MINISTRY OF EDUCATION
TE TĀHUHU O TE MĀTAURANGA

Education Report: Estimates 2022/23 – Draft Performance Measures

To:	Hon Chris Hipkins, Minister of Education		
Date:	17 March 2022	**Priority:**	High – by 28 March 2022
Security Level:	Budget Sensitive	**METIS No:**	1282826
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Messaging seen by Communications Team:	No	**Round Robin:**	No

Purpose

The purpose of the paper is to provide draft performance measures and non-financial information for Votes Education and Tertiary Education for your review, as part of the Estimates of Appropriations for 2022/23.

Summary

I. All our work and activity is focused on shaping an equitable and excellent education system. Expectations are outlined in five Strategic Objectives of the education system:

   a. Learners at the centre
   b. Barrier-free access
   c. Quality teaching and learning
   d. Future of learning and work
   e. World class inclusive public education

II. Along with these Strategic Objectives, the Ministry is focused on building its capability to lead the transformation of the education system to one that is inclusive, addresses unconscious bias and brings Te Tiriti o Waitangi to life in the education system.

III. The things we measure matter: they signal what we believe to be important. Our recent focus has been on delivering the updated Statement of Intent 2021-26, which includes high-level indicators aligned with the National Education and Learning Priorities (NELP) and Tertiary Education Strategy (TES). It is within this context that any changes to the Estimates measures for 2021/22, through the Supplementary Estimates, and 2022/23 are proposed. Proposed changes are provided for your review, prior to sign off of the final Vote Education and Vote Tertiary Education Supporting Information for the Estimates of Appropriations as part of Budget 2022.

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Recommended Actions

The Ministry of Education recommends that you:

a. **review and provide feedback by 28 March 2022** on the proposed performance measures to be included in the Vote Education and Vote Tertiary Education Supporting Information for the Estimates of Appropriations

b. **forward** the report to your Associate Ministers of Education, for their information

Agree / Disagree

c. **note** we currently expect to provide you with a final version of the Vote Education and Vote Tertiary Education Supporting Information for the Estimates of Appropriations for sign-off around **13 April 2022**

Noted

d. **agree** that this Education Report is not proactively released at this time because final decisions are still to be made on Estimates documents which are Budget Sensitive

Release/Not release

Melissa O'Carroll
Group Manager,
Corporate Strategy & Performance Hub
Ministry of Education

16/03/2022

Hon Chris Hipkins

Minister of Education

23 / 3 / 2022

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Background

1. In December 2021 we published an updated Statement of Intent 2021-26, which includes a suite of high-level indicators to demonstrate progress over the medium term and information gaps we recognise need to be addressed. This information aligns with indicators for monitoring the National Education Learning Priorities (NELP) and Tertiary Education Strategy (TES), METIS 1271484 refers.
2. The Ministry has also started to transform how it works in line with the Government's response to the review of Tomorrow's Schools, including the establishment of Te Mahau within a redesigned Ministry of Education. This involves shifts in how we work – taking practical action to give effect to Te Tiriti o Waitangi, giving priority to regional and local voices, improving our feedback loops and information flows, and delivering more responsive, accessible and integrated services and support. Over time, these shifts will be reflected in our measures.
3. The Ministry is also working with our external auditors, EY, to continually strengthen and better articulate our performance measures. This includes assessing the underlying processes in place to capture performance information in a consistent and accurate way.
4. The Supporting Information for the Estimates of Appropriations includes non-financial information about the various appropriations funded through Vote Education and Vote Tertiary Education. This includes:
    - the scope of the appropriation, establishing the legal limit of what an appropriation can be used for
    - concise statements of "*what is intended to be achieved*" for each appropriation or category of expenditure
    - performance measures that explain "*how performance will be assessed*"
    - information about who will be reporting on performance and where this can be found.
5. The **focus of the paper is on changes in performance measures** which are designed to show what is being delivered for the relevant Appropriations.

Supplementary Estimates Changes for 2021/22 (Annex A)

6. During 2021/22, we have identified several measures that need to be updated and are seeking your approval for changes through the Supplementary Estimates. These are set out in Annex A, with changes noted in Appendix A. You have already approved some changes (shaded grey) through the September Quarterly Report (METIS 1272093).
7. The additional changes are to:
    - address an issue with the property utilisation measure identified during the Annual Report 2021 audit process
    - better align the policy measures with DPMC guidance
    - replace some Curriculum support measures, where programmes have been completed.

Estimates of Appropriations for 2022/23 (Annex B and C)

Overall changes

8. Our aim is to have measures that are proportionate to the financial investment being made, with broad coverage of quality, quantity, timeliness, and cost aspects of performance.

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9. Non-financial information and draft performance measures for 2022/23 are set out in the attached documents for your review. Significant changes to the measures are highlighted in Appendix B. These changes are in addition to the amendments proposed through the Supplementary Estimates in Annex A.

Revised Ministry measures (Annex B)

10. The Estimates include measures the Ministry reports directly through the Annual Report and, on your behalf, through Public Finance Act Section 19B reports on non-departmental measures. The Estimates measures are supplemented by additional asset measures to meet the Treasury's Investor Confidence Rating expectations for 2022/23 (refer page 31).

11. For 2022/23 we are proposing modest changes to address audit and other feedback. This reflects where the Ministry is at in establishing Te Mahau and transforming how we work. In several areas, more comprehensive reviews are planned which may identify changes for 2023/24.

Revised Crown Entity measures (Annex C)

12. The Ministry has also worked with the New Zealand Qualifications Authority (NZQA), the Tertiary Education Commission (TEC) and Education New Zealand (ENZ) to review their measures in the Estimates, taking account of feedback from our policy, Crown entities monitoring and planning and performance teams, and feedback from their own audit processes.

13. Draft information from the Crown entities has been included in the attached document for your review with key changes highlighted in Appendix B. The most significant change is the update of measures to align with proposed appropriation changes for Vote Tertiary Education to implement the unified funding system for vocational education (refer METIS 1280588).

14. Crown entity Estimates measures will be supplemented with additional measures agreed as part of their 2022/23 Statements of Performance Expectations.

Next steps

15. We are in the process of confirming "Estimated Actual" figures for 2020/21, drawing on the most recent information available. Typically, we would expect these figures to be consistent with the Final Budget Standard unless currently reported as "Not on track".

16. The draft performance measures are also being reviewed by the Treasury and our auditors with time for us to address any technical wording issues. Your feedback and any subsequent changes will be reflected in the final Vote Education and Vote Tertiary Education Estimates documents when provided for your approval. We currently expect this to be around 13 April 2022.

17. Additional non-financial information may also need to be added to support decisions on Budget 2022 initiatives. The Budget Standard for some measures could also need to change as a result of Budget decisions.

18. We recommend that this Education Report is not proactively released at this time. This is because final decisions are still to be made on Estimates documents which are Budget Sensitive.

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Appendix A – Summary of Changes for 2021/22 Supplementary Estimates

VOTE EDUCATION

Page		Group/ Entity	Significant change?	High-level details of change
Appendix A – Summary of Changes for 21/22 Supplementary Estimates				
Departmental Output Expenses				
1	School Property Portfolio Management	Te Puna Hangang a Matihiko	Yes	***Items already approved in METIS 1276509*** • Notes revised for condition and functionality measures • Teaching spaces measure and indicator have been discontinued and replaced with student places ***For approval*** • Revised note for property utilisation standards measure
Departmental Capital Expenditure				
3	Ministry of Education – Capital Expenditure PLA	Te Puna Hangang a Matihiko	Yes	***Items already approved in METIS 1276509*** • Notes revised for condition and functionality measures as above ***For approval*** • Revised note for property utilisation standards measure
Multi-Category Expenses and Capital Expenditure				
5	Improved Quality Teaching and Learning MCA	Te Poutāhū	Yes	***For approval*** • Discontinued two Hangarau Matihiko measures with programme completion • Replaced by measures for Better Start Literacy Approach and Curriculum Lead service
7	Oversight of the Education System MCA	Te Puna Kaupapahere	Yes	***For approval*** • Updated measure of internal assessment of Ministry's policy advice to better align with DPMC guidance
8	Primary and Secondary Education MCA	Te Puna Rangatōpū	Yes	***Items already approved in METIS 1276509*** • Discontinued satisfaction of parents' measure as data no longer available.

VOTE TERTIARY EDUCATION

Page		Group	Change?	Details of change
Departmental Output Expenses				
9	Stewardship and Oversight of the Tertiary Education System	Te Puna Kaupapahere	Yes	***For approval*** • Updated measure of internal assessment of Ministry's policy advice to better align with DPMC guidance • Updated measure of forecast of student loans/allowances with forecast of demand for tertiary education at Levels 3 and above

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Appendix B – Summary of Changes for 2022/23 Estimates

VOTE EDUCATION

Page		Group/ Entity	Significant change?	High-level details of change
Annex A – Proposed Ministry Estimates Measures 2022/23				
Departmental Output Expenses				
1	School Property Portfolio Management	Te Puna Hanganga Matihiko	Yes	• Lift in Budget standard for utilisation and condition measures
2	Support and Resources for Parents and the Community	Te Pae Aronui	Yes	To reflect a non-departmental funding transfer, two measures have been transferred to the Primary Education category
Departmental Capital Expenditure				
3	Ministry of Education – Capital Expenditure PLA	Te Puna Hanganga Matihiko	Yes	• Lift in Budget standard for utilisation and condition measures
Non-Departmental Output Expenses				
5	Contribution to Other Education-related Organisations	Teaching Council NZCER (via Te Pai Aronui) UNESCO	No	
5	Early Learning	Te Mahau |Te Tai Raro/ Whenua/ Runga via Te Pae Aronui	No	
7	School Transport	Te Puna Hanganga Matihiko	Yes	• Note added to clarify student eligibility
7	Schooling Improvement	Te Pae Aronui	Yes	• Clarification for two measures to define programme participation and satisfaction
8	Support for Early Learning Providers	Te Mahau |Te Tai Raro/Whenua/ Runga via Te Pae Aronui	No	
9	Supporting Parenting	Te Mahau |Te Tai Raro/Whenua/ Runga via Te Pae Aronui	No	
Non-Departmental Other Expenses				
10	Integrated Schools Property	Te Puna Hanganga Matihiko	No	

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Page		Group/ Entity	Significant change?	High-level details of change
Non-Departmental Capital Expenditure				
10	School Support Project	Te Pai Aronui	No	
11	Schools Furniture and Equipment	Te Puna Hanganga Matihiko	No	

Multi-Category Expenses and Capital Expenditure				
Page		**Group/ Entity**	**Significant change?**	**High-level details of change**
13	Improved Quality Teaching and Learning MCA	Te Poutāhū, Te Mahau |Te Tai Raro/Whenua/ Runga via Te Pae Aronui	Yes	***Support and Resources for Teachers*** • New measure added for Te Whāriki to complete measurement of Te Kete Ipurangi ***Curriculum Support***: • Clarification of wording for Reading recovery measure. • Clarification of measurement of Kaiako satisfaction with Kōwhiti Whakapae ***Improved measures for 2023/24*** • The Ministry recognise the Quality Teaching and Learning measures still need further improvement and will develop improved measures for 2023/24.
16	Outcomes for Target Student Groups MCA	Te Mahau |Te Tai Raro/Whenua/ Runga via Te Pae Aronui	No	
20	Oversight of the Education System MCA	Te Puna Kaupapahere, Te Puna Rangatōpū, Te Pae Aronui	Yes	***Monitoring the Education System*** • Clarification of wording in forecast measure focusing on expenditure ***Research and Analysis*** • Slight wording change for Note 4
23	Primary and Secondary Education MCA	Te Mahau |Te Tai Raro/Whenua/ Runga via Te Pae Aronui, Te Poutāhū, Te Pae Aronui, Te Puna Ohumahi Mātauranga	Yes	***Primary Education*** • Two measures updated and transferred to support Talanoa Ako non-departmental funding
31	Asset Measures	Te Puna Hanganga Matihiko	No	

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Page		Group/ Entity	Significant change?	High-level details of change
Annex B – Proposed Crown Entity Estimates Measures 2022/23				
1	Oversight and Administration of the Qualifications System MCA	NZQA	Yes	***Oversight and Administration of the Qualifications System*** • New measure for Managing National Assessment regarding schools' progress replacing two previous measures • New measure for code of pastoral care ***Quality Assurance*** • New measure regarding investigations ***Secondary School Assessments*** • Replaced three measures with Special Assessment Conditions for Māori, Pacific and lower decile for better focus on measuring achievement

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VOTE TERTIARY EDUCATION

Page		Group	Change?	Details of change
Annex A – Proposed Ministry Estimates Measures 2022/23				
Departmental Output Expenses				
33	Stewardship and Oversight of the Tertiary Education System	Te Puna Kaupapahere, Te Puna Rangatōpū	No	
Annex B – Proposed Crown Entity Estimates Measures 2022/23				
Non-Departmental Output Expenses				
4	Administration of and Support for the Tertiary Education and Careers Systems	TEC	Yes	• Revised measure of TEC-funded organisations, adding two sub-measures for more transparent reporting • Raised three measures' Budget Standards to reflect 2021/22 Estimated Actuals
5	Centres of Research Excellence	TEC	No	
5	Fees Free Payments	TEC	Yes	• Appropriation structure change, but no change for scope or intention statement • Revised budget standard
6	International Education Programmes	ENZ	Yes	• New sub-measure to replace onshore international student numbers to numbers studying both onshore and offshore • Revised wording of Note 2 and 5 to reflect 2021 results. • New Note 4 to clarify how international students were surveyed
7	Strategic funding for national and regional priorities	TEC	Yes	New appropriation structure (scope and intention statement) with: • new measure for 2022/23, and • planned 2023/24 measures for Te Pūkenga and other funded organisations, with accompanying notes.
7	Support for Wānanga	TEC	Yes	• Revised scope and intention statement • Note clarifying which budget standard refers to which calendar year's results
8	Tertiary Education Research and Research-Based Teaching	TEC	Yes	• Revised scope statement
9	Tertiary Sector / Industry Collaboration Projects	TEC	Yes	• Updated measure linked to Estimated 2021 actuals
9	University-led Innovation	TEC	No	
10	Workforce Development Councils	TEC	Yes	• Revise measure so works for every year, not a specific year
Non-Departmental Capital Expenditure				
10	Careers System Online	TEC	Yes	• Revised wording of Note 1 to reflect current roadmap and scheduled launch dates
10	Support for Lincoln University	Lincoln Uni.	No	

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Page		Group	Change?	Details of change
11	Vocational Education Data System	TEC	Yes	• Revised wording of measure to reflect ongoing nature of the work • Revised Note 1 to reflect unified funding from January 2023
Multi-category Expenses and Capital Expenditure				
12	Tertiary Tuition and Training MCA	TEC	Yes	***Explanatory note*** explaining timing implication of the unified funding system for the appropriation. New appropriation structure (scope and intention statements) ***Tertiary course completion rate*** • New measures regarding course completion and achievement rates with accompanying notes ***Access to and Success in Tertiary Education*** • New measure with two sub-measures regarding Māori and Pacific achievement ***Foundation and Community Education*** • Revised Budget Standards in literacy and numeracy measures, ESOL, and ACE hours ***Tertiary Education: Qualification Delivery*** • Revised Budget Standards of Industry Training, non-degree L4-7 and L7 degree+ qualification completion and sub-measures, with accompanying notes.

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