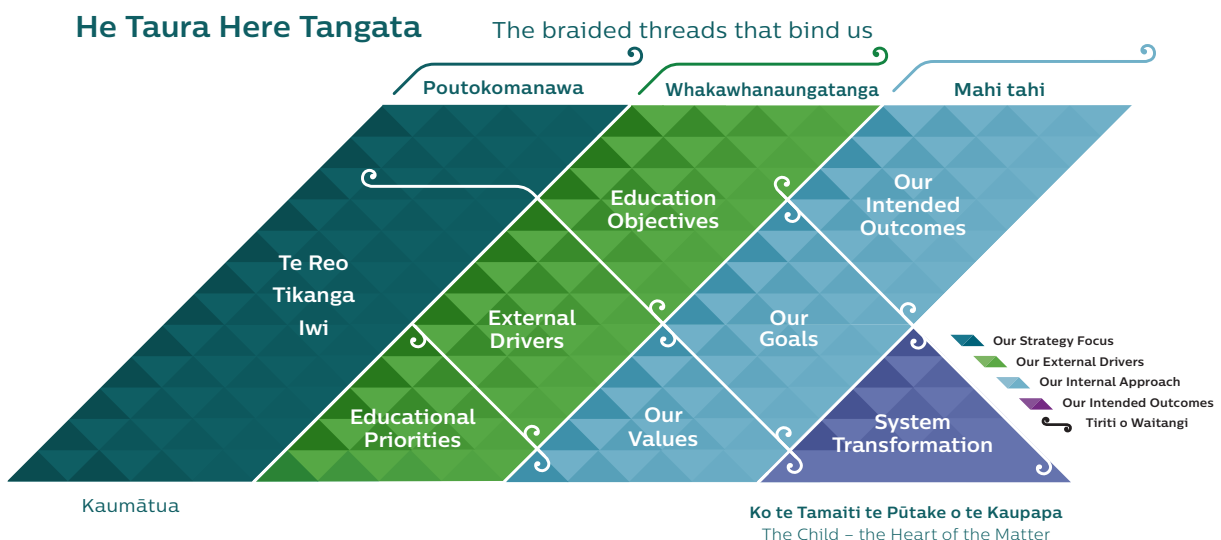
Te Waka Hourua—our leadership strategy

He Taura Here Tangata—our Māori strategy

We are continuously strengthening our capability to engage with and to understand Māori perspectives as part of the public service as well as being a good employer. Equally, our ambition is to ensure Māori learners everywhere can enjoy and achieve education success as Māori in a way that supports and celebrates the language, culture and identity.

Over 3% of the total school population is enrolled in Māori-medium education (25,824 students as at July 2023). By growing our own capabilities, we are better able to foster trusting and meaningful partnerships that can lead to more culturally responsive teaching and learning for our Māori learners.

Our Māori strategy, launched in 2021, aims to build our internal cultural capability and also delivers on the commitments for the Whāinga Amorangi Plan and Te Taura Whiri Māori Language Plan.



Te reo Māori

Goal: We are a bilingual organisation that promotes, values, understands, and uses te reo Māori.

80% attend regular te reo Māori learning opportunities. 10% participate in external courses to extend their reo Māori learning.

10% are involved in te reo Māori immersion settings across the country.

96% have made progress in te reo Māori.

80% are progressing daily use and normalisation of te reo Māori.



We are building our knowledge, understanding, and learning of the correct pronunciation in everyday use.



We feature bilingual forewords and executive summaries in our publications.



Our website normalises te reo Māori.



We provide monthly features and promotions of te reo Māori across the organisation.

Goal: Our research and evaluations influence the quality of te reo Māori teaching and learning.



We developed and rolled out Poutama Reo - Te Reo Māori Quality Framework across English-medium schools.



Our specialist te reo Māori team, Te Pou Reo, evaluate the quality of teaching and learning through te reo Māori in immersion and bilingual units in English-medium schools.



English-medium schools receive an annual newsletter Kia Manawanui providing information on our publications, practical advice and insights to guide improvement.

Tikanga Māori & Te Ao Māori

Goal: We are a bicultural, inclusive organisation that values te ao Māori and upholds competence through responsive practice.

85% have completed learning modules, growing our knowledge and understanding of tikanga Māori and te ao Māori.

96% have made progress in their confidence to participate in office tikanga, waiata, mihi whakatau and pōwhiri.

98% have confidence in understanding key elements of Matariki.

Working nationally in kaupapa Māori education settings are building our understanding of the differences in tikanga Māori across the motu learning new kupu, tikanga, whakatauki and pūrākau.

Goal: We focus on equity and excellence, and conduct research into and evaluate the quality of culturally responsive teaching and learning.



NCEA evaluation of Te Marautanga o Aotearoa and Kaupapa Ako Māori | NCEA (education.govt.nz).



Ringa Rehe - Hands of Many Talents and skills (ero.govt.nz).



Refined [School Improvement Framework](#) | [Education Review Office \(ero.govt.nz\)](#) that supports high quality culturally responsive teaching practice.

Iwi Māori & Te Tiriti o Waitangi

Goal: Building our knowledge and understanding of New Zealand history & Te Tiriti o Waitangi to support purposeful, authentic, trusting, collaborative relationships with whānau, hapū and iwi.

96% have made progress in their understanding of Te Tiriti o Waitangi & NZ histories.

87% have engaged in learning opportunities about Te Tiriti, which included engagement with local iwi about their education plans and stories of their rohe.

Goal: Evaluations and research across a range of settings with a focus on whānau, hapū and iwi aspirations' for ākonga.

Te Arawhiti principles, framework and guidelines support our mahi in various initiatives, including:

- Ongoing partnerships with Māori governing groups in Kaupapa Māori, Māori-medium and English-medium contexts.
- Ongoing partnering with Ngati Kahungunu Iwi Inc on a collective impact evaluation with iwi priorities and evaluation focus.
- Ongoing working relationship with Tokona Te Raki — Māori Futures Collective and the Mātauranga Iwi Leadership Group (represents 83 iwi) on “Kōkirihia”.



Refined School Improvement Framework with Te Tiriti o Waitangi elements woven throughout to support schools to build effective partnerships with whānau, hapū and iwi.



Research work with iwi-based attendance service providers to capture the strategies and support that works effectively for Māori whānau.

Pacific Strategy

We have released a draft tool, 'Afa Framework, that provides clarity for us and the sector on the conditions that support Pacific language learning success. We continue to develop a Pacific work programme to ensure we promote education practices where Pacific children can be confident in their languages, cultures and identities. We have also been invited by the Niue Government for a follow-up evaluation of the quality of the country's education provision.



Te Waka Hourua Arotake Mātauranga — our leadership strategy: 2023-2024

Investing in leadership is a priority for ERO. We use a suite of programmes and continue to support capability building in areas such as governance, leading distributed teams, decision-making, leading and working through others, inclusive leadership, accountability, achieving results, and 'tough' conversations.

ERO is committed to providing coaching for people leaders. Further access has been provided to coach training and coaching to support some leaders' own learning and development.

Planning is underway to develop an internal coaching team to provide coaching across business groups.

ERO's Leaders' Forum has met twice over the last year—online and kano ki te kano. These meetings provided valuable opportunities to advance a shared purpose to serve the government of the day and progress strategic priorities. These include developing a performance management framework and focus on the wellbeing of our teams.

Our Commitments

Tā Mātou E Taurangi Nei



Honour our obligations under Te Tiriti o Waitangi



Enhance diversity and wellbeing of our workforce



Reduce our environmental footprint

Honour our obligations under Te Tiriti o Waitangi

Kaupapa Māori

ERO has worked in partnership alongside each of the Peak Bodies in Kaupapa Māori education to develop methodologies and indicators that reflect the distinct philosophies and approaches.

Review and Improvement Services Māori ensures we deliver education evaluation by Māori, for Māori, with Māori in te reo Māori – respecting mana Motuhake and tino rangatiratanga of Māori to have self-determination over the education of their tamariki.

Māori-medium

ERO's specialist team, Te Pou Reo, are working in English-medium schools. These reviewers are culturally responsive, fluent in te reo Māori and use specialist tools and frameworks to give meaningful insights and clarity that supports improvement planning.

This fulfills our obligations of active protection Māori tino rangatiratanga over language, culture and identity and ensuring equitable outcomes for learners in rumaki and reo rua units.

English-medium

We have a specific focus on equitable outcomes for Māori in our review process. Te ao Māori is woven throughout our work and developed in partnership with Māori staff.

Our School Improvement Framework helps schools identify where they are on the continuum of meeting their obligations:

- partnership with Māori whānau, hapū, iwi
- actively supporting te reo me ōna tikanga and mātauranga Māori.

Enhancing the diversity and wellbeing of our workforce

Our people are the strength of our organisation. We support our people to deliver their best while also developing a culture that is supportive of their wellbeing and provides opportunities to develop and succeed.

We are a small, geographically spread organisation

Our work takes us across the country. Our workforce is predominantly female (around 82%). Our largest ethnic group is European and NZ European (66%), the next largest is Māori at 21%. The ethnicity profile of our leadership team (Tiers 2 & 3) reflects the wider organisation with representation from three different ethnic groups and 25% identified as Māori.

With an average age of 51 years, 62% of our people have fewer than five years of completed service. Our average tenure is 5.85 years. These figures are largely similar to recent years, with a slight increase in percentage of employees with less than 5 years of service. This demonstrates our continuing difficulties in recruiting the majority of our people into Review Officer roles, which require meaningful experience in the education sector. The sector has a similar demographic profile as ERO.

Public Service diversity and inclusion work programme

ERO supports Papa Pounamu, which sets the diversity and inclusion work programme for the Public Service and Kia Toipoto; and the Public Service Pay Gaps Action Plan 2021–24, which helps guide us to address the drivers of gender and ethnic pay gaps in our workplace. During the 2023/2024 year we made the following progress against the following Papa Pounamu and Kia Toipoto priority areas:

① Cultural competence

Te āheinga ā-ahurea

ERO continues to support the revitalisation of Te Reo Māori and contribute to building capability in the Public Service to better support the Māori Crown relationship.

We support the government's aims to improve Māori crown relations capability and through activities and events held throughout the year including:

- He Taura Here Tangata – Iwi & Te Tiriti o Waitangi (see page 69)
- Lessons, events and activities aimed at promoting, valuing, understanding and using te reo Māori
- Continued role out of Te Rito learning resources
- Attendance at Wall Walk educational opportunities
- Matariki – remembrance, celebration of now and looking to the future.

② Addressing Bias

Te urupare i te mariu

We improved support for hiring managers by centralising recruitment activities and significantly reduced reliance on recruitment agencies. This enabled ERO to support managers through inclusive job advertisement, supported selection and appointment decisions to identify and reduce the impact of unconscious bias throughout the recruitment process.

③ Inclusive leadership

Hautūtanga ngākau tuwhera

Our expectation is that leaders at ERO value diversity and practice inclusion across all interactions with their teams. Through leadership development and the inclusion of leaders in the development of our upcoming performance management system, we are re-enforcing the focus of our leadership team on understanding and valuing the importance of diversity.

④ Building Relationships

Te whakawhanaungatanga

The move to a national structure for review services necessitated a shift in the way teams interact. It places greater reliance on technology and virtual ways of working to ensure internal relationships and collaboration are maintained. Combined with reduced travel wherever necessary and the closure of one of our field offices, required new and deliberate approaches to management, relationship building and quality interactions.

⑤ Employee-led networks

Ngā tū hononga e kōkiritia ana e ngā kaimahi

This year, we introduced an additional employee led network, the ERO Rainbow Alliance. Our networks, which includes the existing Te Uepū-ā-Motu and Fono Pasifika are sponsored by our Executive Leadership Team to help foster communities and a culture of inclusion, acceptance, and mutual respect.

Gender Pay Gaps

Kia Toipoto – Public Service Pay Gaps Action Plan 2021-2024

As part of the Public Service, ERO is committed to addressing the workplace drivers of gender and ethnic pay gaps.

Gender and ethnic pay gaps at ERO NZ in June 2024

-3.5% for females (down from 9.09 % in June 2023)

Ethnic pay gap (compared with mean pay for all non-Māori ERO employees)

-3.7% for Māori

We have fewer than 20 employees in other ethnic groups making reporting statistically robust pay gaps not possible. Our target is to be in the top quartile (lowest pay gap) for the public service for all gender and ethnic options.

Our combined Papa Pounamu (Diversity, Equity and Inclusion) and Kia Toipoto (Pay Gaps) action plan can be found at [Kia Toipoto and Diversity and Inclusion: Combined approach](#).



Reducing our environmental footprint

We are committed to reducing our environmental impact wherever possible towards becoming carbon neutral. We are making better use of collaborative tools to minimise travel (our biggest CO² contributor) and have converted our entire road fleet to hybrid vehicles. We are piloting the use of electric vehicles and have reduced the number of vehicles by 9 vehicles (a 13% reduction in our total fleet) during 2023/24. We will continue to look at other emission sources, such as buildings and commuting, to find reductions where possible.

Our sustainability reporting

The effective management of our emissions is key to our environmental and sustainability objectives. We are committed to meeting the requirements of the Carbon Neutral Government Programme (CNGP) and operating in an emissions and energy-efficient environment.

Using the Toitū Envirocare certification process, we established an emissions base position in accordance with the requirements of CNGP. We have achieved Toitū Carbon reduce certification for the fourth consecutive year.

Our sustainability reporting highlights the areas where we need to make organisational, behavioural, and investment changes to reduce our operational greenhouse gas emissions.

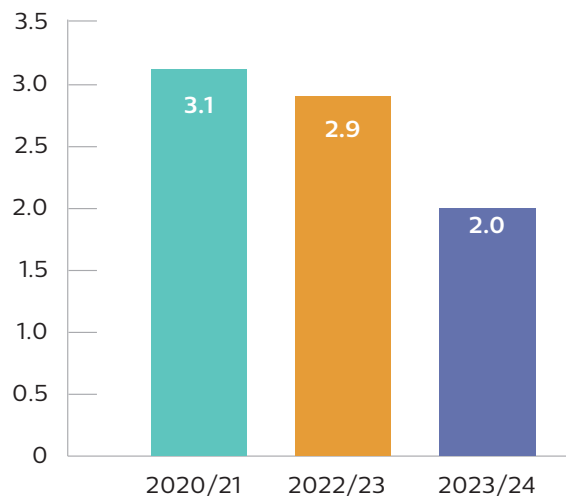
Carbon emission results

In 2023/24 we emitted 452.55 tCO₂e which is a 26% reduction on the previous year (608.15 tCO₂e), and a 35% percent on our 2020/21 base year (693.69 tCO₂e).

Travel is ERO's main source of carbon emissions. As part of ERO's 2023/24 Fiscal Sustainability and Effectiveness Programme travel was analysed in detailed. ERO moved to proximate scheduling during the year which, in addition to supporting our kaimahi has reduced the volume and intensity of travel and enabled better consideration of emissions. As a result, ERO has reduced its air travel by 57% from the 2020/21 base year. Overall, ERO has reached its 2025 reduction target ahead of schedule.

Our role requires us to visit schools and early learning centres across New Zealand. This is reflected in our GHG emissions, which are mainly related to travel and servicing ERO's six offices across New Zealand.

Graph 1: Total Gross Greenhouse Gas Emissions Per Full Time Equivalent 2020/21, 2022/23 and 2023/24.

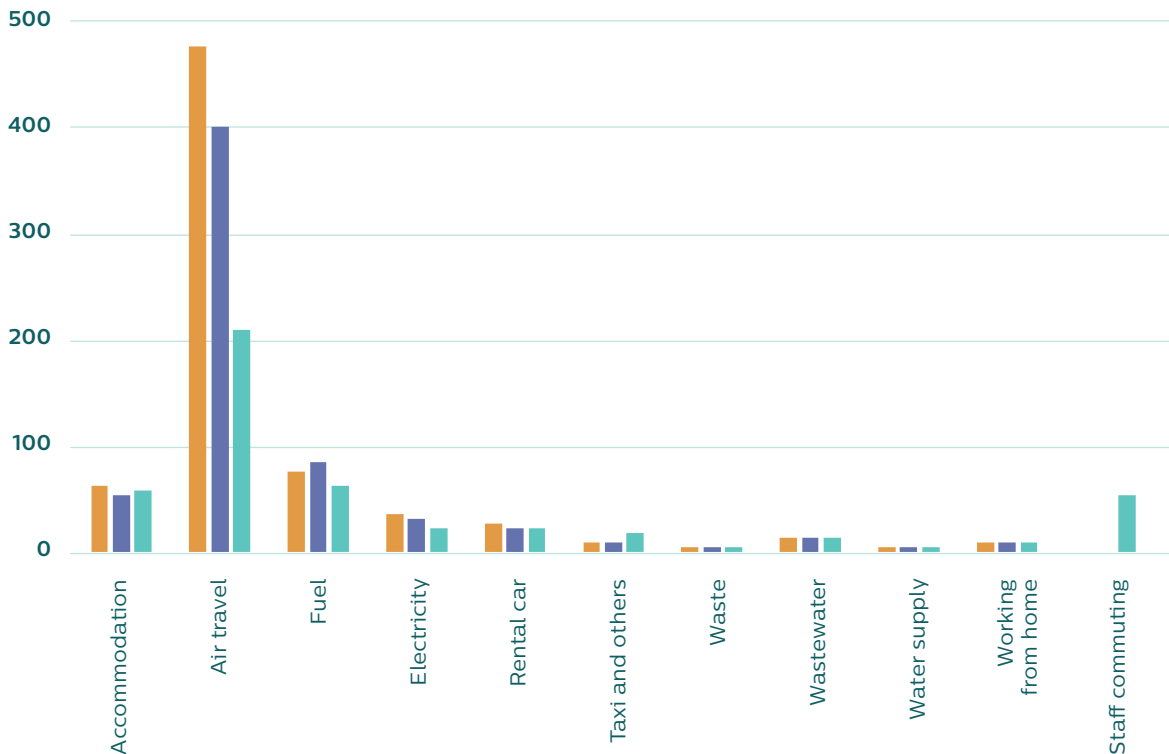


Our emissions per FTE (tCO₂e) have decreased by 37% compared to our 2020/21 baseline year and decreased by 32% compared to 2022/23 (Graph 2).

Table 11: Emissions profile broken down by scope and total annual emissions (tCO²e) for financial years

Category	Scopes	2021 Baseline year	2023	2024
Category 1: Direct emissions	Scope 1	71.03	78.02	59.35
Category 2: Indirect emissions from imported energy (location-based method*)	Scope 2	31.17	28.18	18.05
Category 3: Indirect emissions from transportation	Scope 3	574.83	486.22	359.99
Category 4: Indirect emissions from products used by organisation		16.65	15.74	15.16
Category 5: Indirect emissions associated with the use of products from the organisation		0.00	0.00	0.00
Category 6: Indirect emissions from other sources		0.00	0.00	0.00
Total direct emissions		71.03	78.02	59.35
Total indirect emissions		622.66	530.13	393.20
Total gross emissions (All measured emissions) in tCO²e		693.69	608.15	452.55

Graph 2: Total emissions by source (tCO²) 2020/21, 2022/23 and 2023/24



Progress towards our targets

Air travel

Goal: 5% year on year reduction to air travel from 1 July 2020 to 2025/26.

Result: ERO has reduced its flights by 57% from its base year in 2020/21 and by 48% from year 2022/23. ERO has reached its 2025/26 target.

Office lease NABERS rating

Goal: As office lease expires, ERO will consider buildings that have NABERS rating of 5 or more if ERO decides to move to different premises.

Result: During 2023/24 we did not relocate to any new premises.

Replace hybrid vehicles with an Electric Vehicle (EV) Fleet

Goal: Transition to a fully electric vehicle fleet by year 2025/26.

Result: In year 2023/24 ERO reduced its fleet by 9 vehicles (a 13% reduction in our total fleet).

Our emission reduction targets

We have set the following emission reduction targets to align with the CNGP target to keep global warming to less than 1.5 degrees of warming:

- **2025 target:** Gross emissions (all Categories) to be no more than 561.89 tCO₂e, or a 19% reduction in gross emissions (all Categories) compared to base year (2020/21).
- **2030 target:** Gross emissions (all Categories) to be no more than 402.34 tCO₂e, or a 42% reduction in gross emissions (all Categories) compared to base year (2020/21).

Our reduction plan and future reporting

Challenges

We had a significant reduction in air travel this year. This was due to a methodology change introduced by CNGP for the factors for domestic air travel and our move to proximate scheduling

which has reduced the volume and intensity of travel and enabled better consideration of emissions. Travel remains essential for our onsite reviews of schools and early learning services. Reducing travel related emissions while maintaining the necessity of on-site reviews poses a significant challenge.

In 2024/25 ERO will continue to actively consider the impact of its carbon emissions when making business decisions.

Plans

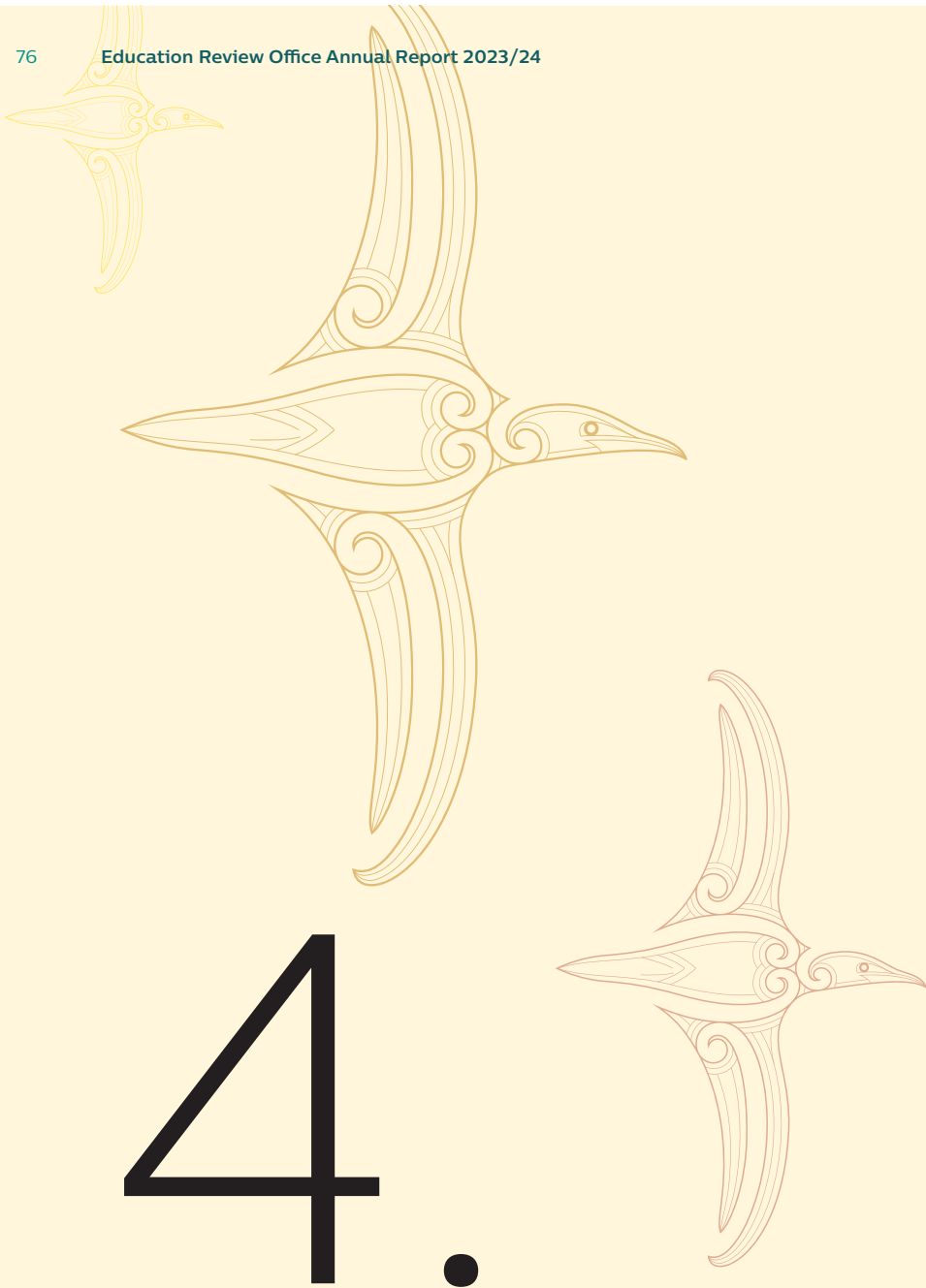
We continue our efforts to reduce our carbon footprint in line with the commitment for the public service to be carbon-neutral by 2025. Our plans for the 2024/25 financial year include:

- Continue to promote our travel policy and guidance to sustainably achieve our target of a 5% year on year reduction in air travel to 2025/26
- Review our building leases to identify:
 - the utilisation of premises to see if floor spaces could be reduced
 - options for lighting and heating of premises
 - opportunities to relocate to higher NABERSNZ rated premises
- Transition to a fully electric vehicle fleet by year 2025/26
- Analyse group level travel profiles as part of our quarterly reporting
- Reallocate resources to ensure ongoing leadership and implementation of emissions reduction plan and CNGP commitments.

Data quality

In 2024/25 we will focus on improving our data by:

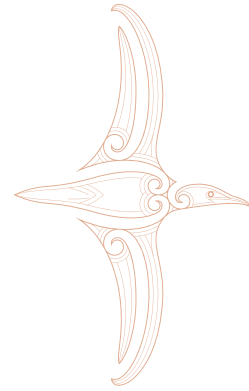
- Explore reporting domestic air travel in detail, such as by the aircraft's type or size, to achieve more accurate emissions result
- Conduct a staff commuting survey to gather accurate data.



4.

Aroturuki Tamariki The Independent Children's Monitor

Aroturuki Tamariki — the Independent Children's Monitor is an operationally independent departmental agency established 1 May 2023. As host, The Education Review Office provides back-office services such as finance, payroll and technology.



What Aroturuki Tamariki did this year

In 2023/24, Aroturuki Tamariki operated under its own Strategic Intentions and will report on performance against these in its own 2023/24 annual report. Financial and performance reporting for Aroturuki Tamariki appears in this annual report as ERO manages the appropriation within Vote Education Review Office - Independent Monitoring and Assurance of the Oranga Tamariki System.

Aroturuki Tamariki checks that organisations supporting and working with tamariki, rangatahi, and their whānau that are known to Oranga Tamariki, are meeting their needs, delivering services effectively, and improving outcomes. It monitors compliance with the Oranga Tamariki Act and the associated regulations, including the National Care Standards. It also looks at how the wider system (such as early intervention) is supporting tamariki and rangatahi under the Oversight of Oranga Tamariki System Act.

The stories and lived experiences of tamariki and rangatahi, their whānau, caregivers and community are at the centre of its monitoring approach. It also listens to kaimahi from government organisations (such as Oranga Tamariki, NZ Police, Health NZ and the Ministries of Health, Education and Social Development) and community organisations including iwi and Māori organisations and those with care and custody of tamariki and rangatahi.

In the 2023/24 year, it listened to more than 1,800 voices of experience through visits to Upper South, Taranaki-Manawatū, Tāmaki Makaurau (Auckland) and Canterbury. Information gathered from these visits is combined with data it requests from monitored agencies, such as Oranga Tamariki and NZ Police to inform its reports.

In 2023/24 Aroturuki Tamariki reported on its monitoring findings through the following:

- annual report on compliance with the National Care Standards Regulations – Experiences of Care in Aotearoa 2023/24 (published February 2024)
- an in-depth review of access to primary health services and dental care for children in care – Access to Primary Health Services and Dental Care (published January 2024)
- an in-depth look at the experiences and practices surrounding tamariki and rangatahi cared for at home by their parent/s while in State custody – Returning Home from Care (published August 2023).

It also completed monitoring and analysis for an in-depth review of the implementation of the recommendations from Dame Karen Poutasi's review of the Children's System Response to Abuse – Towards and Stronger Safety Net to Prevent Abuse of Children which was published in the 2024/25 reporting period.

In 2024/25, in addition to the annual *Experiences of Care* report, it will produce its inaugural annual report on the performance of the oranga tamariki system in respect of outcomes being achieved for tamariki and rangatahi Māori and their whānau.

Aroturuki Tamariki works closely with the Office of the Children and Young People's Commission and the Ombudsman to provide oversight of the oranga tamariki system.



5.

Financial Statements and Performance

Ngā Pūrongo Pūtea,
Ngā Tutukihanga
Pūtea Hoki

Statement of responsibility

I am responsible, as Chief Executive of the Education Review Office (ERO), for:



- the preparation of ERO's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on the appropriations administered by ERO is provided in accordance with section 19A to 19C of the Public Finance Act 1989 included in this annual report; and
- the accuracy of any end-of-year performance information prepared by ERO included in this annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and the organisational health and capability of ERO;
- the financial statements fairly reflect the financial position of ERO as at 30 June 2024 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of ERO as at 30 June 2025 and its operations for the year ending on that date.

A handwritten signature in black ink, appearing to be 'N. Pole', written in a cursive style.

Nicholas Pole

Chief Executive
27 September 2024



Independent Auditor's Report

Te pūrongo a te kaitātari kaute motuhake

To the readers of Education Review Office's Annual Report for the year ended 30 June 2024:

The Auditor-General is the auditor of Education Review Office (the Department). The Auditor-General has appointed me, Grant Taylor, using the staff and resources of Ernst & Young, to carry out, on his behalf, the audit of:

- the financial statements of the Department on pages 93 to 115, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information for the appropriations administered by the Department for the year ended 30 June 2024 on pages 21 to 60;
- the statements of expenses and capital expenditure of the Department for the year ended 30 June 2024 on pages 91 to 92.

Opinion

In our opinion:

- the financial statements of the Department:
 - present fairly, in all material respects:

- its financial position as at 30 June 2024; and
- its financial performance and cash flows for the year ended on that date; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity reporting standards.
- the performance information for the appropriations administered by the Department for the year ended 30 June 2024 on pages 21 to 60:
 - presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Department on pages 91 to 92 are presented, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Our audit was completed on 27 September 2024. This is the date at which our opinion is expressed.



The basis for our opinion is explained below. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Department for preparing:

- financial statements that present fairly the Department's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.

- statements of expenses and capital expenditure of the Department, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Department for assessing the Department's ability to continue as a going concern. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Department, or there is no realistic alternative but to do so.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence



the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Department's information on strategic intentions.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- We evaluate the appropriateness of the reported performance information for the appropriations administered by the Department.
- We conclude on the appropriateness of the use of the going concern basis of accounting

by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Department to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive is responsible for the other information. The other information comprises the information included on pages 4 to 19 and 62 to 77, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether



the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Department in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Department.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Grant Taylor
Ernst & Young

On behalf of the Auditor-General
Wellington, New Zealand

Performance information for appropriations

for the year ended 30 June 2024

This section provides an assessment of our delivery against the performance measures set out in the Vote Education Review Office 2023/24 Estimates of Appropriation and those as amended by the 2023/24 Supplementary Estimates.

Education Review Office

Evaluations of the Quality of Education

Scope

This appropriation is limited to evaluations of national and local education programmes and providers and to evaluation services provided to third parties under contract.

What we intended to achieve

This appropriation is intended to achieve improvements in teaching and learning practices by assisting early childhood learning services, schools and other education service providers to improve their capacity in internal evaluation, governance and leadership through ERO's independent evaluations. It also includes influencing and informing on the development and implementation of education policy and practices through ERO's system-wide evaluations and through the provision of other services.

What we achieved

Actual 2023		Note	Actual 2024	Target 2024
Monitor and Evaluate				
38%	Percentage of schools/kura that have been assessed for compliance with legal and regulatory requirements.	1	29%	>33%
75%	Progress of bringing schools onto the new schooling review approach.	2	94%	>100%
31%	Review resources are applied in accordance with the priority framework (from 2024/25).	3	16%	Maintain and Improve

Actual 2023		Note	Actual 2024	Target 2024
Influence				
	Percentage of early childhood learning service respondents that indicate that their ERO evaluation had helped to identify or confirm opportunities for more effective practice and building capacity.			
New measure	→ Governing organisations (see Note 4)	4	75%	>80%
84%	→ Individual services	5	80%	>80%
	Percentage of early childhood learning services that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes.	5		
New measure	→ Governing organisations (see Note 4)	4	75%	>80%
86%	→ Individual services	5	79%	>80%
68%	Percentage of schools that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes.	6	74%	>80%
72%	Percentage of school respondents that indicate that their ERO evaluation had helped to identify or confirm opportunities for more effective practice and building capacity.	6	66%	>80%
96%	Key audiences report that ERO's national evaluations are informative and useful for identifying or planning improvement within the system or its component parts.	7	94%	>80%
New measure	Percentage of school respondents that the Poutama Reo improvement framework has been used to inform their strategy for the planning, monitoring and delivering of te reo Māori.	8	29.7%	Baseline year

Note 1 Since separate compliance reports have been introduced ERO has completed 1680 reports (67%) in 2022/23 and 23/24. Additionally, ERO completed 95 Homeschooling reports this year which focussed on compliance.

Note 2 This is the proportion of eligible schools that were notified and where ERO had completed some evaluation activity on or before 30 June 2024. Our focus on high priority schools has impacted on achievement of this measure.

Note 3 Resourcing requirements allow for between 3 to 24 days per school over a three-year review cycle. Results for 23/24 reflect the review phase and population. In 23/24 the review phase was split between Monitor 44%, Plan and Monitor 49% and Extended 7%. This compares with Monitor 64%, Plan 31% and Extended 5% in 22/23. Given the three-year review cycle for schools this measure is best considered over that period. ERO intends to review this performance measure as part of preparation of the 25/26 Estimates to better reflect the refreshed methodology and lessons learned through the implementation process.

Note 4 The survey responses from governing organisations was small in number.

Note 5 This is a survey result that ERO conducted online of services that they have reviewed that year.

Note 6 This is a survey result that ERO conducted online of schools that received a report during the year.

Note 7 Surveys are carried out for each of the research projects or evaluations. For each piece of work, a group of key stakeholders are identified which can include education peak bodies, unions and government agencies as well as the teachers, kaiako and leaders that attended any webinars or events. Each report has a different set of key stakeholders depending on the nature of the material and the intended impact of the evaluation.

Note 8 The Poutama Reo improvement framework is a new approach to reviewing rumaki reo and bilingual units and supports Te Reo Māori language revisitation. This year we have set a baseline which forms the target for future reporting.

Financial performance

Actual 2023		Actual 2024	Unaudited main estimates 2024	Unaudited supps. estimates 2024
\$000		\$000	\$000	\$000
Revenue				
36,826	Revenue Crown	39,041	38,458	39,041
1,102	Other revenue	1,219	1,000	1,000
37,928	Total revenue	40,260	39,458	40,041
35,789	Total expenses	37,570	39,458	40,041

Establishing Aroturuki Tamariki – Independent Children’s Monitor

Scope

This appropriation is limited to establishing the Independent Children’s Monitor as a departmental agency hosted by the Education Review Office.

What we intended to achieve

This appropriation is intended to achieve the establishment of the Aroturuki Tamariki - Independent Children’s Monitor (Aroturuki Tamariki) as a departmental agency hosted by the Education Review Office (ERO). ERO’s activities include project implementation and oversight and setting up systems and processes to support the ongoing hosting arrangements for Aroturuki Tamariki so that it can deliver on its legislative purpose. This appropriation is limited to 2022/23 and 2023/24 to complete the establishment activities.

What we achieved

Actual 2023		Note	Actual 2024	Target 2024
Achieved	ERO will manage the establishment of Aroturuki Tamariki - Independent Children’s Monitor within ERO within the agreed budget	1	Achieved	Achieved

Note 1: This appropriation was underspent in 2023/24.

Financial performance

Actual 2023		Actual 2024	Unaudited main estimates 2024	Unaudited supps. estimates 2024
\$000		\$000	\$000	\$000
Revenue				
1,850	Revenue Crown	150	150	150
1,850	Total revenue	150	150	150
1,438	Total expenses	90	150	150

Capital Expenditure Permanent Legislative Authority

Scope

This appropriation is limited to the purchase or development of assets by and for the use of the Education Review Office, as authorised by section 24(1) of the Public Finance Act 1989.

What we intended to achieve

This appropriation is intended to achieve the renewal and replacement of ERO's assets that support the delivery of its services.

What we achieved

Actual 2023		Note	Actual 2024	Target 2024
62%	Expenditure is in accordance with ERO's capital expenditure plan	1	58%	75%-100%

Note 1: ERO's capital expenditure during the year was lower than expected due to delays in the motor vehicle replacement and laptop refresh programs.

Financial performance

Actual 2023		Actual 2024	Unaudited main estimates 2024	Unaudited supps. estimates 2024
\$000		\$000	\$000	\$000
541	Total capital expenditure	511	1,177	881

Aroturuki Tamariki

Independent Children's Monitor

Independent Monitoring and Assurance of the Oranga Tamariki System

Scope

This appropriation is limited to independent monitoring of compliance with, and delivery of, the Oranga Tamariki system and related regulations and standards.

What we intended to achieve

This appropriation is intended to achieve a strengthened independent monitoring and assurance function to provide oversight of the Oranga Tamariki system.

What we achieved

Actual 2023		Note	Actual 2024	Target 2024
New measure	Prepare and provide final reports as defined in the Oversight of Oranga Tamariki System Act 2022	1	Achieved	100%
Achieved	Complete visits to at least three regions each year to understand how the Oranga Tamariki system is experienced	2	Achieved	Achieved
New measure	Oranga Tamariki oversight system partners are satisfied with and use Aroturuki Tamariki reports to support them in their functions and duties	3	100%	Baseline
New measure	All agencies who are the subject of a final report make commitments to implement changes based on our report findings	4	Achieved	100%
New measure	The Māori Advisory group is satisfied that Aroturuki Tamariki have regard to their views when developing priorities, work programmes and monitoring approaches	5	100%	Baseline
New measure	Regional visits reflect the tikanga of the community within which we are operating including us sharing with the community what we have heard	6	Achieved	90%

Note 1: Three reports were prepared and published by Aroturuki Tamariki - Independent Children's Monitor (the Monitor) between 1 May 2023 and 30 June 2024.

Under section 26 of the Oversight of the Oranga Tamariki System Act 2022 the Monitor published two reviews: *Returning Home from Care* on 9 August 2023 which provides an in-depth look at the experiences and practices surrounding tamariki and rangatahi cared for at home while in State custody, and *Access to Primary Health Services and Dental Care* on 25 January 2024 which provides an in-depth look into the experiences of accessing primary health services and dental care for tamariki and rangatahi in the custody of Oranga Tamariki and Open Home Foundation.

Under section 23 of its Act the Monitor published its third annual *Experiences of Care in Aotearoa* report for 2022-2023 on 1 February 2024. This reports on and provides insight into whether agencies with custody and care responsibilities are complying with the National Care Standards Regulations and whether it is making a difference for tamariki and rangatahi in care.

As required under its Act, the Monitor's final reports were provided to relevant Ministers, agencies that were the subject of the report, the Ombudsman and the Children and Young People's Commission, tabled in Parliament and published on the Monitor's website¹.

Note 2: The Monitor will visit each of its ten regions, covering the whole of Aotearoa New Zealand, every three years to inform the functions of the Monitor as set out in the Oversight of the Oranga Tamariki System Act 2022.

Three monitoring visits were completed in 2023/24 to the Upper South, Taranaki/Manawatu and Tāmaki Makaurau Auckland regions².

A monitoring visit process takes approximately 20 weeks, and is considered complete once the Monitor shares back with the community and oranga tamariki system agencies what it heard from them. These community share backs provide information regarding tamariki and rangatahi in the region including their health and education outcomes, regional data insights and the key themes from what the Monitor heard in their region.

Note 3: Oversight system partners are the Ombudsman and the Children's and Young People's Commission.

The oversight system partners were surveyed to assess their satisfaction with and use of the Monitor's reports in supporting them in their relevant functions and duties as outlined in the Oversight of the Oranga Tamariki System Act 2022 and Children and Young People's Act 2022.

Note 4: Under section 30 of the Oversight of the Oranga Tamariki System Act 2022, the Chief Executive of an agency that is the subject of any final report of the Monitor must prepare a response in writing to that report which outlines what the agency intends to do in response to the Monitor's findings.

The Monitor received responses from all agencies that were the subject of the three reports published under sections 23 and 26 of its Act in 2023/24. These responses are published on the Monitor's website³ and progress against these will be monitored.

Note 5: Under section 18 of the Oversight of the Oranga Tamariki System Act 2022, the Monitor must collaborate with and have regard to the views of its Māori Advisory Group, Te Kāhui, when developing its priorities, work programmes and monitoring approaches.

Te Kāhui is appointed by the Monitor and is comprised of key Māori leaders with experience and knowledge of tamariki and rangatahi rights and the oranga tamariki system, as well as extensive knowledge of tikanga Māori. The Monitor meets with Te Kāhui every two months to update them on its work programme, and gather their input and feedback. Seven meetings with Te Kāhui took place between 1 May 2023 and 30 June 2024. Members of Te Kāhui also attended community engagements with the Monitor.

Te Kāhui members were surveyed to provide their assessment of how the Monitor has had regard to their views.

Note 6: The Monitor's practice reflects a te ao Māori approach, and monitoring activities are tailored to acknowledge the tikanga of each community and those engaged with.

When the Monitor is planning its monitoring visit to a region it makes an initial assessment of the relevant iwi connections within that region. The Monitor connected with iwi prior to beginning monitoring activities in each of the three regions it visited between 1 May 2023 and 30 June 2024 to recognise the status of mana whenua and build and maintain effective working relationships. Monitoring teams were made aware of specific tikanga in the rohe before visiting to ensure they responded appropriately to customs of each region where relevant. The share-back process completed in each region involved the Monitor sharing what was heard back to that community and ensures meaningful engagement through reciprocity.

1 <https://aroturuki.govt.nz/reports>

2 <https://aroturuki.govt.nz/our-visits/monitoring-map>

3 <https://aroturuki.govt.nz/reports/agency-responses>

Financial performance

Actual 2023 \$000		Actual 2024 \$000	Unaudited main estimates 2024 \$000	Unaudited supps. estimates 2024 \$000
Revenue				
2,800	Revenue Crown	11,578	11,568	11,578
2,800	Total revenue	11,578	11,568	11,578
2,156	Total expenses	10,576	11,568	11,578

Reconciliation of Appropriations to Comprehensive Revenue and Expenses

	Evaluations of the Quality of Education \$000	Establishing the Independent Children's Monitor \$000	Independent Monitoring and Assurance of the Oranga Tamariki System \$000	Comprehensive Revenue/ Expenses \$000
Revenue Crown	39,041	150	11,578	50,769
Revenue Department and Other	1,219	-	-	1,219
Eliminations of inter-entity transactions	(239)	-	-	(239)
Total Revenue after Eliminations	40,021	150	11,578	51,749
Expenses	37,570	90	10,576	48,236
Eliminations of inter-entity transactions	-	-	(239)	(239)
Expenses after eliminations	37,570	90	10,337	47,997

Ngā tauākī wāwāhinga

Appropriation statements

The following statements report information about the expenses and capital incurred against the appropriations administered by ERO for the year ended 30 June 2024. They are prepared on a GST exclusive basis.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations for the year ended 30 June 2024

Expenditure after remeasurements 2023 \$000		Expenditure before remeasurements 2024 \$000	Expenditure after remeasurements 2024 \$000	Approved Appropriation 2024 \$000
Vote Education Review Office				
Departmental output expenses				
35,789	Evaluations of Quality Education	37,570	37,570	40,041
1,438	Establishing the Independent Children's Monitor	90	90	150
2,156	Independent Monitoring and Assurance of the Oranga Tamariki System	10,576	10,576	11,578
Permanent Legislative Authority (PLA)				
541	Capital Expenditure PLA	511	511	881
39,924	Total Annual and Permanent Appropriations	48,747	48,747	52,650

The appropriation figures are those presented in the 2023/24 Estimates of Appropriations, as amended by the 2023/24 Supplementary Estimates.

End of year performance information for each appropriation can be found on pages 84 to 86.

Statement of expenses and capital expenditure incurred without appropriation or other authority, or in excess of an existing appropriation or other authority for the year ended 30 June 2024

ERO has not incurred expenses or capital expenditure without, or in excess of appropriation, or other authority (2023: nil).

Statement of Departmental Capital Injections for the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Approved appropriation 2024 \$000
6,507	Capital Injection	-	-

Statement of departmental capital injections without, or in excess of, authority for the year ended 30 June 2024

ERO has not received any capital injections during the year, without, or in excess of, authority (2023: nil).

Ngā tauākī pūtea

Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Revenue					
41,476	Revenue Crown	2	50,769	50,176	49,818
1,056	Other revenue	2	980	1,000	1,000
42,532	Total revenue		51,749	51,176	50,818
Expenses					
26,342	Personnel	3	34,167	36,596	36,386
11,690	Other expenses	4	12,138	13,032	12,987
1,140	Depreciation and amortisation	8,9	1,351	1,200	1,097
165	Capital charge		341	348	348
39,337	Total expenses		47,997	51,176	50,818
3,195	Surplus		3,752	-	-
3,195	Total comprehensive revenue and expense		3,752	-	-

Explanations of major variances against the original 2024 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Assets					
Current assets					
15,035	Cash and cash equivalents	6	14,580	8,923	9,874
120	Receivables	7	223	65	65
334	Prepayments		578	103	174
15,489	Total Current Assets		15,381	9,091	10,113
Non-Current Assets					
2,723	Property, plant, and equipment	8	1,962	2,969	4,679
173	Intangible assets	9	-	72	-
2,896	Total Non-Current Assets		1,962	3,041	4,679
18,385	Total Assets		17,343	12,132	14,792
Liabilities					
Current Liabilities					
2,946	Payables and deferred revenue	10	1,687	1,325	2,821
1	Derivative financial instruments	15	2	-	-
3,195	Repayment of surplus		3,752	-	-
361	Provisions	11	396	263	263
67	Lease incentive	12	57	67	67
3,497	Employee entitlements	13	3,308	2,065	3,377
10,067	Total Current Liabilities		9,202	3,720	6,528
Non-Current Liabilities					
4	Derivative financial instruments	15	-	-	-
1,074	Provisions	11	955	1,018	1,018
92	Lease incentive	12	36	92	92
334	Employee entitlements	13	336	340	340
1,504	Total Non-Current Liabilities		1,327	1,450	1,450
11,571	Total Liabilities		10,529	5,170	7,978
Equity					
6,814	Taxpayers' funds		6,814	6,962	6,814
6,814	Total Equity		6,814	6,962	6,814
18,385	Total Liabilities and Equity		17,343	12,132	14,792

Explanations of major variances against the original 2024 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
3,307	Balance at 1 July	6,814	6,962	6,814
3,195	Total comprehensive revenue and expense	3,752	-	-
	Owner transactions			
(3,000)	Capital withdrawals	-	-	-
6,507	Capital injections	-	-	-
(3,195)	Repayment of surplus to the Crown	(3,752)	-	-
6,814	Balance at 30 June	6,814	6,962	6,814

Explanations of major variances against the original 2024 budget are provided in Note 18.
The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Cash flows from operating activities				
41,476	Receipts from Revenue Crown	50,769	50,176	49,818
897	Receipts from other revenue	1,017	1,000	1,000
(25,892)	Payments to employees	(34,414)	(36,596)	(36,386)
(10,531)	Payments to suppliers	(13,934)	(13,032)	(12,952)
(165)	Payment for capital charge	(341)	(348)	(348)
5,785	Net cash flows from operating activities	3,097	1,200	1,132
Cash flows from investing activities				
72	Receipts from sale of property, plant and equipment	154	131	299
(540)	Purchase of property, plant and equipment	(511)	(1,177)	(3,519)
(468)	Net cash flows from investing activities	(357)	(1,046)	(3,220)
Cash flows from financing activities				
(3,000)	Capital withdrawal	-	-	-
6,798	Capital Injection	-	-	-
(1,068)	Repayment of surplus to the Crown	(3,195)	-	-
2,730	Net cash flows from financing activities	(3,195)	-	-
8,047	Net increase/(decrease) in cash	(455)	154	(2,088)
6,988	Cash at start of the year	15,035	8,769	11,962
15,035	Cash at the end of the year	14,580	8,923	9,874

Explanations of major variances against the original 2024 budget are provided in Note 18.
The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 30 June 2024 (continued)

Reconciliation of surplus/(deficit) to net cash flow from operating activities

Actual 2023 \$000		Actual 2024 \$000
3,195	Surplus/(deficit)	3,752
	Add/(less) non-cash items	
1,140	Depreciation and amortisation expense	1,351
1,140	Total non-cash items	1,351
	Add/(less) items classified as investing or financing activities	
(14)	(Gains)/losses on disposal of property, plant and equipment and intangibles	(60)
(14)	Total items classified as investing or financing activities	(60)
	Add/less movements in statement of financial position items	
(103)	(Increase)/decrease in receivables	(103)
(204)	(Increase)/decrease in prepayments	(244)
1,393	Increase/(decrease) in payables and derivative financial instruments	(1,262)
(271)	Increase/(decrease) in provisions and lease incentive	(150)
649	Increase/(decrease) in employee entitlements	(187)
1,464	Net movements in working capital items	(1,946)
5,785	Net Cash flow from operating Activities	3,097

The accompanying notes form part of these financial statements.

Statement of commitments

as at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
Non-cancellable operating lease commitments		
1,777	Not later than one year	2,002
2,383	Later than one year and not later than five years	1,897
-	Later than five years	-
4,160	Total non-cancellable operating lease commitments	3,899
4,160	Total commitments	3,899

Non-cancellable operating lease commitments

ERO leases all of its offices in six locations across New Zealand, which have a non-cancellable leasing period of up to three years (2023: seven locations).

The non-cancellable leases have varying terms, an escalation clause and renewal rights.

There are no restrictions placed on ERO by any of its leasing arrangements.

The amounts disclosed above as future commitments are based on the current rental rates.

Statement of contingent liabilities and contingent assets

as at 30 June 2024

Contingent assets

ERO has no contingent assets (2023: \$nil).

Quantifiable and non-quantifiable contingent liabilities

ERO has no quantifiable contingent liabilities. (2023: one quantifiable contingent liability of \$28,000).

ERO has no non-quantifiable contingent liabilities (2023: nil).

The accompanying notes form part of these financial statements.

Notes to the financial statements

for the year ended 30 June 2024

1. Statement of accounting policies

Reporting entity

The Education Review Office (ERO) is a government department as defined by section 5 of the Public Service Act 2020 (PSA) and is domiciled and operates in New Zealand. The relevant legislation governing ERO's operations include the Public Finance Act 1989 (PFA), Public Service Act 2020, and the Public Audit Act 2001. ERO's ultimate parent is the New Zealand Crown.

Aroturuki Tamariki, the Independent Children's Monitor (Aroturuki Tamariki) is a departmental agency as defined by section 2 of the Public Finance Act 1989, which is hosted within ERO. Unless explicitly stated references to ERO in these financial statements covers both ERO and Aroturuki Tamariki.

The primary objective of ERO is to provide services to the public rather than making a financial return. ERO does not operate to make a financial return. Accordingly, ERO has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes.

The financial statements of ERO for the year ended 30 June 2024 are consolidated financial statements including both ERO and Aroturuki Tamariki. They were approved for issue by the Chief Executive on 27 September 2024.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of ERO have been prepared in accordance with Tier 1 PBE Accounting Standards and the requirements of the PFA, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP) and Treasury Instructions.

The financial statements have been prepared in accordance with and comply with PBE Accounting Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest thousand dollars (\$000).

Changes in accounting policies

There have been no changes in ERO's accounting policies since the date of the last audited financial statements.

Standards issued and not yet effective and not early adopted

There are no standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to ERO.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into New Zealand dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at balance date exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the surplus or deficit.

Goods and services tax (GST)

All items in the financial statements and appropriation statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

ERO, as a government department, is exempt from the payment of income tax. Accordingly, no provision for income tax has been provided.

Critical accounting estimates and assumptions

In preparing these financial statements, ERO has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of measuring:

- provision for reinstatement – refer Note 11
- retirement leave and long service leave – refer Note 13.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- Software as a Service – refer Note 9.

Budget and forecast figures

The 2024 budget figures are for the year ended 30 June 2024 and were published in the 2022/23 annual report. They are consistent with ERO's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ending 30 June 2024.

The 2025 forecast figures are for the year ending 30 June 2025, which are consistent with the best estimate financial forecast information submitted to Treasury for the BEFU for the year ending 30 June 2025.

The forecast financial statements have been prepared as required by the PFA to communicate forecast financial information for accountability purposes.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2025 forecast figures have been prepared in accordance with PBE FRS 42 Prospective Financial Statements.

The forecast financial statements were approved for issue by the Chief Executive on 27 September 2024.

The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

While ERO regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2025 will not be published.

Significant assumptions used in preparing the forecast financials

The forecast figures contained in these financial statements reflect ERO's purpose and activities and are based on a number of assumptions on what may occur during the 2024/25 year.

The forecast figures have been compiled on the basis of existing government policies and Ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted as at 16 April 2024 were as follows:

- ERO's activities will remain substantially the same as for the previous year.
- Personnel costs were based on current wages and salary costs, adjusted for anticipated remuneration changes.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are ERO's best estimate of future costs that will be incurred.
- Estimated year-end information for 2023/24 is used as the opening position for the 2024/25 forecasts.
- Inclusion of Aroturuki Tamariki.

The actual financial results achieved for 30 June 2024 are likely to vary from the forecast information presented, and the variations may be material.

Statement of cost allocation policies for Departmental Financial Statements

ERO has determined the cost of outputs and categories using the following cost allocation system:

- Direct costs are expenses incurred from activities in producing outputs. These costs are charged directly to the related appropriations.
- Indirect costs are expenses incurred by corporate services functions that cannot be identified with a specific output. Indirect costs are allocated to each appropriation based on full-time equivalent personnel or time allocation.

This policy has been applied since 2022/23 with the establishment and addition of Aroturuki Tamariki.

2. Revenue

Revenue Crown

Revenue from the Crown is measured based on ERO's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, ERO can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Other revenue

ERO derives revenue from the provision of services to third parties and rent recoveries.

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised at the time of completion of the services or in accordance with the terms of specific contracts.

Rental revenue under an operating sublease is recognised as revenue on a straight-line basis over the term of the lease term.

Breakdown of other revenue

Actual 2023 \$000		Actual 2024 \$000
972	Sale of services	690
63	Rental revenue from sub-leases	60
21	Other revenue	230
1,056	Total other revenue	980

3. Personnel

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Employee contributions to the State Sector Retirement Savings Scheme, KiwiSaver, and the Government Superannuation Fund³⁶ are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Actual 2023 \$000		Actual 2024 \$000
25,400	Salaries and wages	32,940
815	Employer contribution to superannuation schemes	1,008
57	Increase/(decrease) in employee entitlements	134
70	Other	85
26,342	Total personnel	34,167

4. Other expenses

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Other expenses

Other expenses are recognised as goods and services are received.

Actual 2023 \$000		Actual 2024 \$000
116	Fees to auditors for audit of the financial statements	116
2,041	Consultancy and contractors	1,891
2,629	Information technology costs	2,926
2,128	Property costs	2,721
601	Publication costs	466
2,090	Travel	2,246
7	Net loss on disposal of property, plant and equipment and intangible assets	2
5	Net loss on foreign exchange derivatives	-
2,073	Other expenses	1,770
11,690	Total operating costs	12,138

5. Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates.

ERO pays a capital charge to the Crown on its equity as at 30 June and 31 December each year.

The capital charge rate for the year ended 30 June 2024 was 5% (2023: 5%).

6. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. ERO is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

7. Receivables

Short-term receivables are recorded at the amount due less an allowance for credit losses when probable. ERO has applied the simplified expected credit loss model of recognising lifetime expected credit losses for receivables and no loss allowance has been recognised. ERO predominantly transacts with public service entities with no credit risks.

Actual 2023 \$000		Actual 2024 \$000
120	Receivables from contractual services	223
120	Total receivables	223

8. Property, plant and equipment

Property, plant, and equipment consists of leasehold improvements, furniture and fittings, office equipment, computer hardware and motor vehicles.

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose.

Capitalisation thresholds applied for individual assets or group of assets are set out as follows:

Capitalisation Thresholds	\$
Computer hardware, office equipment, furniture and fittings and leasehold improvements	2,000
Motor vehicles	5,000

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to ERO and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probably that future economic benefits or service potential associated with the item will flow to ERO and the cost if the item can be measured reliably.

Depreciation

Depreciation is charged on property, plant and equipment on a straight-line basis over their estimated useful lives, which will write off the cost of the assets to their estimated residual value.

The estimated useful life, residual values and associated depreciation rates applied to each class of property, plant and equipment are as follows:

Depreciation of Property, Plant and Equipment	Estimated Useful Life (Years)	Depreciation Rates (%)	Residual Values (%)
Computer hardware	4	25	-
Motor vehicles	4-5	20-25	25
Office equipment	5	20	-
Furniture and fittings	10	10	-

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimates remaining useful lives of the improvements.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Impairment

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable amount. The impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is also recognised in the surplus or deficit.

Movements for each class of property, plant, and equipment are as follows:

	Computer Hardware \$000	Motor Vehicles \$000	Office Equipment \$000	Furniture & Fittings \$000	Leasehold Improvements \$000	Total \$000
Cost						
Balance at 1 July 2022	1,182	2,059	450	811	2,888	7,390
Additions	260	219	62	-	-	541
Transfer from MSD	-	-	-	-	253	253
Disposals	(286)	(139)	(94)	(3)	(200)	(722)
Balance as at 30 June 2023	1,156	2,139	418	808	2,941	7,462
Additions	412	-	-	23	76	511
Transfer to/(from)	-	-	(60)	60	-	-
Disposals	(5)	(277)	-	-	-	(282)
Balance as at 30 June 2024	1,563	1,862	358	891	3,017	7,691
Accumulated Depreciation						
Balance at 1 July 2022	(759)	(874)	(381)	(409)	(1,768)	(4,191)
Depreciation	(235)	(306)	(54)	(102)	(328)	(1,025)
Transfer from MSD	-	-	-	-	(186)	(186)
Disposals – Costs	279	88	93	3	200	663
Balance as at 30 June 2023	(715)	(1,092)	(342)	(508)	(2,082)	(4,739)
Depreciation	(285)	(287)	(8)	(218)	(380)	(1,178)
Disposals	5	183	-	-	-	188
Balance at 30 June 2024	(995)	(1,196)	(350)	(726)	(2,462)	(5,729)
Carrying Amounts						
As at 30 June and 1 July 2022	423	1,185	69	402	1,120	3,199
As at 30 June and 1 July 2023	441	1,047	76	300	859	2,723
As at 30 June 2024	568	666	8	165	555	1,962

There are no restrictions over the title of ERO's property, plant and equipment and no assets are pledged as security for liabilities.

9. Intangibles

Intangible assets with finite lives are stated at cost less amortisation and any impairment losses.

Acquired intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use; and when the development expenditure can be reliably measured.

Where an intangible asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Capitalisation thresholds applied for individual assets or group of intangible assets are set out as follows:

Capitalisation Thresholds	\$
Computer software	2,000

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit. The estimated useful lives and associated amortisation rates applied to these assets are as follows:

	Estimate useful life (years)	Amortisation rates (%)
Computer software	4	25
Review procedures	5	20

Impairment

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, irrespective of whether there is any indicator of impairment.

For further details, refer to the policy for impairment of property, plant, and equipment in note 8. The same approach applies to the impairment of intangible assets.

Critical judgements in applying accounting policies

Software as a Service (SaaS) arrangements

SaaS arrangements are service contracts providing ERO with the right to access the cloud provider's application software over the contract period. As such ERO does not receive a software intangible asset at the contract commencement date.

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

Movements for each class of intangible asset are as follows:

	Computer Software \$000	Review Procedures \$000	Total \$000
Cost			
Balance at 1 July 2022	433	29	462
Additions	-	-	-
Disposals	-	-	-
Balance as at 30 June 2023	433	29	462
Additions	-	-	-
Disposals	-	(28)	(28)
Balance as at 30 June 2024	433	1	434
Accumulated Amortisation			
Balance at 1 July 2022	(145)	(29)	(174)
Amortisation	(115)	-	(115)
Disposals	-	-	-
Balance as at 30 June 2023	(260)	(29)	(289)
Amortisation	(173)	-	(173)
Disposals	-	28	28
Balance as at 30 June 2024	(433)	(1)	(434)
Carrying Amounts			
As at 30 June and 1 July 2022	288	-	288
As at 30 June and 1 July 2023	173	-	173
As at 30 June 2024	-	-	-

There are no restrictions over the title of ERO's intangible assets, nor are any intangible assets pledged as security for liabilities.

10. Payables and deferred revenue

Short-term payables are recorded at the amount payable.

Actual 2023 \$000		Actual 2024 \$000
757	Creditors	385
1,401	Accrued expenses	836
126	Income in advance for contractual services	90
2,284	Payables and deferred revenue under exchange transactions	1,311
662	Tax Payables (inc GST, FBT and PAYE)	376
662	Payables and deferred revenue under non-exchange transactions	376
2,946	Total payables and deferred revenue	1,687

The carrying value of creditors and other payables approximate their fair value as they are normally settled within three months.

11. Provisions

ERO has reinstatement obligations at the termination of some of its property leases and other provisions.

Actual 2023 \$000		Actual 2024 \$000
	Current portion	
361	Reinstatement	339
-	Other Provisions	57
361	Total current portion at end of year	396
	Non-current portion	
1,074	Reinstatement	955
1,074	Total non-current portion at end of year	955
1,435	Total provisions at end of year	1,351
	Reinstatement	
1,281	Balance at start of year	1,435
261	Additional provision during the year	-
(62)	Unused amounts reversed	(141)
1,435	Total reinstatement provision at end of year	1,294
	Other Provisions	
-	Balance at start of year	-
-	Additional provision during the year	57
-	Unused amounts reversed	-
-	Total Other Provisions at end of year	57
1,435	Total provisions at end of year	1,351

12. Lease incentives

Lease incentives received are recognised in the surplus or deficit as a reduction in lease expense on a straight-line basis over the minimum term of the lease.

Actual 2023 \$000		Actual 2024 \$000
67	Lease incentive - current	57
92	Lease incentive - non-current	36
159	Total lease incentives	93

13. Employee entitlements

Short-term employee entitlements

Employee entitlements expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave not yet taken at balance date, sick leave, and retiring and long service leave entitlements expected to be settled within 12 months.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of the reporting period in which the employee renders the related service, such as long service leave and retiring leave, are calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to our people, based on years of service, years to entitlement, the likelihood that our people will reach the point of entitlement, and contractual entitlements information; and
- the present value of the estimated future cash flows.

Actual 2023 \$000		Actual 2024 \$000
Current liabilities		
2,200	Annual and special leave	2,145
212	Retirement leave and long service leave	236
1,060	Accrued salaries	902
25	Sick leave	25
3,497	Total current portion	3,308
Non-current liabilities		
334	Retirement leave and long service leave	336
334	Total non-current portion	336
3,831	Total employee entitlements at end of year	3,644

Within annual leave and special leave ERO has a liability relating to the remediation of the Holidays Act 2003 of \$0.300 million as at 30 June 2024 (2023: \$0.383 million).

Critical accounting estimates and assumptions

The present value of retirement leave and long service leave obligations depend on factors that are determined on an actuarial basis using several assumptions. Two key assumptions used in calculating this liability include the risk-free discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

The present value of the estimated future cash flows using the discount rates prescribed by the Treasury as at 30 June 2024 and a salary inflation factor of 3.33% (2023: 3.35%). The risk-free

discount rates used are based on the yields on Government Bonds and range from 4.49% to 5.30% (2023: 4.84% to 5.43%).

If the risk-free discount rates were to differ by 1% from ERO's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$15,000 higher/lower.

If the salary inflation factor were to differ by 1% from ERO's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$19,000 higher/lower.

14. Related parties

ERO is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect ERO would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Related party transactions required to be disclosed

ERO has no related party transactions required to be disclosed. Any related party transactions have been entered into on an arm's length basis by ERO.

Key management personnel compensation

ERO

Key management personnel include the Chief Executive and six members of the Executive Leadership Team (ELT). The six members of the ELT included a DCE Sector Reform for the period 15 January 2024 to 30 June 2024.

Aroturuki Tamariki

Key management personnel include the Chief Executive and two members of the Executive Leadership Team (2023: Key management personnel include the Chief Executive and two members of the Executive Leadership Team between 1 May and 30 June 2023).

Actual 2023 \$000		Actual 2024 \$000
1,423	Remuneration – ERO	1,596
5.6	Full-time Equivalent Staff – ERO	6.5
156	Remuneration – Aroturuki Tamariki	913
0.5	Full-time Equivalent Staff – Aroturuki Tamariki	3

The Minister of Education does not have responsibility for planning, directing and controlling the activities of ERO. The Minister's remuneration and other benefits have therefore been excluded from the above disclosure.

15. Financial instruments

The carrying amounts of financial assets and liabilities in each of the PBE IFRS 9 financial instrument categories are as follows:

Actual 2023 \$000		Actual 2024 \$000
	Fair value through surplus of deficit – designated as such upon initial recognition	
5	Derivative financial instrument liabilities	2
5	Fair value through surplus of deficit	2
	Financial assets measured at amortised cost	
15,035	Cash	14,580
120	Receivables	223
15,155	Total financial assets measured at amortised costs	14,803
	Financial liabilities measured at amortised cost	
2,158	Payables (excluding deferred income and taxes payable)	1,221

ERO is party to financial instruments entered into during its normal operations. Except for ERO's derivatives, all financial instruments are measured at amortised cost in the statement of financial position. All associated revenue and expenses are credited to, or charged against, the net surplus/deficit.

Derivative financial instruments

Derivative financial instruments to manage exposure to foreign exchange risk arising from some of ERO's operational activities. ERO does not hold or issue derivative financial instruments for trading purposes. ERO has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the forward foreign exchange derivative is classified as non-current.

The total notional principal amount outstanding for forward foreign exchange contracts at 30 June 2024 is NZ\$432,896 (2023: NZ\$728,222). The contracts consist of the purchase of GBP£130,000 (2023: GBP £195,000) and US\$97,152 (2023: US\$194,304).

The fair values of forward foreign exchange contracts have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as currency rates. Most market parameters are implied from forward foreign exchange contract prices.

Financial instrument risks

ERO's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. ERO has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk—currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

ERO's Foreign Exchange Exposure Policy requires ERO to manage currency risk arising from future transactions and recognised liabilities by entering into foreign exchange forward contracts when the total transaction exposure to an individual currency exceeds NZ\$100,000. ERO's policy has been approved by the Treasury and is in accordance with the requirements of the Treasury's Guidelines for the Management of Crown and Departmental Foreign-Exchange Exposure. There was no significant exposure to currency risk during the period.

Market risk—fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, due to changes in market interest rates. ERO has no exposure to interest rate risk because it has no interest-bearing financial instruments.

Credit risk

Credit risk is the risk that a third party will default on its obligation to ERO, causing ERO to incur a loss.

In the normal course of its business, credit risk arises from receivables and deposits with banks. ERO's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables. There is no collateral held as security against these financial instruments. Although cash and cash equivalents as at 30 June 2024 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial. ERO is permitted to deposit funds only with Westpac (Standard & Poor's credit rating of AA-), a registered bank, and enter into foreign exchange forward contracts with the New Zealand Debt Management Office (Standard & Poor's credit rating of AA+) (2023: no loss allowance recognised).

Liquidity risk

Liquidity risk is the risk that ERO will encounter difficulty raising liquid funds to meet commitments as they fall due.

ERO closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office.

16. Events after balance date

In August 2024, Cabinet approved Aroturuki Tamariki - Independent Children's Monitor becoming an Independent Crown Entity effective from 1 July 2025.

In September 2024, the Minister of Education and Minister of Finance approved ERO to retain \$0.650 million of the surplus from the 2023/24 year to fund capital expenditure (the purchase of electric vehicles).

There were no other significant events after the balance date.

17. Aroturuki Tamariki – Independent Children’s Monitor

In early 2022/23 ERO received \$2.0 million of funding transferred from the Ministry of Social Development (MSD) to begin work on establishing the Aroturuki Tamariki as a departmental agency hosted by ERO. This work included include project implementation and oversight, and setting up systems and processes to support the ongoing hosting arrangements for Aroturuki Tamariki so that it can deliver on its legislative purpose.

On 1 May 2023 Aroturuki Tamariki transferred from MSD with funding of \$2.8 million in 2022/23. From 1 May Aroturuki Tamariki is included within ERO’s financial statements, including the capital transferred from MSD.

ERO’s 2024 financial statements includes the results of Aroturuki Tamariki for the full financial year –1 July 2023 to 30 June 2024.

18. Explanation of major variances against budget

The major variances to budget were as follows:

Statement of comprehensive revenue and expense

Personnel expenses

Personnel expenses were \$2.4 million below budget due to ERO holding vacancies to support the achievement of savings to align with Government priorities.

Statement of financial position

Cash and cash equivalents

Cash and cash equivalents were \$5.6 million above budget primarily due the surplus of \$3.8 million.

Property, plant and equipment

Property, plant and equipment were \$1.0 million below budget reflecting delays in the motor vehicle replacement and laptop refresh programs.

Employee entitlements

Employee entitlements were \$1.2 million above budget due to the inclusion of Aroturuki Tamariki.

Statement of cash flows

Payments to employees

Payments to employees were \$2.2 million below budget due to ERO holding vacancies to support the achievement of savings to align with Government priorities.

