



Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

Education Report: NZQA's 2021/2022 Annual Report

Date:	18 January 2023	NZQA Priority:	Medium
Security Level:	In confidence	Report No.	OC00064

	Action Sought	Deadline
Hon Chris Hipkins Minister of Education	note the contents of the 2021/22 Annual Report; and note NZQA will liaise with your office on timeframes for presenting the 2021/22 Annual Report to Parliament.	The Minister of Education will present NZQA's Annual Report to Parliament as soon as possible after the commencement of the next session of Parliament.

Enclosure/Appendix: Yes

Round Robin No

Contact for Telephone Discussion (if required)

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██████████	Team Leader Strategy Planning and Performance	██████████		

The following departments/agencies have seen this report:

Ministry of Education

Audit New Zealand

Minister's Office to Complete:

- | | | |
|--|------------------------------------|--|
| <input type="checkbox"/> Noted | <input type="checkbox"/> Seen | <input type="checkbox"/> Approved |
| <input type="checkbox"/> Needs change | <input type="checkbox"/> Withdrawn | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's comments | <input type="checkbox"/> Declined | |

Referred to:

Comments:

NZQA's 2021/22 Annual Report

Recommended Action

It is recommended you:

- a. **note** NZQA's 2021/22 Annual Report,
- b. **agree** that copies of the NZQA Annual Report will be provided to the House Office for presenting to the House as required by section 150(3) of the Crown Entities Act 2004.

Agree/ Not agreed

Proactive Release Recommendation

NZQA recommends that you:

- c. **agree** that this report is proactively released as part of the next publication of documents, as it contains information that is in the public record.

Agree/ Not agreed


Dr Grant Klinkum
Chief Executive
18 January 2023


Hon Jan Tinetti
Acting Minister of
Education

...27/01/2023
.....

NZQA's 2021/22 Annual Report

Purpose of Report

1. To provide NZQA's audited financial and non-financial performance for the year ending 30 June 2022 (in accordance with Crown Entities Act 2004).

Background

2. The Crown Entities Act 2004 requires NZQA to produce an annual report. An annual report must provide the information that is necessary to enable an informed assessment to be made of the entity's operations and performance for that financial year, including an assessment of the entity's progress in relation to its strategic intentions as set out in the most recent Statement of Intent.
3. NZQA's 2021/22 Annual Report reports against the strategic intentions in the 2019/20 – 2022/23 Statement of Intent and the 2021/22 Statement of Performance Expectations. This is the third year of reporting against the 2019/20 – 2022/23 Statement of Intent.

Comment

4. As per section 150 (1) (b) of the Crown Entities Act 2004, NZQA is providing you with the final version of its 2021/22 Annual Report.
5. NZQA worked with the Ministry of Education (NZQA's monitoring agency) and Audit New Zealand to ensure that the 2021/22 Annual Report accurately reflects NZQA's performance and meets relevant statutory requirements. Audit NZ completed their audit of NZQA's financial statements and non-financial performance on 16 December 2022.
6. Section 150 (3) of the Crown Entities Act 2004, states that a responsible Minister must present the entity's annual report to the House of Representatives within 5 working days of receiving it, or if Parliament is not in session, as soon as possible after the commencement of the next session of Parliament.
7. NZQA will publish the annual report on its website within 10 working days of the date of this education report, in accordance with section 150 (4) of the Crown Entities Act 2004.

Risks

8. The Annual Report provides an account of the performance of NZQA during 2021/22 and is unlikely to pose any risk.



Te Pūrongo Ā-Tau

Annual Report

2021/2022



Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

2021/22

Te Pūrongo Ā-Tau

Annual Report

The New Zealand Qualifications Authority (NZQA) ensures that New Zealand qualifications are valued as credible and robust, both nationally and internationally.

Kia noho takatū ki tō āmua ao
Qualify for the future world

NZQA is a Crown entity as defined in the Crown Entities Act 2004.

Whakapā mai

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He whārangi ihirangi

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He kupu takamua a Te Poari Matua

Board foreword

Whakataukāki

Ko te manu ka kai i te miro, nōna te ngahere. Ko te manu ka kai i te mātauranga, nōna te ao.

Māori Proverb

The bird that partakes of the berry, theirs is the forest. The bird that partakes of knowledge, theirs is the world.

(Te Kere Ngataierua, Te Āti Haunui-a-Pāpārangi)

On behalf of the NZQA Board, it is a pleasure to present the 2021/22 Te Pūrongo Ā-Tau | Annual Report. This report sets out NZQA's performance story for the year against He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022.

Te tautoko i te whakarerekētanga o te pūnaha

Supporting system change

It is a time of transformative change for New Zealand's education system. Education and employment landscapes are changing, and so too are the needs of learners, industry and employers. To address these changes, the Government has set out an ambitious work programme for the education portfolio. Over the last 12 months, NZQA has supported this work by actively contributing to a range of system-level strategies, programmes and initiatives alongside its sector partners and agencies.

Te whakawhanake i te Hōtake Panoni NCEA Progressing the NCEA Change Programme

Significant progress has been made this year to advance the NCEA Change Programme¹. Alongside the Ministry of Education, teachers, students, school leaders, parents and whānau and other representatives from the sector, NZQA is transforming the way in which the National Certificate of Educational Achievement (NCEA) is offered. In June 2022, the NCEA Online programme transitioned into business as usual – an important milestone for this programme, which was established in 2018, signifying a significant shift in adopting a digital first and accessible approach to assessment.

Te whakatere i te whakahoutanga o te mātauranga mahinga Advancing the Reform of Vocational Education

Advancing the Reform of Vocational Education (RoVE) programme has remained a key area of focus. NZQA has made significant progress simplifying the design of qualifications for vocational education and supporting the establishment of Workforce

Development Councils and Te Pūkenga as they stand up their operations. The review of the evaluative quality assurance framework for non-university tertiary education organisations has progressed well, alongside advancing the development of a new Qualifications and Credentials Repository.

Ko ngā ākonga te mea nui Ensuring learners are at the centre

As NZQA navigates through the proposed changes, learners continue to be at the centre. NZQA is committed to engaging learners, whānau, education organisations and employers as active partners for change. You will see within this report how these voices have made a significant and positive change to all aspects of NZQA's work – from processes, policy and technology through to how NZQA is shaping its workforce.

We want students to 'Qualify for the future world' – all students. This is why we are continuing to reduce and remove barriers to access and participation. Ākonga Māori, Pacific students, disabled students and other students from socio-economically disadvantaged circumstances continue to be a priority.

The future employment market will be vastly different from today's, and we must ensure we meet the needs of these

¹ The NCEA Change Programme is a work programme led by the Ministry of Education to deliver the package of seven changes aimed at strengthening NCEA. <https://ncea.education.govt.nz/what-ncea-change-programme>.

learners within rapidly changing contexts. Forecasts show that employment growth in Aotearoa New Zealand will be strongest for highly skilled occupations based on science, technology, engineering and maths (STEM). As a result, NZQA is collaborating with others to enable equitable achievement for Māori and Pacific students in STEM subjects at all levels of NCEA.

You will see within this report how NZQA is partnering with a range of providers to make this happen.

Raraunga whai oranga **Leveraging insights**

Positive steps have been made this year by NZQA to draw on data and information to provide insights into qualification, assessment and quality assurance matters. This year, NZQA published its first two insights papers. These papers used NCEA data to shine a light on Māori and Pacific students' NCEA pathways and examine some of the conditions that contribute to Māori and Pacific students achieving University Entrance at half the rate of other students. There is a huge opportunity ahead to make greater use of new tools and analytics capabilities, processes and skills, and insights to further benefit learners, providers and sector partners.

Tiro whakamuri, tiro whakamua **Looking back and looking ahead**

We would like to acknowledge the resilience and responsiveness of NZQA kaimahi over the past year, particularly in the context of COVID-19 and associated challenges. NZQA has continued to deliver for learners and uphold the integrity of the qualifications system. The coming year will provide new opportunities and challenges, and the Board looks forward to supporting NZQA to deliver on its own and wider system commitments.

The NZQA Board is grateful for the support of Ngā Kaitūhono, the NZQA Taupulega and our wide group of stakeholders. Together, we continue to make good progress towards our ambition for learners and Aotearoa New Zealand to 'Qualify for the future world | Kia noho takatū ki tō āmua ao'.



Hon Tracey Martin
Board Chair



Lyn Provost
Risk and Assurance
Committee Chair

He kupu takamua a Te Pouwhakahaere Matua

Chief Executive foreword

In this Annual Report, we share our work over the last 12 months, highlighting what we have achieved. We have made significant progress delivering the changes under way across the education sector and in supporting learners, schools and tertiary education providers, including through the ongoing effects of COVID-19. Continuing to strengthen and embed digital assessment in NCEA, advancing the qualifications system to support the goals of the Reform of Vocational Education and progressing the review of the New Zealand Qualifications Framework are some of the many highlights we are proud of.

Our work is motivated by knowing we make a difference in learners' lives. For learners to be engaged in their learning, they need access to qualification pathways that are right for them. This is not a one-size-fits-all approach, and it is why we are focused on removing barriers that have historically contributed to inequitable outcomes.

You will see over the following pages we have been taking more opportunities to hear, and be responsive to, the lived experience of students and learners in all stages of our work. We are fortunate to have secondary and tertiary students working with us through Te Kāhui Ākonga and NCEA Pacific Navigators and strong relationships with tertiary associations. These groups have been instrumental in helping to shape our work programme and the products and services we offer.

We have continued to drive towards equity for Māori and Pacific students, disabled learners and those with additional learning needs and have been shaping the services we offer to be more responsive and targeted to the learners we serve.

The demand for high-quality responsive information has never been greater. Over the last 12 months, we have made significant gains to improve the experience people have when they

interact with us. Through our Customer Experience Improvement Programme, we have been rebuilding the underlying architecture of our public website, where feedback consistently tells us information is difficult to find, and to improve the site's accessibility. Our rebuilt portals, which will be launched from July 2023, will allow students to see and understand their current progress towards NCEA and their New Zealand Record of Achievement more easily, while also providing better information to schools and adding functionality to support greater use of digital assessment. Within NZQA, we launched Te Tipuranga reo Māori, our new te reo Māori initiative that seeks to build employee capability and confidence in engaging with Māori stakeholders in a range of te ao Māori contexts.

Over the last 12 months, we have made significant steps towards advancing our vision 'Qualify for the future world |

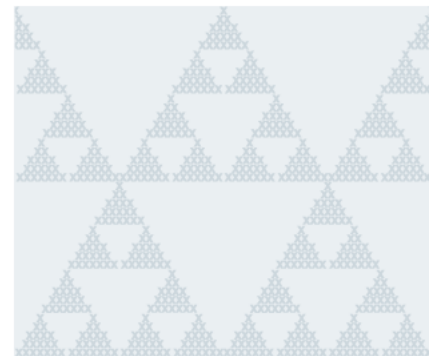
Kia noho takatū ki tō āmua ao', but we are not finished yet. The coming 12 months are an exciting time for NZQA. We have a huge opportunity to shape the qualifications system so that it is truly responsive to the needs of industry, hapū and iwi, communities and learners.

I would like to thank Ngā Kaitūhono and the NZQA Taupulega, our Māori and Pacific Advisory Groups, who walk alongside us as partners in our work with Māori and Pacific communities. I would also like to acknowledge NZQA's hard-working kaimahi – our teams across the country who deliver our services and support. Together, we are committed to ensuring that Aotearoa New Zealand's qualifications are credible and robust.



Dr Grant Klinkum
Pou Whakahaere | Chief Executive





Te wāhanga tuatahi: Te mauri me te korahi o ā mātou mahi

Part one: The nature and scope of our functions

Ko ngā ākonga te mea nui

We put learners at the centre of everything we do

The New Zealand Qualifications Authority (NZQA) is a Crown entity under the Crown Entities Act 2004. We are governed by a Board appointed by the Minister of Education.

Working alongside our sector colleague agencies, education and sector organisations, learners, teachers and whānau, our primary role is to ensure New Zealand qualifications are accepted as credible and robust, both nationally and internationally. We do this through our stewardship of the qualifications system.

We quality assure non-university tertiary education providers and qualifications listed on the New Zealand Qualifications Framework, deliver credible senior-secondary-school-level assessments and credentialing and strengthen the international recognition of our qualifications and our national qualifications framework. We provide qualification recognition services for international students and set standards for specified unit standards. We also support providers to effectively implement the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code) and monitor compliance with the outcomes of the Code.

Most importantly, we help make sure that learners can qualify for the future world. Our vision, 'Kia noho takatū ki tō āmua ao | Qualify for the future world', describes our role and ambition for learners and for Aotearoa New Zealand.



Kei te tārai i tētahi pūnaha whakaū kōunga e āwhina ana i ngā ākonga, i ngā hapori, i ngā kaitukumahi hoki

We are shaping a quality assurance system that responds to the needs of learners, communities and employers

In a rapidly changing environment, we need to meet the current and future needs of learners so that they are equipped to meet the challenges for working and living in communities as the 21st century unfolds. We want learners to achieve the best education and employment outcomes – for themselves, for their whānau and for Aotearoa

New Zealand. This is why our strategy is built around shaping a quality assurance system that responds to and meets the current and future needs of learners, communities and employers.

We refreshed our NZQA strategy and outcomes framework in 2022 to better reflect our changing operating environment and the diverse needs of learners. We aimed to incorporate what we have learned from working differently during the COVID-19 response and to ensure we have the right capability, systems and resources to deliver on the Government’s expectations. Our new strategy is set out in our He tauākī whakamaunga atu | Statement of Intent 2022/23 – 2025/26.

This Annual Report outlines the progress we have made in 2021/22 to advance the commitments we made in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022.

Kei te whakatinana i te whakakitenga mō ngā ākonga o Aotearoa kia noho takatū ai ki tōna āmua ao

We are advancing our vision for New Zealand learners to 'Qualify for the future world'

He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23, like its replacement, was built around advancing our vision – for Aotearoa New Zealand learners to 'Kia noho takatū ki tō āmua ao | Qualify for the future world'.

It sets the direction we committed to take to achieve our vision and ensure that New Zealand qualifications are accepted as credible and robust, nationally and internationally.

The following two outcomes describe the long-term results we have been working towards:

- **Putanga 1: Mā te mana taurite ki te whai tohu mātauranga te ahunga tātai oranga e tautoko** | Outcome 1: Equity of access to qualifications supports intergenerational wellbeing
- **Putanga 2: Ka hāpaitia ngā tohu mātauranga o Aotearoa kia ako mō te oranga tonutanga** | Outcome 2: New Zealand qualifications enable lifelong learning

The following five impacts describe the difference we seek to make:

- **Te wāhanga 1.1: Ka hangaia mai ngā rātonga katoa o NZQA i te mana taurite** | Impact area 1.1: NZQA services are designed for equity
- **Te wāhanga 1.2: Mā te mahi tahi i ngā rangapū auaha ka noho mana taurite ngā ākonga Māori me ngā ākonga o Te Moana-nui-a-Kiwa** | Impact area 1.2: Innovative partnerships support equitable access for Māori and Pacific learners
- **Te wāhanga 1.3: Ka tautokohia ngā ākonga whaikaha, rawakore rānei, kia whāia ngā tohu mātauranga e tika ana, e tutuki ana hoki i ō rātou hiahia me ō rātou tūmanako** | Impact area 1.3: Learners with disabilities and learning support needs, and/or socio-economic disadvantage have access to qualifications that meet their needs and aspirations

- **Te wāhanga 2.1: Ko tā te mahi aromatawai me ngā pūkenga whāiti he tautoko i te ākongā kia noho takatū ki tōna āmua ao** | Impact area 2.1: Assessment and credentialing support innovation in teaching and preparation for a changing world of work
- **Te wāhanga 2.2: Ka whai mana ngā tohu mātauranga ki Aotearoa, ki te ao whānui hoki** | Impact area 2.2: Qualifications are accepted as credible and robust nationally and internationally

These commitments give effect to the Tertiary Education Strategy and the Government's Statement of National Education and Learning Priorities. They honour te Tiriti o Waitangi and support the Crown's Tiriti responsibilities including delivering on Ka Hikitia and Tau Mai Te Reo. They also incorporate our drivers to advance the Action Plan for Pacific Education 2020–2030 and the Learning Support Action Plan 2019–2025 and enable us to meet the Minister's expectations.²

In the past year we have also had a specific focus on Te Whakakitenga 2025 – our four goal statements that drive NZQA's work programme and support our vision:

- National Certificate of Educational Achievement (NCEA) external assessments are relevant for a digital age and support equitable outcomes.
- NZQA adapts the qualifications system to support the reform of vocational education and lifelong learning.
- The New Zealand Qualifications Framework (NZQF) and quality assurance arrangements support increased inclusion of mātauranga Māori in qualifications.
- NZQA partners with Māori, Pacific, education agencies and others to enable equitable achievement for ākongā (learners) Māori and Pacific learners in STEM subjects at all levels of NCEA.

NZQA's work in pursuit of each of these goals aligns with Government expectations and NZQA's strategic objectives.

² The Minister of Education provided NZQA with a Letter of Expectations In May 2021, and a supplementary letter relating to expectations around NZQA's role as an administrator to the Education Code of Practice Care. Find both letters on <https://www.nzqa.govt.nz/about-us/publications/strategic-documents/>.



Te taura here o ā mātou m ahi

Kia Noho Takatū Ki Tō Āmua Ao

Ngā aronga mō
te 5 – 10 tau
(ngā hua)

Ngā pātanga mō
te 5 – 10 tau

Ngā hua ake mō
te 3 – 5 tau

1.0

Mā te mana taurite ki te whai tohu mātauranga te ahunga tātai oranga e tautoko



1.1 Ka hangaia mai ngā rātonga katoa o NZQA i te mana taurite

1.2 Mā te mahi tahī i ngā rangapū auaha ka noho mana taurite ngā ākonga Māori me ngā ākonga o Te Moana-nui-a-Kiwa



1.3 Ka tautokohia ngā ākonga whaikaha, rawakore rānei, kia whāia ngā tohu mātauranga e tika ana, e tutukiana hoki iō rātou hiahia me ō rātou tūmanako

2.0

Ka hāpaitia ngā tohu mātauranga o Aotearoa kia ako mō te oranga tonutanga



2.1 Ko tā te mahi aromatawai me ngā pūkenga whāiti he tautoko i te ākonga kia noho takatū ki tōna āmua ao



2.2 Ka whai mana ngā tohu mātauranga ki Aotearoa, ki te ao whānui hoki

1.1.1

Mā te wheako kiritaki anō ngā rātonga o NZQA e ārahi ako katoa ki te tautoko i ngā ākonga

1.1.2

Kia angitū ai te whānau me ngā whare NZQA e ārahi tautoko i ngā ākonga

1.1.3

Ka whakatau tika nei ngā ākonga i ngā ara tohu e tika ana ki a rātou

1.2.1

He tari ako i te reo me ngā tikanga Māori a NZQA

1.2.2

Ka kōkiri takatika i te mātauranga Māori hei tautoko i ngā ākonga

1.2.3

Ka whai hua ngā ākonga Māori me ngā ākonga Pasifika i ngā rangapū auaha

2.1.1

Ko ngā mahi aromatawai auaha he hāpai i te ākonga kia māwhitwhiti i te marautanga ako

2.1.2

Mā te reo o te ākonga anō ngā mahi aromatawai matihiko me te pāheko tika i te tangata e tautoko

2.2.1

He mea tautoko Te Taura Here Tohu Mātauranga o Aotearoa (NZQF) kia ako te tangata mō te oranga tonutanga

2.2.2

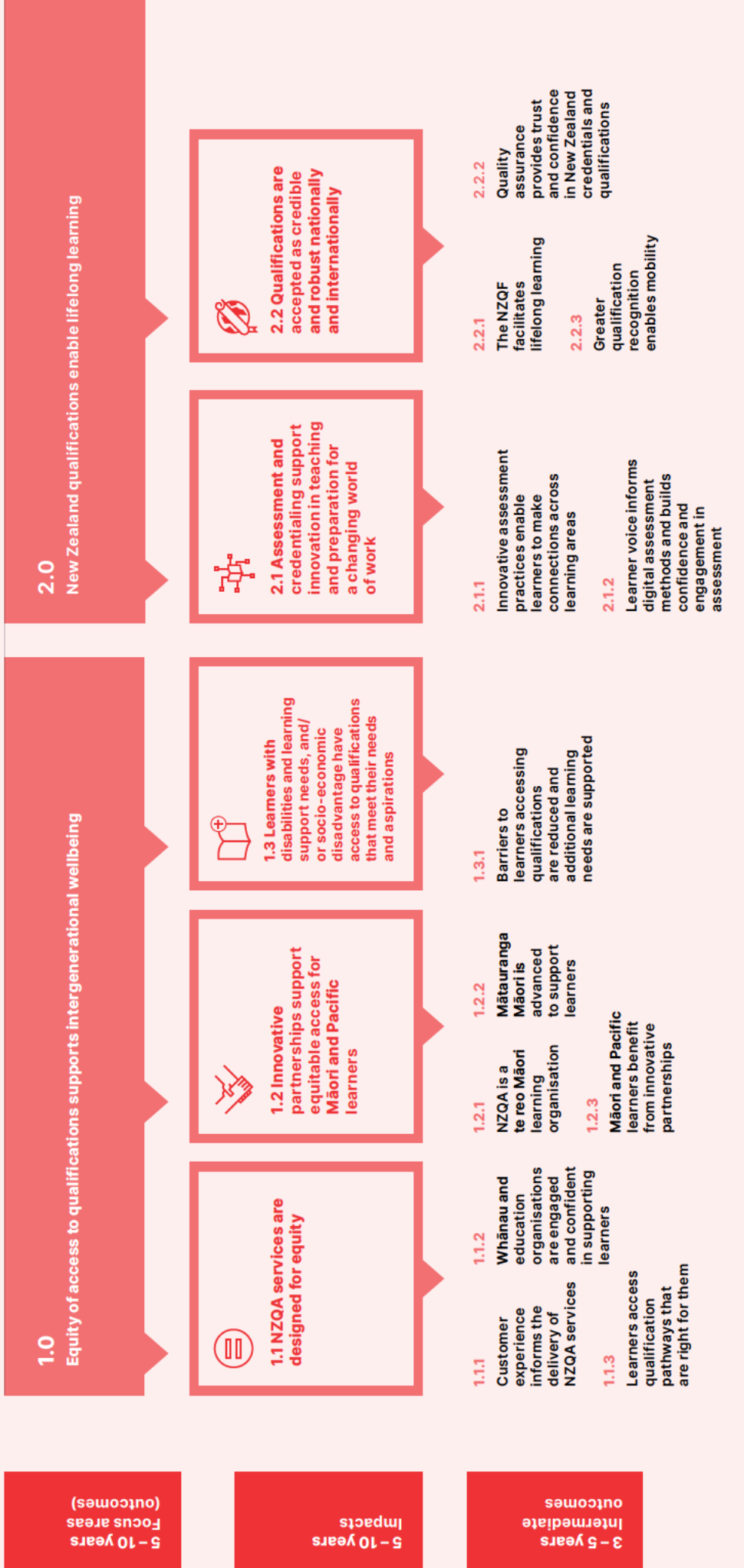
Mā te whakaū kounga ka noho tika ka noho pono nei ngā pūkenga whāiti me ngā tohu mātauranga o Aotearoa

2.2.3

Mā te mana tonu o ngā tohu mātauranga ka āheita te tono atu ki te ao

Our performance framework

Qualify for the Future World



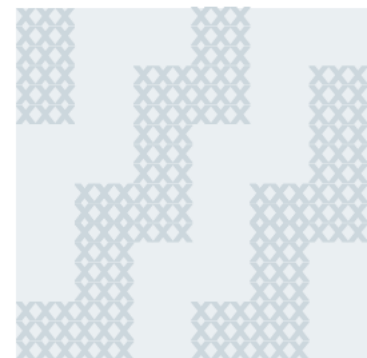
5 – 10 years
Focus areas
(outcomes)

5 – 10 years
Impacts

3 – 5 years
Intermediate
outcomes



Credit: Alika Croot, St Hilda's, Dunedin (Excellence NCEA Level 3 – Painting)



Te wāhanga tuarua: Tā mātou arotake i ngā tau 2021/22

Part two: Our 2021/22 year in review

Putanga 1: Mā te mana taurite ki te whai tohu mātauranga te ahunga tātai oranga e tautoko

Outcome 1: Equity of access to qualifications supports intergenerational wellbeing

We know that our current qualifications system does not deliver equitable outcomes. This is why we are focused on removing barriers and are working with ākonga, their whānau, iwi/hapū, Māori, Pacific communities, disabled learners and other groups to ensure the products and services we offer at NZQA are designed for, and deliver to, learners' needs.

Putanga 1: Mā te mana taurite ki te whai tohu mātauranga te ahunga tātai oranga e tautoko | Outcome 1: Equity of access to qualifications supports intergenerational wellbeing sets out our ambition to ensure all learners can enjoy educational success in their chosen pathway.

To advance this outcome, we are working to achieve three medium-term goals – the impacts we want to make to ensure equity of access to qualifications supports intergenerational wellbeing:

- Te wāhanga 1.1: Ka hangaia mai ngā rātonga katoa o NZQA i te mana taurite | Impact area 1.1: NZQA services are designed for equity
- Mā te mahi tahi i ngā rangapū auaha ka noho mana taurite ngā ākonga Māori me ngā ākonga o Te Moana-nui-a-Kiwa | Impact area 1.2: Innovative partnerships support equitable access for Māori and Pacific learners
- Te wāhanga 1.3: Ka tautokohia ngā ākonga whaikaha, rawakore rānei, kia whāia ngā tohu mātauranga e tika ana, e tutuki ana hoki i ō rātou hiahia me ō rātou tūmanako | Impact area 1.3: Learners with disabilities and learning support needs, and/or socio-economic disadvantage have access to qualifications that meet their needs and aspirations

This section outlines what we achieved during 2021/22 to advance *Putanga 1: Mā te mana taurite ki te whai tohu mātauranga te ahunga tātai oranga e tautoko* | *Outcome 1: Equity of access to qualifications supports intergenerational wellbeing*. It is framed around the impacts and intermediate outcomes we committed to advance in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatao o ngā mahi | Statement of Performance Expectations 2021/2022 and provides an overview of the results that have been achieved during 2021/22.³

Te wāhanga 1.1: Kua waihangatia ngā ratonga o NZQA kia hāngai ai ki te mana taurite

Impact area 1.1: NZQA services are designed for equity

At NZQA, we recognise that to improve equity, our services must be designed with equity in mind. One way of knowing whether our services support equitable access and outcomes is by asking those who use our services. This is why we have focused our efforts on advancing three intermediate outcomes:

- **Te hua 1.1.1: Mā te wheako kiritaki anō ngā rātonga o NZQA e ārahi** | Intermediate outcome 1.1.1: Customer experience informs the delivery of NZQA services.
- **Te hua 1.1.2: Kia angitū ai te whānau me ngā whare ako katoa ki te tautoko i ngā ākonga** | Intermediate outcome 1.1.2: Whānau and education organisations are engaged and confident in supporting learners
- **Te hua 1.1.3: Ka whakatau tika nei ngā ākonga i ngā ara tohu e tika ana ki a rātou** | Intermediate outcome 1.1.3: Learners access qualification pathways that are right for them

This section outlines what we achieved in 2021/22 to advance each of the above intermediate outcomes and provides progress reporting on the performance indicators outlined in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatao o ngā mahi | Statement of Performance Expectations 2021/2022.

Tō mātou mōhio ki te angitūtanga How we know we are succeeding

We use indicators to see whether, over time, there is a trend that represents good progress towards achievement of impact area 1.1. Minor changes from one year to another are less significant than the trend of the results over the medium term.

³ Trend results and further information about Te tauākī kawatao o ngā mahi | Statement of Performance Expectations 2021/2022 measures can be found in Te wāhanga tuawhā: Te arotake i ngā mahi | Part four: Assessing our performance.

Impact area 1.1**Success Indicators⁴ Measured by**

Feedback from customer groups demonstrates ease of access to our services

The likelihood to recommend and/or speak positively about NZQA services.

End-of-year progress

We use the Net Promoter Score (NPS)⁵ question in our customer satisfaction surveys to measure overall perception – how likely it is that a customer will speak positively of NZQA. The score of 11.0 is a composite of NPS results from all the NZQA customer satisfaction surveys sent out for 2021/22. This result, while good, is below those achieved in the two previous years (29.8 and 17.4).

We plan to undertake a review of how NZQA responds to customers who make contact via online forms, including interviewing a sample of customers to understand their expectations of service.

Respondents to the survey are asked to tell us their role when interacting with NZQA, and 484 people have done this. The NPS varies widely by role. As examples, those identifying as secondary school students (n=73) gave an overall NPS of -38.4 while those who identified as principals or principal's nominees for a New Zealand secondary school (n=15) gave an overall NPS of 20.

11.0

4 Success indicators are described in the Statement of Intent 2019/2020 – 2023/24. Success indicators do not have targets associated with them.

5 Net Promoter Score is expressed as a number from -100 to 100. A score above 0 is considered a good NPS score because it indicates that NZQA has more promoters than detractors responding to our customer satisfactions surveys.

Impact area 1.1**Success Indicators****Measured by**

Learner data held by NZQA is used to deliver insights into equity and the basis for potential interventions

Data insights are used to inform NZQA's service design and to support system change

End-of-year progress

NZQA continues to use the data it holds to provide targeted insights to schools and providers.

During 2021/22, we commenced producing insights papers to draw on our data and information and provide insights into qualification, assessment and quality assurance matters.⁶

In June 2022, we published *NCEA pathways through Senior Secondary: Achieving equitable outcomes for ākongā Māori and Pacific students on their NCEA journey* and *University Entrance: Do current programmes lead to equity for ākongā Māori and Pacific students?*

As part of supporting iwi-led removing streaming kaupapa, NZQA has been providing NCEA achievement data to a design team hosted by Tokona te Raki. Central agencies have been asked to provide a commitment of ongoing support for this kaupapa. NZQA's support is likely to be the continued provision of data to help shed light on the impacts of streaming, particularly for Māori and Pacific learners.

Te hua 1.1.1: Mā te wheako kiritaki anō ngā rātonga o NZQA e ārahi
Intermediate outcome 1.1.1: Customer experience informs the delivery of NZQA services

At NZQA the customer is at the centre of everything we do. Our customers are diverse and include learners, whānau, education organisations and employers.

Understanding the customer experience is the best way we have of establishing whether the range of services we provide meets their needs. Through understanding the customer experience, we can improve and further tailor the range of services we deliver.

⁶ See <https://www.nzqa.govt.nz/about-us/publications/insights/>.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

Te hāpai i te Hōtaka Whakawhanake Wheako Kiritaki

We advanced our Customer Experience Improvement Programme

NZQA's public website and portals together have significant customer interactions.

Overall, NZQA's website and portals have 95 million page visits annually – 50 million on the public website and 45 million across four portals. Additionally, there are 41 million downloads of documents (for example, exam papers and exemplars) from NZQA's website and portals. Over time, these channels have become less fit for purpose for our customers and our staff.

In 2021, we established the Customer Experience Improvement Programme (CxIP) to transform the customer experience from NZQA's key digital channels – the public website and portals. We engaged with internal users and external customers to help identify the shortfalls of our current products and understand user needs. The insights gathered were invaluable in shaping our programme design.

During 2021/22, we have been building a new website, preparing new website content and designing and building new portals (currently known as logged-in experiences or extranet) for learners, providers and our contractors. These new digital channels – which will be launched from July 2023 – will provide targeted personalised services for our

customers through our website and secure portals for learners, schools and tertiary education providers.

Kua whakaritea ētahi ara e kōhi ai i ngā mōhiotanga o ngā ākonga, Māori mai, Te Moana-nui-a-Kiwa mai

We have developed channels to gather ākonga Māori and Pacific learners' insights

During 2021/22, we developed a range of channels that enable ākonga Māori and Pacific learners through our student voice groups – Te Kāhui Ākonga and Pacific NCEA Navigators and Champions – to provide direct input to the development of key products and services across NZQA. This included working on CxIP to redevelop the NZQA website and improve the Māori and Pacific user experience, providing feedback on the Code of Pastoral Care and advising on NZQA communications material as well as providing feedback on Ministry of Education collateral and whānau toolkit.

Kei te whakaniko tonu mātou i ngā āhuatanga o te pokapū waea

We continued to enhance our customer contact centre offerings

Understanding our customers and stakeholders is critical in shaping our ability to adapt and develop our products, services and ways of operating. We know that not all of our customers want to, or are able to, communicate with us digitally – this is why our customer contact centre provides support through a variety of other channels.

In 2021/22, we moved to cloud telephony, automated a number of our customer request processes and introduced live chat. We are also implementing a chatbot that will initially provide answers to FAQs and, after authentication, will provide learners access to their National Student Number (NSN). NSN requests are one of the most frequent type of requests that NZQA receives.

Kei te aro mātou ki ngā pānui ā-paepapori
We are targeting our social media messaging

During the reporting period, we have seen a significant increase in

engagements across our Instagram and Facebook platforms. This can be attributed to the contextualised content produced by our student voice groups. Messages are strongly targeted towards peers, young people and their parents, families and whānau.

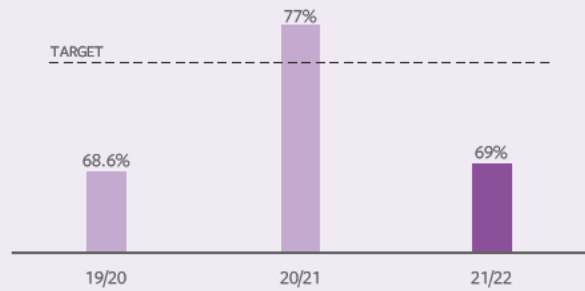
Tō mātou mōhio ki te angitūtanga
How we know we are succeeding

We use the following measures to track the progress we are making towards advancing *Te hua 1.1.1: Mā te wheako kiritaki anō ngā rātonga o NZQA e ārahi* / *Intermediate outcome 1.1.1: Customer experience informs the delivery of NZQA services.*

Measure:⁷ 1.1.1(a) The proportion of survey respondents who agree/strongly agree that information they received from NZQA met their needs

69% ❌

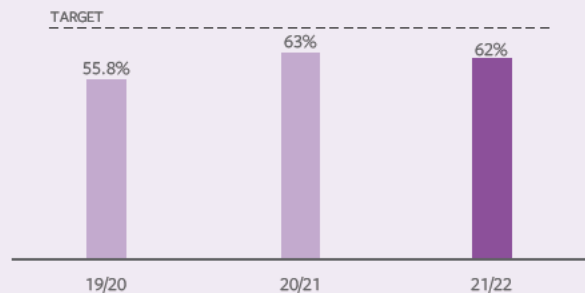
TARGET NOT MET (75%)



Measure: 1.1.1(b) The proportion of survey respondents who agree/strongly agree that the NZQA website is easy to use

62% ❌

TARGET NOT MET (70%)



⁷ Measures are described in the Statement of Performance Expectations 2021/2022. Generally, measures have targets associated with them. Some measures are narrative measures and do not have numeric targets. Instead, we respond using narrative information.

During 2021/22, we have seen a decrease in the proportion of survey respondents who agree/strongly agree that information they received from NZQA met their needs. We consider that this was partially due to concerns about the interventions NZQA put in place due to the COVID-19 interruptions. We plan to undertake a review of how NZQA responds to understand users' expectations of service and make adjustments accordingly.

Feedback also indicates that users are finding the website difficult to navigate. The new public website functionality and content that will be delivered as part of the CxIP is expected to address concerns and provide a significantly enhanced customer experience.



Te hua 1.1.2: Kia angitū ai te whānau me ngā whare ako katoa ki te tautoko i ngā ākonga

Intermediate outcome 1.1.2: Whānau and education organisations are engaged and confident in supporting learners

Support is critical to enable learners to be as successful as possible. This support comes from various sources including whānau and education organisations. NZQA plays an important role in providing information to these groups and others to better enable them to understand the education system and support learners.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

Kua whakahāngaitia ā mātou pārongo me ā mātou rauemi ki te tautoko i ngā ākonga Māori, i ngā ākonga o Te Moana-nui-a-Kiwa me ō rātou whānau

We tailored our information and resources to support ākonga Māori and Pacific learners and their whānau

During 2021/22 we continued to develop tailored information and resources to support ākonga Māori, Pacific learners, and their whānau, to more confidently and successfully navigate NCEA, secondary, tertiary and employment pathways. A new, soon to be released, resource called 'Rising Stars' has been developed to assist Pacific learners and their families to have conversations about their future pathways and provides

relevant NCEA, subject choices and pathways information. Similarly, a new STEM resource targeting ākonga Māori called 'Pūrau with Māui Pōtiki' has been developed and will help ākonga Māori and whānau navigate STEM pathways.

We ran a range of NCEA workshops both in-person and online to ensure that whānau are engaged and confident to support their tamariki through the NCEA process. Feedback has been overwhelmingly positive from parents, families and whānau who attended a workshop, and they reported an increase in their understanding of NCEA and how to support their tamariki.

We also use Facebook and Instagram to complement and reinforce workshop messages and our student voice groups (Te Kāhui Ākonga and the Pacific NCEA Navigators, and Champions) produce social media content.

We test key messages and content with our Māori and Pacific student voice groups to ensure workshop and online offerings are relevant, contextualised and current. We also work with kura and schools to ensure we include content they view as relevant and helpful.

Kua nui noa atu te toronga o ā Mātou hui NCEA ki ngā Māori me Te Moana-nui-a-Kiwa

We have grown the reach of our NCEA workshops for Māori and Pacific whānau

We have grown the reach of our NCEA workshops for Māori and Pacific whānau through kura, schools and communities across Aotearoa New Zealand. NCEA Kaihāpai and Champions (Māori and Pacific teachers, and tertiary learners) have been trained to deliver NCEA me te Whānau and NCEA ma le Pasifika workshops both in person and online. During 2021/22 we delivered over 60 workshops to more than 4,000 participants. We have also grown our online presence, reach and engagements through Facebook and Instagram.

Kei te nui haere te rongō o Te Manaaki Tāngata ki te marae

We are raising awareness of Te Manaaki Tāngata ki te Marae

We have developed a new programme Te Manaaki Tāngata ki te Marae, that leads to the award of the New Zealand Certificate in Tikanga (Level 2). Kura and schools, along with other providers, can apply for accreditation to deliver this programme to their ākonga. During 2021/22 we developed guides to support schools with their accreditation and resources to help in the assessment

of programme modules within the programme. We have also led a series of information-sharing hui with kura, schools, and tertiary providers to raise awareness of Te Manaaki Tāngata ki te Marae.

Kua tohaina ngā kupu āwhina me ngā tohutohu ā-aromatawai ka tino whai hua

We shared best practice assessment advice and guidance

Due to the nationwide COVID-19 lockdown in August and September 2021, Managing National Assessment (MNA) reviews were suspended. They recommenced before the end of 2021 for schools and kura that were no longer in lockdown. Kura in Auckland and parts of Waikato were provided with a new MNA review date in early 2022.

We continued to work with kura under Alert Levels 3 and 4, providing advice about how learning can be validly assessed while students are at home and when they return to face-to-face teaching. This included the quality assurance processes to follow when gathering evidence of achievement to support a derived grade.

We were only able to hold one of four planned, kura-specific Leading National Assessment seminars because of the on-going effects of COVID-19.

These seminars provide Principal's Nominees and Pouārahi with updated information on assessment for national qualifications and a forum for professional discussion and support.

We are also facilitating workshops with a small number of kura to identify possible MNA process improvements. Originally planned to be completed before the end of Term 2, these have been impacted by COVID-19 and the availability of kaiako and kura staff. These should be completed by the end of Term 3.

Kua tuari i ngā whiwhinga ki ngā ākonga o ngā kura kaupapa kia kuhu ia ki ngā aromatawai ki tōna anō ao

We provided opportunities for ākonga Māori in kura to participate in exams in their own environment

We have been actively increasing the opportunity for ākonga Māori in kura to participate in exams in their own environment, including Te Reo Māori instruction. Of the 27 new examination centres in 2021, 20 were kura. In addition, we established an exam centre based on a cluster of kura all coming together at a central location. We received positive feedback from ākonga Māori on this approach.

Tō mātou mōhio ki te angitūtanga

How we know we are succeeding

We use the following measure to track the progress we are making towards advancing *Te hua 1.1.2: Kia angitū ai te whānau me ngā whare ako katoa ki*

te tautoko i ngā ākongā | Intermediate outcome 1.1.2: Whānau and education organisations are engaged and confident in supporting learners.

Measure: 1.1.2(a) Co-design solutions to benefit learners.

We use narrative information to inform this measure (refer to the above section: [What we achieved in 2021/22](#)).

Te hua 1.1.3: Ka whakatau tika nei ngā ākongā i ngā ara tohu e tika ana ki a rātou

Intermediate outcome 1.1.3: Learners access qualification pathways that are right for them

For learners to be engaged in their learning, they need access to qualification pathways that are right for them. This is not a one-size-fits-all approach and is why we have been working with kura, schools and learners to highlight the qualifications pathways available.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

NCEA i te ipurangi kua huri hei mahi o te ia rā

NCEA Online becomes business as usual

We have been providing students a chance to do some of their NCEA exams online since 2015 (through trials, pilots,

practice and end-of-year exams) and thousands have taken part. Students tell us that they prefer it. This is why a significant highlight for NZQA during 2021/22 was transitioning the NCEA Online programme into business as usual in June 2022. This marks the end of our programme that was established in 2018. The NCEA Change programme will now become the vehicle for increasing participation in digital assessments by adopting a digital first approach to developing external assessments. We are planning for all students to participate in digital external assessment by 2026.

In addition to the 2021 end-of-year external assessments, the digital platform was used again for Digital Practice Exams, and for the pilots of the new achievement standards and Te Reo Matatini me te Pāngarau | Literacy and Numeracy. This resulted in over 30,000 students participating in all digital assessments offered in 2021.

Ngā aromatawai ipurangi ā-waho i te mutanga o te tau 2021

2021 end-of-year digital external assessment

Despite the impact of COVID-19, overall participation in digital end-of-year assessments increased in 2021. Highlights include:

- 323 or 67% of eligible schools participated, +17% on 2020, including 56 new schools
- 25,814 students participated, +14.5% on 2020
- 49,848 marked digital entries, +8% on 2020
- 24 subjects (+15% on 2020) and 151 standards (+15% on 2020) were available digitally
- 19.6% of all external assessed results in digitally available standards were digital results, up from 17.5% in 2020

Table 1 shows that within the overall 14.5% increase in student participation, participation by ākongā Māori saw the largest increase.

TABLE 1: Number of students participating in digital assessments by ethnicity

Ethnicity	2020	2021	% change
Asian	4,004	3,966	-0.9
European	15,785	18,875	+19.6
Māori	3,095	4,042	+30.6
MELAA ⁸	520	530	+1.9
Other	183	218	+19.0
Pacific	1,850	1,807	-2.3
Total	22,503	25,814	+14.7

8 Middle Eastern/Latin American/African

Ko te mahi pāpaho te kaupapa karahipi tuatahi o Aotearoa kua whakaipurangitia
Media Studies becomes first
New Zealand Scholarship subject
to be offered digitally

In 2021, Media Studies was the first New Zealand Scholarship subject to be offered digitally, with 149 students entered. This followed a research project in 2020 which found no barriers to the implementation of text-based digital New Zealand Scholarship assessments that could not be managed with existing processes. We also recognised that students who sat digital assessments for up to all three NCEA levels in previous years could be disadvantaged by not being able to sit New Zealand Scholarship in a digital format.

Ngā whakamātautau whakangungu matahiko 2021

2021 Digital Practice Exams

Digital Practice Exams were available to schools for 13 weeks from 2 August to 31 October 2021, with schools choosing the week in which they would participate. They were offered in six subjects (English, Classical Studies, Media Studies, Te Reo Māori, Te Reo Rangatira, and Agricultural and Horticultural Science) at levels 1–3.

A total of 11,782 students and 152 schools participated (up from 6,236 students and 96 schools in 2020); 97% of the schools then went on to participate in end-of-year digital assessments. In addition,

Niue High School participated in the English practice assessment, becoming the first overseas school to use the digital assessment platform.

Te whai wāhi

Accessibility

In 2021, we trialled text-to-speech functionality in our digital assessment platform, Assessment Master, with selected students who use text-to-speech functionality in the classroom. Text to speech functionality is being trialled with some participants in the Foundational Literacy writing assessments in 2022. The pilot will aim to understand students' experience of using this functionality in exam conditions before it is made available for all eligible digital assessments.

We have also engaged a provider to develop a reo Māori text-to-speech application. Integration testing with Assessment Master is planned for late 2022.

Our 2021 research initiative on alternative delivery methods investigated digital assessment uptake in the realm countries. This work will be advanced in 2022 through a specific plan within our Literacy-Numeracy workstream as both the Cook Islands and Niue are participating in the pilot digital assessments for the Review of Achievement Standards.

Kei te whakapiki haere i te whakaurunga ki Ngā Karahipi o Aotearoa

We are working to increase participation in New Zealand Scholarship

In early 2020, we established the New Zealand Scholarship Participation project in response to the Minister requesting that NZQA provide advice on equity of access to the New Zealand Scholarship Award, particularly for ākonga Māori and Pacific learners. The project aims to identify those conditions in schools that promote equity of student participation in New Zealand Scholarship.

In 2021, we engaged with 10 schools identified as having systemic engagement or success in New Zealand Scholarship for ākonga Māori and Pacific learners. The insights drawn from this engagement are being tested with a further 15 schools in 2022. This second group of schools are successful in New Zealand Scholarship but do not have equitable participation, despite their Māori or Pacific student populations being nationally representative. The 15 schools have indicated an interest in developing action plans for change. Once developed, NZQA will monitor the plans until December 2023, sharing interim findings with all schools in Term 1 of 2023.

Kei te tautoko i te arotake i ngā Paerewa Paetae

We are supporting the Review of Achievement Standards

We continue to support the Ministry of Education in its development of new NCEA achievement standards across all subjects in the New Zealand Curriculum (NZC) and Te Marautanga o Aotearoa (TMOA). Our role is to provide assessment expertise and advice in the development of the new standards (levels 1 and 2 to date) and support the Ministry of Education's NZC Subject Expert Groups and TMOA wānanga.

In 2021, we delivered end-of-year mini-pilot assessments for four NCEA level 1 NZC subjects (Religious Studies, English, Science and Visual Arts) and Te Ao Haka NCEA levels 1–3 standards. Overall, 79 kura and schools and 3,524 students participated in the mini pilots of the 28 new achievement standards.

In 2022, the pilot covers 30 level 1 NZC subjects, Te Ao Haka across levels 1–3, nine level 1 TMOA subjects and the new Te Reo Matatini me te Pāngarau | Literacy and Numeracy standards. A total of 285 kura and schools and 36,489 students are involved across all pilots.⁹ A further 15 tertiary providers are involved in the pilot for Te Reo Matatini me te Pāngarau | Literacy and Numeracy standards.

⁹ 5,062 students are participating in level 1 pilots for NZC and TMOA, 1,542 students are participating in pilots for Te Ao Haka levels 1–3 and 34,950 students in schools, kura and tertiary institutions are piloting Te Reo Matatini me te Pāngarau | Literacy and Numeracy standards.

In July 2021, we implemented a new support model to meet the changing needs for pilot teachers, kura and schools, and the Ministry of Education and NZQA. This includes Te Aka – an online communications hub where teachers can access resources to support the pilots and collaborate with one another. As at 30 June 2022, 1,856 users have been onboarded to Te Aka.

We have engaged the New Zealand Council for Educational Research to undertake research around the new Te Ao Haka achievement standards. The project will explore the professional practices of teachers in relation to Te Ao Haka and the experiences of ākonga Māori and their whānau. In June, the research team engaged selected schools and kura. The research will identify what has been learned, share good practice, analyse the initial impact of Te Ao Haka programme for ākonga Māori and kaiako and identify opportunities. The final research report will be completed by December 2022.

Kei te whakahaerehia Te Reo Matatini me te Pāngarau

We are delivering Te Reo Matatini me te Pāngarau | Literacy and Numeracy standards

We continue to support the Ministry of Education in implementing Te Reo Matatini me te Pāngarau | Literacy and Numeracy standards by developing and marking the assessments and managing the pilots in kura, schools and tertiary providers. Te Reo Matatini me te Pāngarau | Literacy and Numeracy standards will become a co-requisite for the NCEA qualification from 2024.

Due to COVID-19 restrictions, only 61% of our original pilot kura, schools and tertiary institutions participated in the 2021 pilot assessments. A total of 2,380 ākonga from 19 kura and schools and two tertiary providers participated in at least one assessment, with a total of 5,811 entries. The assessments were offered on the digital assessment platform.

Originally scheduled for the last week in September 2021, the pilot assessments were deferred until late October 2021 with the assessment window extended by a week. This enabled schools and kura, who were continuing to be affected by COVID-19, to participate if their students were able to do so.

We contributed data and content to the Ministry of Education's evaluation report for the 2021 pilot, which informed improvements to the standards, assessment activities, systems and processes. Quality assured markers' assessment reports were also released to 2021 and 2022 pilot participants, along with the 2021 assessments themselves, to support teaching and learning. They are also published on ncea.education.govt.nz.

The 2022 pilots are under way, with over 198 providers participating. The first 2022 assessments took place at the end of Term 2. We continue to work with the Ministry of Education to provide support for teachers and kaiako, with an emphasis on the importance of teaching and learning and a particular focus on addressing gaps in provision for Te Reo Matatini me Te Pāngarau.

Kei te arotakengia ngā tohu kia hāngai tonu ai ki te horopaki e tika ana

We are reviewing qualifications to make sure they remain fit for purpose

As per other qualifications developers, we undertake routine reviews of qualifications for which we are the developer. We are responsible for the development, maintenance and review of nationally recognised generic and Field Māori (mātauranga Māori) New Zealand qualifications. In 2021/22, reviews were completed for Te Reo Māori and Tikanga qualifications, and the new versions will be listed by the end of December 2022. The review of the English Language qualifications is in the scoping phase and will be completed by December 2023.

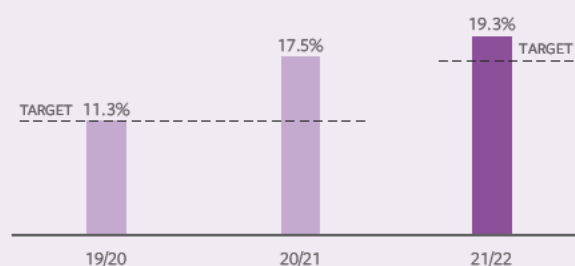
Tō mātou mōhio ki te angitūtanga How we know we are succeeding

We use the following measure to track the progress we are making towards advancing *Te hua 1.1.3: Ka whakatau tika nei ngā ākonga i ngā ara tohu e tika ana ki a rātou* | *Intermediate outcome 1.1.3: Learners access qualification pathways that are right for them.*

Measure: 1.1.3(a) Participation in digital external assessment increases as a proportion of overall participation in external assessment

19.3% ✓

TARGET MET (UPWARD TREND)



Te wāhanga 1.2: Mā te mahi tahi i ngā rangapū auaha ka noho mana taurite ngā ākonga Māori me ngā ākonga o Te Moana-nui-a-Kiwa

Impact area 1.2: Innovative partnerships support equitable access for Māori and Pacific learners

We recognise that, when we work with others and share resources and knowledge, we have greater reach and better outcomes. Through developing strong partnerships, we help build greater trust and a collaborative understanding of the challenges and opportunities for ākonga Māori and Pacific learners and can collaborate with our partners to design and implement solutions.

To do this, we have focused our efforts on advancing three intermediate outcomes:

- **Te hua 1.2.1: He tari ako i te reo me ngā tikanga Māori a NZQA | Intermediate outcome 1.2.1: NZQA is a te reo Māori learning organisation**
- **Te hua 1.2.2: Ka kōkiri takatika i te mātauranga Māori hei tautoko i ngā ākonga | Intermediate outcome 1.2.1: Mātauranga Māori is advanced to support learners**
- **Te hua 1.2.3: Ka whai hua ngā ākonga Māori me ngā ākonga Pasifika i ngā rangapū auaha | Intermediate outcome 1.2.3: Māori and Pacific learners benefit from innovative partnerships**



This section outlines what we achieved in 2021/22 to advance the above intermediate outcomes and provides progress reporting on the performance indicators outlined in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022.

Tō mātou mōhio ki te angitūtanga

How we know we are succeeding

We use indicators to see whether, over time, there is a trend that represents good progress towards achievement of impact area 1.2. Minor changes from one year to another are less significant than the trend of the results over the medium term.

Impact area 1.2	Measured by
Success Indicator	
Strong partnerships with NZQA drive improvements in equity	Māori and Pacific learner participation in STEM, digital assessment and mātauranga Māori qualifications. End-of-year progress See Tables 2–4 below.

Table 2. Number of learners participating in NCEA Level 3 STEM subjects by ethnicity

Ethnicity	2019		2020		2021	
	Cohort	Number participating	Cohort	Number participating	Cohort	Number participating
Māori	9,225	2,657 (28.8%)	9,220	2,275 (24.7%)	9,651	2,470 (25.6%)
Pacific	5,867	1,830 (31.2%)	5,838	1,616 (27.7%)	6,176	1,549 (25.1%)
Other	36,693	1,9071 (52.0%)	37,204	17,939 (48.2%)	38,504	19,373 (50.3%)

The number of Māori and Pacific learners participating in NCEA Level 3 STEM subjects is decreasing. This is in part due to increasing cohort sizes and the ongoing effects of the COVID-19 pandemic.

Table 3. Percentage of learners participating in external digital assessments in digitally available standards by ethnicity

Ethnicity	NCEA Level	2019	2020	2021
Māori	1	7.5%	14.5%	18.2%
	2	8.9%	13.7%	18.9%
	3	10.2%	15.9%	15.8%
Pacific	1	7.7%	13.6%	12.3%
	2	6.8%	12.0%	12.9%
	3	9.3%	13.1%	10.6%
Other	1	12.0%	18.6%	21.7%
	2	11.6%	18.7%	20.8%
	3	12.7%	18.1%	16.8%

Table 4. Top 10 NZQA developed mātauranga Māori qualifications by ākonga attainment

Qualification	Kaupae Level	2019	2020	2021
Te Pōkaitahi Reo New Zealand Certificate in Te Reo (Rumaki, Reo Rua)	1	3,704	2,722	4,087
	2	3,673	2,439	3,449
	3	2,041	1,411	1,991
	4	1,619	1,055	1,641
Te Pōkairua Reo New Zealand Diploma in Te Reo (Rumaki)	5	582	510	745
Te Pōkaitahi Tikanga New Zealand Certificate in Tikanga (Waka, Rongoā, Te Ara Nunumi, mātauranga Māori, Māori Development, Rangahau)	3	1,251	2,517	2,112
	4	684	651	711
Te Pou Tautoko i te Ora New Zealand Certificate in Social Services (Māori)	4	332	360	381
New Zealand Certificate in Ngā Toi	3	611	253	358
	4	516	346	406



Te hua 1.2.1: He tari ako i te reo me ngā tikanga Māori a NZQA
Intermediate outcome 1.2.1: NZQA is a te reo Māori learning organisation

Our focus on equity of access and outcomes for ākonga Māori success means we need a culturally competent workforce who can appropriately engage with and respond to ākonga, their whānau, stakeholders and customers – this is why we have prioritised the need for NZQA to be a te reo Māori learning organisation.

Ngā hua i puta i ngā tau 2021/22
What we achieved in 2021/22

Kua whakarewaina Te Tipuranga reo Māori
We launched Te Tipuranga reo Māori

During 2021/22, we launched Te Tipuranga reo Māori, our new te reo Māori initiative. Te Tipuranga reo Māori

seeks to build employee capability and confidence in engaging with Māori stakeholders in a range of te ao Māori contexts. Our efforts are informed and guided by Te Maihi Karauna, Tau Mai Te Reo Māori, Te Arawhiti Māori Crown Relations Capability Framework and the Public Service Act 2020. Further information on how we are building our te reo Māori capability can be found in Te wāhanga tuawhā: Te āheinga o te whare | Part three: Our organisational capability.

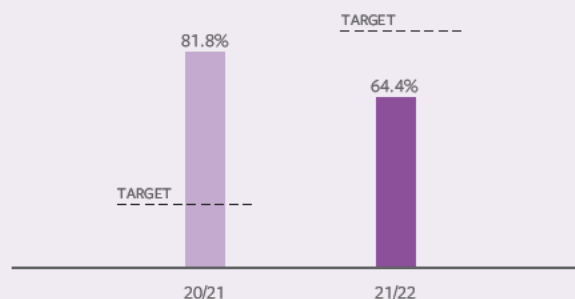
Tō mātou mōhio ki te angitūtanga
How we know we are succeeding

We use the following measures to track the progress we are making towards advancing *Te hua 1.2.1: He tari ako i te reo me ngā tikanga Māori a NZQA* | *Intermediate outcome 1.2.1: NZQA is a te reo Māori learning organisation.*

Measure: 1.2.1(a) The percentage of NZQA staff who have a te reo Māori plan

64.4% ✘

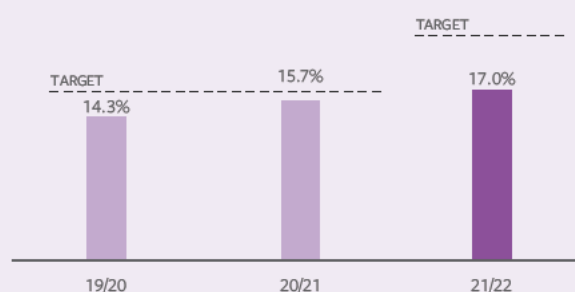
TARGET NOT MET (90%)



Measure: 1.2.1(b) The percentage of NZQA staff who reach higher levels of proficiency through te reo Māori language planning and development

17% ✘

TARGET NOT MET (25%)



This year, we have seen a reduction in the percentage of our staff who have a te reo Māori plan. This result is based on the unexpected higher than usual staff turnover. We expect to see this result lift as individual te reo Māori plans are created for new kaimahi.

Te hua 1.2.2: Ka kōkiri takatika i te mātauranga Māori hei tautoko i ngā ākonga

Intermediate outcome 1.2.2: Mātauranga Māori is advanced to support learners

Weaving mātauranga Māori into the New Zealand Qualifications Framework and NCEA is important to improving ākonga Māori participation and achievement.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

Te whakawhanake me te tautoko hoki i te mana o ngā tohu mātauranga Māori
We continued to develop and support the uptake of mātauranga Māori qualifications

In October 2021, Ngā Poutoko Aromatawai Māori (NPAM) business unit was established within our Assessment Division to support outcomes related to kaupapa mātauranga Māori, including the standards setting and development of mātauranga Māori standards and qualifications. NPAM is also responsible for standards and qualifications that have not been transferred to Workforce Development Councils, such as core generic, foundation and bridging, and Pacific.

NPAM also facilitates the development and review of mātauranga Māori programmes linked to their qualifications as well as translations of Māori Qualifications Services-developed unit standards and associated assessment support materials. For these, NPAM also provides support to providers, schools and kura by assisting with programme development, developing tools to inform ākonga about learning pathways and facilitating good-practice workshops.

During 2021/22, the Māori Qualifications Services team within NPAM developed and gained quality assurance approval through Te Hono o Te Kahurangi for a mātauranga Māori programme, Te Manaaki Tāngata ki te Marae, that leads to the award of the New Zealand Certificate in Tikanga (Level 2). Schools along with other providers can apply for accreditation to deliver this programme to their ākonga. Māori Qualifications Services is working on the development of guidance to support kura and schools with this. Work is set to begin on the development of a programme for the level 3 Toi NZ qualification that will provide a qualification pathway for students of Te Ao Haka.

Kua aromātaihia ngā kaupapa o Te Hono o Te Kahurangi me ngā whao arotake **We reassessed the indicators for Te Hono o Te Kahurangi and supporting evaluative tools**

Te Hono o Te Kahurangi quality assurance framework enables NZQA to evaluate the quality and integrity of mātauranga Māori qualifications, programmes and educational delivery. This specialised quality assurance role supports learners' access to mātauranga Māori. During 2021/22, we reassessed the indicators for Te Hono o Te Kahurangi and supporting evaluative tools for external evaluation and review. Development of the indicators remains in progress and is expected to be finalised in the first quarter of 2022/23. Further work to strengthen and improve quality assurance services for mātauranga Māori providers will be initiated in 2022/23, which will align with changes to the qualifications system as a result of the Reform of Vocational Education (RoVE) programme.

During 2021/22, we processed 114 applications under Te Hono o Te Kahurangi quality assurance framework.



Tō mātou mōhio ki te angitūtanga
How we know we are succeeding

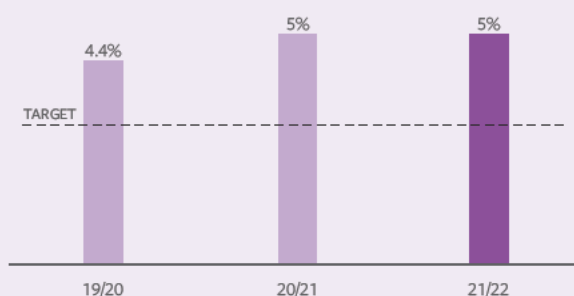
We use the following measures to track the progress we are making

towards advancing *Te hua 1.2.2: Ka kōkiri takatika i te mātauranga Māori hei tautoko i ngā ākonga | Intermediate outcome 1.2.2: Mātauranga Māori is advanced to support learners.*

Measure: 1.2.2(a) The percentage of applications (which meet the criteria to be approved) that are quality assured using Te Hono o Te Kahurangi

5% ✓

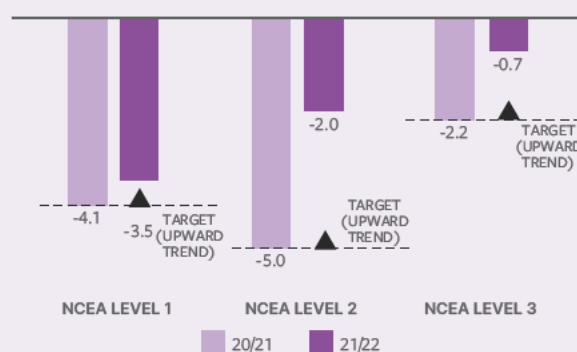
TARGET MET (≥3%)



Measure: 1.2.2(b) The rate of Māori learner participation in digital external assessment is the same as or better than their non-Māori learner peers

Participation rates show an upward trend for all levels ✓

TARGET MET (UPWARD TREND – BASELINE ESTABLISHED FROM 20/21 DATA)



Ākonga Māori participation in digital assessment continues to increase year on year across all NCEA levels (growth since 2019/20: NCEA Level 1, +10.7 percentage points (pp); NCEA Level 2, +9.9pp; NCEA Level 3, +5.9pp).¹⁰

Te hua 1.2.3: Ka whai hua ngā ākonga Māori me ngā ākonga Pasifika i ngā rangapū auaha
Intermediate outcome 1.2.3: Māori and Pacific learners benefit from innovative partnerships

In September 2020, we launched Te Kōkiritanga 2020–2023 and Takiala Pasifika 2020–2023 – our strategic action plans for ākonga Māori and Pacific learner success. The strategic action plans closely align with Ka Hikitia, Tau Mai Te Reo and the Action Plan for Pacific Education, respectively.

The plans have two strategic goals:

- Equitable access and opportunities enable ākonga Māori and Pacific learner success.
- Qualifications enable Māori and Pacific lifelong learning and wellbeing.

Te Kōkiritanga reaffirms NZQA's commitment to the Crown's obligations under te Tiriti o Waitangi. Government and education sector agencies have joint responsibility with whānau, hapū and iwi to ensure the education system delivers with, and for, Māori.

Takiala Pasifika sharpens NZQA's focus to achieve equity for Pacific learners, families and communities. It articulates our contribution to the education system for Pacific learners and demonstrates our commitment to ensuring equity of access and outcomes.

We recognise the value and importance of whānau, communities, iwi and education organisations in advancing Te Kōkiritanga and Takiala Pasifika goals and, in turn, ākonga Māori and Pacific learner success. This is why we are committed to forming and building strong, lasting and innovative partnerships.

¹⁰ See section Te hua 1.1.3: Ka whakatau tika nei ngā ākonga i ngā ara tohu e tika ana ki a rātou | Intermediate outcome 1.1.3: Learners access qualification pathways that are right for them for more information about the Review of Achievement Standards.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

Kei te tautoko tonu mai a Ngā Kaitūhono me NZQA Taupulega i ā mātou mahi

Ngā Kaitūhono and the NZQA Taupulega continue to support our mahi

During 2021/22, we continued advancing our Te Kōkiritanga and Takiala Pasifika implementation plans. This mahi is supported by two external advisory groups, Ngā Kaitūhono and NZQA Taupulega, who provide strategic advice, guidance and support to help us ensure we are making a difference for ākongā Māori and Pacific learners.

Under the guidance of Ngā Kaitūhono, we were able to weave te ao Māori through the New Zealand Qualifications and Credentials Framework, which we will be consulting on in 2022/23. In addition, Ngā Kaitūhono strongly supported the kaupapa of mātauranga Māori being recognised as an equivalent knowledge system in the New Zealand Qualifications and Credentials Framework review.

The Taupulega continue to help us to progress our strategic plans for Pacific learners. They have provided expert advice on how we can increase NCEA online and SAC participation by working in partnership with Pacific communities and schools with high numbers of Pacific students. The Taupulega have also

provided review, feedback and advice on key goals and targets within the Takiala Pasifika 2020 –2023 and are assisting us with the development of the next iteration of our strategic plan for Pacific learner success.

Kei te whakapakari i te hononga ki ngā tāngata o STEM

We are strengthening our STEM partnerships

During 2021/22, we continued to partner with STEM providers to inspire secondary students to pursue STEM pathways. This included working with a range of community providers to increase Māori and Pacific participation and outcomes in STEM secondary and tertiary pathways.

Since 2016, we have partnered with the Pūhoro STEM academy (Pūhoro) to support Māori participation in STEM subjects. In 2022, Pūhoro delivered several haerenga science experiences in relation to taiao environment held across Auckland, Hawke's Bay, Manawatū and Christchurch. Ākongā from Years 11–13 participated in the following activities: Digitech workshops (Code Avenger and Digital Natives Academy); experiential workshops (nursing, science and forensic labs, and Auckland Zoo); mātauranga Māori workshops (carving, taonga puoro, Ātea-a-Rangi) and tours (Kāpiti Island,¹¹ Goat Island,¹² Huntly Power Station, Pūkaha/Zealandia, Antarctic Centre).

11 Includes engagement with mana whenua.

12 Includes engagement with mana whenua.

Kua whakahaerehia, kua whakahoungia hoki te NCEA me te Whānau

We rolled out a refreshed NCEA me te Whānau programme

In 2022, we rolled out our refreshed NCEA me te Whānau programme. Te Kāhui Ākonga (our ākonga Māori voice group) helped inform and shape key messages and videos for the workshops. The workshops are offered both in person and online, and we use social media (Facebook and Instagram) to increase their visibility. Feedback on the workshops has been overwhelmingly positive.

The overall count for NCEA me te Whānau workshop engagements as at 30 June 2022 was 1,273. We also had 1,502 social media engagements. Our new process for confirming workshops and the recruitment of more Kaihāpai puts the team in a strong position to deliver our target of 10,000 engagements. Of those who attended a workshop, 97% reported an increase in their understanding of NCEA and 99% reported having more confidence to support their tamariki in NCEA.

I whakawhānui tonu i ngā hui NCEA ma le Pasifika

We continued to grow our NCEA ma le Pasifika engagements

Like NCEA me te Whānau, NCEA ma le Pasifika includes core messages and tailored content based on what audiences have requested. This includes delivery of workshops in English and some Pacific languages with a focus on pathways and endorsements.

The overall count for NCEA ma le Pasifika workshop engagements as at 30 June 2022 was 1,662. We also had more than 30,000 social media engagements (Facebook and Instagram). Of those who attended a workshop, 98% reported an increase in their understanding of NCEA and 98% reported having more confidence to support their tamariki in NCEA.

Nā te Pacer Plus i renarena ai i te taukaea ki ngā moutere o Te Moana-nui-a-Kiwa

We are developing strong relationships with Pacific nations through the PACER Plus project

During 2021/22, we developed strong relationships with Pacific nations through NZQA's work on the PACER Plus project. NZQA has submitted a business case to the Ministry of Foreign Affairs and Trade to continue supporting qualification recognition arrangements in PACER Plus member nations that will enable better

employment pathways and outcomes for Pacific people. You can read more about this initiative on page 74.

Kei te mahi tahi tonu ki Te Tāhuhu o te Mātauranga e whakatutuki ai i ngā whāinga e ai ki Ka Hikitia me te Action Plan for Pacific Education

We have continued work with the Ministry of Education to progress the goals of Ka Hikitia and the Action Plan for Pacific Education

We continue to work with the Ministry of Education to progress the goals of Ka Hikitia and the Action Plan for Pacific Education, particularly around responding to the needs of learners, and have provided whānau and families with tailored NCEA and STEM resources. We are working with the Ministry of Education to ensure the new achievement standards and assessments arising from the Review of Achievement Standards are based on Universal Design for Learning principles and in support of mana ōrite mō te mātauranga Māori.

Kei te tautoko mātou i te 360 Tautua Trust

We support the 360 Tautua Trust

During 2021/22, we continued to support the 360 Tautua Trust, a Manaiakalani programme provider. The Trust provides two digital programmes for Pacific communities – Digi Matua and Digital Mobile – supporting Pacific families to get connected online using a device.

The programme aims to empower, encourage and enable Pacific families to access digital training.

Kei te tautoko tonu mātou i te rangahau me te tuari mōhiotanga

We continue to support research and share insights

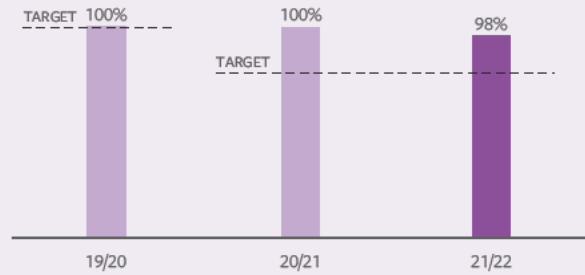
We continue to support Tokona te Raki: Māori Futures Collective and its work in researching and addressing inequities in the education system, in particular the impacts of streaming in schools on ākonga Māori and Pacific learners.

We also share disaggregated information with iwi and Māori and Pacific community groups. New connections have recently been made with Ngāti Pāhauwera and Ngāti Tamaterā.

Tō mātou mōhio ki te angitūtanga
How we know we are succeeding

We use the following measures to track the progress we are making towards advancing *Te hua 1.2.3: Ka whai hua ngā ākonga Māori me ngā ākonga Pasifika i ngā rangapū auaha* | *Intermediate outcome 1.2.3: Māori and Pacific learners benefit from innovative partnerships*

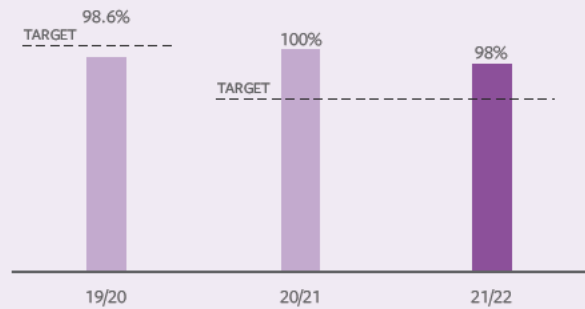
Measure: 1.2.3 (a) The percentage of Pacific parents and families who attended NCEA ma le Pasifika workshops who report increased knowledge of NCEA and more confidence to support their children



98% ✓

TARGET MET (90%)

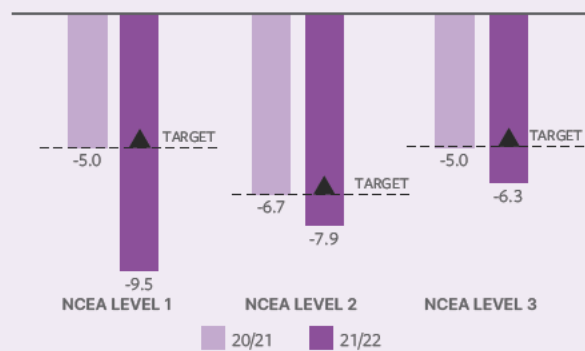
Measure: 1.2.3 (b) The percentage of parents & whānau who attended NCEA and the Whānau workshops who report increased knowledge of NCEA and more confidence to support their children¹³



98% ✓

TARGET MET (90%)

Measure: 1.2.3 (c) The rate of Pacific learner participation in digital external assessment is the same as or better than their non-Pacific learner peers.



Participation rates do not show an upward trend for all levels ✗

TARGET NOT MET (UPWARD TREND – BASELINE ESTABLISHED FROM 20/21 DATA)

¹³ This result is informed by parent and whānau feedback to two questions: Has the presentation increased your knowledge of NCEA? Do you feel empowered and confident to support your children? The results were 97% and 99% respectively.

Pacific learner participation in digital assessment was affected by the regional COVID-19 lockdowns in 2021, particularly in Auckland.

The proportion of Pacific learners participating in digital assessment has increased across all NCEA levels since 2019/20 – NCEA level 1, +4.5 percentage points (pp); NCEA level 2, +6.1pp; NCEA level 3, +1.2pp – but the increase has not been at the same rate as their non-Pacific learner peers.

Te wāhanga 1.3: Ka tautokohia ngā ākonga whaikaha, rawakore rānei, kia whāia ngā tohu mātauranga e tika ana, e tutuki ana hoki i ō rātou hiahia me ō rātou tūmanako

Impact area 1.3: Learners with disabilities and learning support needs, and/or socio-economic disadvantage have access to qualifications that meet their needs and aspirations

We recognise that learners have different needs and aspirations, and we work to ensure that all learners have access to relevant qualifications. We have been working to support learners with disabilities and/or learning support needs who are otherwise capable students to ensure they can fairly demonstrate their knowledge and skills when being assessed.

To do this, we have focused our efforts on advancing the following intermediate outcome:

- **Te hua 1.3.1: Ka tāharatia ngā tauārai o te whai tohu mātauranga ki ngā ākonga, ā, ka hāpaitia hoki ngā hiahia whāiti o te ako** | Intermediate outcome 1.3.1: Barriers to learners accessing qualifications are reduced and additional learning needs are supported

This section outlines what we achieved in 2021/22 to advance the above intermediate outcome and provides progress reporting on the performance indicators outlined in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022.

Tō mātou mōhio ki te angitūtanga

How we know we are succeeding

We use indicators to see whether, over time, there is a trend that represents good progress towards achievement of impact area 1.3. Minor changes from one year to another are less significant than the trend of the results over the medium term.

Impact area 1.3 Success Indicator	Measured by
Greater uptake of Special Assessment Conditions (SAC) in targeted groups	<p>Increased SAC applications for eligible learners from targeted groups</p> <p>End-of-year progress</p> <p>A total of 58 schools were targeted for improvement in their SAC numbers in 2021. This followed analysis of school data includes number of SAC applications, school size and achievement levels. In 2021, 58.6% of these schools increased SAC percentages from 2020 to 2021, 27.6% had reduced SAC percentages and 13.8% saw no change.</p> <p>58.6%</p>

Te hua 1.3.1: Ka tāharatia ngā tauārai o te whai tohu mātauranga ki ngā ākongā, ā, ka hāpaitia hoki ngā hiahia whāiti o te ako
Intermediate Outcome 1.3.1: Barriers to learners accessing qualifications are reduced and additional learning needs are supported

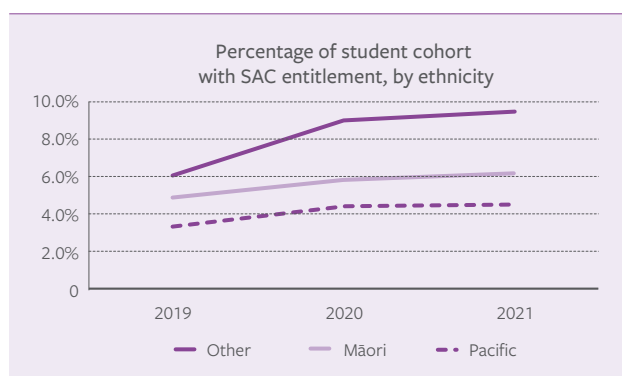
We recognise that not all learners have equal access to qualifications – they may face barriers to access and/or require additional support. We are committed to working with learners, their whānau and education organisations to reduce barriers.

Ngā hua i puta i ngā tau 2021/22
What we achieved in 2021/22

Kei te turakina ngā ārai ki ngā herenga o te aromatawai hira
We are addressing barriers through Special Assessment Conditions

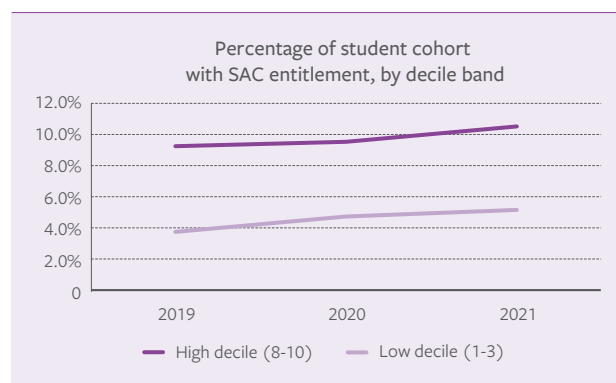
Special Assessment Conditions (SAC) aim to address barriers to fair assessment in NCEA and New Zealand Scholarship for students and should build on the ongoing learning support offered by kura and schools. By removing barriers to fair assessment, SAC can help students demonstrate their knowledge, skills and understanding when being assessed, without providing an unfair advantage over other students. We receive submissions for SAC by schools on behalf of students.

There has been an increase in SAC applications across all deciles and ethnicities in recent years. The rate of increase has been greater for Māori and Pacific students than for other ethnicities and greater in lower-decile schools than higher-decile schools. The following graphs show the percentage of the student cohort with SAC entitlements since 2019.



Percentage of student cohort with SAC entitlement by ethnicity

	2019	2020	2021
Māori	4.9%	5.8%	6.2%
Pacific	3.4%	4.4%	4.5%
Other	6.1%	8.9%	9.4%



Percentage of student cohort with SAC entitlement by decile band

	2019	2020	2021
Low decile (1-3)	3.7%	4.8%	5.1%
High decile (8-10)	9.2%	9.5%	10.5%

There remains a disparity in learners accessing SAC and therefore a need for us to work with schools whose SAC applications are lower than expected. In 2021, we undertook SAC reviews for seven of the 58 schools that were targeted for improvement in their SAC numbers. The overwhelming response from these schools was that they want to do their best for their students, and through the SAC review process, we were able to encourage them to consider their policies and processes of identifying SAC students as well as the processes used to manage applications. Following the reviews, all seven schools increased the number of their SAC application submissions.

Kei te turakina ngā ārai ki te hangarau We are addressing some barriers through technology

Digital technologies provide opportunities for new types of support and services that have the potential to reduce barriers significantly. We are focused on transforming assessment to respond to the different contexts and changing needs of learners, communities and employers. One way we improve accessibility of assessments is through Universal Design for Learning principles, ensuring inclusive practices and enabling assistive technologies. In June 2022, we transitioned our NCEA Online programme into business as usual. You can find out more about it on page 26.

Tō mātou mōhio ki te angitūtanga How we know we are succeeding

We use the following measure to track the progress we are making towards advancing *Te hua 1.3.1: Ka tāharatia ngā tauārai o te whai tohu mātauranga ki ngā ākonga, ā, ka hāpaitia hoki ngā hiahia whāiti o te ako* | *Intermediate outcome 1.3.1: Barriers to learners accessing qualifications are reduced and additional learning needs are supported.*

Measure: 1.3.1 (a) The percentage of targeted schools that found NZQA's package of SAC support useful in helping them manage SAC for learners

90.5% 

TARGET MET (60–80%)

This is a new measure. The 2021/22 result will inform our baseline for future reporting.

305 out of 337 respondents agreed or strongly agreed to the statement 'my school has confidence that NZQA's processes enable access to Special Assessment Conditions for our learners'.

Putanga 2: Ka hāpaitia ngā tohu mātauranga o Aotearoa kia ako mō te oranga tonutanga

Outcome 2: New Zealand qualifications enable lifelong learning

As the business landscape shifts and the future of work changes and change becomes the new constant, there is a need for individuals to develop new skills and new knowledge throughout their career.

Putanga 2: Ka hāpaitia ngā tohu mātauranga o Aotearoa kia ako mō te oranga tonutanga | Outcome 2: New Zealand qualifications enable lifelong learning sets out our ambition to ensure that learners are well prepared for a swiftly changing world of work and where they can make a meaningful contribution to their communities.

At NZQA, we are working to bring about two key shifts – the impacts we want to make – to ensure New Zealand qualifications enable lifelong learning:

- **Te wāhanga 2.1: Ko tā te mahi aromatawai me ngā pūkenga whāiti he tautoko i te ākongā kia noho takatū ki tōna āmua ao** | Impact area 2.1: Assessment and credentialing support innovation in teaching and preparation for a changing world of work

- **Te wāhanga 2.2: Ka whai mana ngā tohu mātauranga ki Aotearoa, ki te ao whānui hoki** | Impact area 2.2: Qualifications are accepted as credible and robust nationally and internationally

This section outlines what we achieved during 2021/22 to advance Putanga 2: *Ka hāpaitia ngā tohu mātauranga o Aotearoa kia ako mō te oranga tonutanga* | Outcome 2: *New Zealand qualifications enable lifelong learning*. It is framed around the impacts and intermediate outcomes we committed to advance in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022 and provides an overview of the results that have been achieved during 2021/22.

Te wāhanga 2.1: Ko tā te mahi aromatawai me ngā pūkenga whāiti he tautoko i te ākonga kia noho takatū ki tōna āmua ao

Impact area 2.1: Assessment and credentialing support innovation in teaching and preparation for a changing world of work

At NZQA, we recognise the role that assessment and credentialing play in supporting innovation in teaching and the impact positive assessment experiences can have on promoting a learner's interest in lifelong learning. This is why we have focused our efforts on advancing two intermediate outcomes:

- **Te hua 2.1.1: Ko ngā mahi aromatawai auaha he hāpai i te ākonga kia māwhitiwhiti i te marautanga ako** | Intermediate outcome 2.1.1: Innovative assessment practices enable learners to make connections across learning areas
- **Te hua 2.1.2: Ka whai mana ngā tohu mātauranga ki Aotearoa, ki te ao whānui hoki** | Intermediate outcome 2.1.2: Learner voice informs digital assessment methods and builds confidence and engagement in assessment

This section outlines what we achieved in 2021/22 to advance each of the above intermediate outcomes and provides progress reporting on the performance indicators outlined in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022.¹⁴

Tō mātou mōhio ki te angitūtanga **How we know we are succeeding**

We use indicators to see whether, over time, there is a trend that represents good progress towards achievement of impact area 2.1. Minor changes from one year to another are less significant than the trend of the results over the medium term.

¹⁴ Trend results and further information about Te tauākī kawatau o ngā mahi | Statement of Performance Expectations 2021/2022 measures can be found in Te wāhanga tuawhā: Te arotake i ngā mahi | Part four: Assessing our performance.

Impact area 2.1	Success Indicator	Measured by
Teacher surveys indicate that assessment and credentialing methods are supporting innovation in teaching and the promotion of lifelong learning	Teachers agree that NZQA supports innovative approaches to internal assessment in schools.	<p>End-of-year progress</p> <p>In 2021/22, 83.7% of respondents agreed that NZQA supports innovative approaches to internal assessment in schools.¹⁵</p> <p>83.7%</p>

Te hua 2.1.1: Ko ngā mahi aromatawai auaha he hāpai i te ākongā kia māwhitiwhiti i te marautanga ako
Intermediate outcome 2.1.1 Innovative assessment practices enable learners to make connections across learning areas

A key focus for NZQA is supporting the delivery of credible aromatawai and assessment that enables learners to access high-quality learning and achieve qualifications.

We regulate secondary and tertiary education providers to support equitable assessment outcomes for learners. In doing so, we need to ensure that our assessment, aromatawai and quality assurance practices continue to adapt to complement and reflect teaching and learning approaches and meet the needs of ākongā and our key stakeholder groups.

Ngā hua i puta i ngā tau 2021/22
What we achieved in 2021/22

Kua tuarhia ngā kupu āwhina me ngā tohutohu ka tino whai hua
We shared best practice advice and guidance

We want to ensure that assessment enables learners to make powerful connections across learning areas and that methods of assessment give learners broader opportunities to demonstrate validly what they know and what they can do. This is why we actively share best practice with teachers and assessors.

COVID-19 affected many of our planned face-to-face offerings during 2021/22. In addition to the Leading National Assessment seminars, our planned fono for moderation panels of Pacific Languages were moved online. We had

¹⁵ Due to a low response rate to our survey in 2020/21 we are unable to compare the 2021/22 results against the 2020/21 results.

intended to hold a fono to develop online material specifically focused on Pacific Languages and Pacific Studies teachers as part of the Transforming Assessment Praxis programme in late 2021. This was also postponed due to COVID-19 and has now been rescheduled to run in late 2022.

To meet the diverse needs of our customers, we target the information we provide where possible. To cater for the needs of principal's nominees, we developed alternative support packages including a refreshed guide to help lead assessment in their schools. We also:

- met online with the approximately 186 principal's nominees who have less than two years' experience in the role to clarify and reinforce key responsibilities and roles
- ran online hui and tutorials on how to manage quality assurance in an uncertain environment and published refreshed guidance to schools – Assessment in Uncertain Times
- published a work booklet and associated PowerPoint for schools to use with teachers new to NCEA, which is designed to be delivered by experienced practitioners to new teachers and covers a series of topics related to assessment for qualifications and quality assurance.

We continue to receive positive feedback from the sector on our offerings.

I whakapakari tonu i te Pūtake We continued to grow Pūtake

During 2021/22, we continued to expand our offerings on Pūtake, our learning management system. Through Pūtake, we offer free online resources to support teachers/assessors with internal assessment in a range of subjects and standards. The free modules are available 24/7, and teachers/assessors can self-enrol and work at their own pace.

As at 30 June 2022, there were over 39 subject-specific, bite-sized modules focusing on a variety of subjects and standards, 50 online workshops and 23 short courses are offered on Pūtake. Over 2,650 users have now used Pūtake, with over half of those (1,218) registered since January 2022.

Our Transforming Assessment Praxis programme is an online series of activities aimed at providing assessors with strategies to modify existing resources to meet the needs of learners and to explore different and valid ways of collecting evidence. The programme is also available via Pūtake.

Feedback on our workshops has been positive, with most teachers and respondents indicating that the workshops met their aims, were user friendly and were relevant to their needs. We will be using the feedback received from our workshops to inform our annual review of material and the development of new workshops and content.

Tō mātou mōhio ki te angitūtanga

How we know we are succeeding

We use the following measures to track the progress we are making towards advancing *Te hua 2.1.1: Ko ngā mahi*

aromatawai auaha he hāpai i te ākongā kia māwhitiwhiti i te marautanga ako | Intermediate outcome 2.1.1: Innovative assessment practices enable learners to make connections across learning areas.

Measure: 2.1.1(a) The percentage of assessors who are more likely to use innovative assessment practices after completing NZQA's learning module on integrated assessment

This is a new measure. The 2021/22 result will inform our baseline for future reporting.

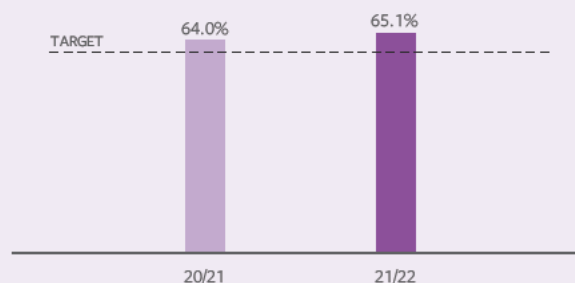
75% ✓

TARGET MET (60–80%)

Measure: 2.1.1(b) The percentage of NCEA examinations available in a digital mode

65.1% ✓

TARGET MET (60%)



Te hua 2.1.2: Mā te reo o te ākongā anō ngā mahi aromatawai matihiko me te pāheko tika i te tangata e tautoko

Intermediate outcome 2.1.2: Learner voice informs digital assessment methods and builds confidence and engagement in assessment

The learner voice is critical in developing high-quality, meaningful assessment and for innovation in assessment. This is why we co-design the online assessment experience with learners.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

I mahi ngātahi tonu i te wheako ā-aromatawai

We continued to co-design the assessment experience

During 2021/22, we continued to co-design the assessment experience with learners to ensure that our solutions met their diverse needs. Key areas of focus included improving our digital

environment by embedding audio into future digital language assessments and working to make Māori text-to-speech available in future te reo Māori digital assessments.

We have been trialling the most used text-to-speech applications with our digital assessment. In 2021, ākonga trialled the text-to-speech tool Polly, available with the digital assessment platform. A further text-to-speech trial aims to understand students' experience of functionality in exam conditions before it is made available for eligible digital assessments.

A further highlight was implementing voice-over instructions in the 2021 NCEA Te Reo Rangatira digital practice exams and end-of-year digital exams.

Tō mātou mōhio ki te angitūtanga **How we know we are succeeding**

We use the measure *2.1.2 (a) Learner feedback is actively used in design and development of digital assessment activities* to track the progress we are making towards advancing *Te hua 2.1.2: Mā te reo o te ākonga anō ngā mahi aromatawai matihiko me te pāheko tika i te tangata e tautoko | Intermediate outcome 2.1.2: Learner voice informs digital assessment methods and builds confidence and engagement in assessment*. The above commentary under 'What we achieved in 2021/22' has been used to inform this measure.

Te wāhanga 2.2: Ka whai mana ngā tohu mātauranga ki Aotearoa, ki te ao whānui hoki

Impact area 2.2: Qualifications are accepted as credible and robust nationally and internationally

NZQA works to ensure that New Zealand qualifications are credible and portable and that they support lifelong learning. This helps to ensure that New Zealanders working overseas can have their qualifications recognised and have greater opportunities for employment and further education. It also helps in providing a positive experience to immigrants coming to Aotearoa New Zealand by having their qualifications assessed against an internationally recognised framework.

During 2021/22, we have focused our efforts on advancing three intermediate outcomes:

- **Te hua 2.2.1: He mea tautoko Te Taura Here Tohu Mātauranga o Aotearoa (NZQF) kia ako te tangata mō te oranga tonutanga** | Intermediate outcome 2.2.1: The NZQF facilitates lifelong learning
- **Te hua 2.2.2: Mā te whakaū kounga ka noho tika ka noho pono nei ngā pūkenga whāiti me ngā tohu mātauranga o Aotearoa** | Intermediate outcome 2.2.2: Quality assurance provides trust and confidence in New Zealand credentials and qualifications

- **Te hua 2.2.3: Mā te mana tonu o ngā tohu mātauranga ka āheitia te tono atu ki te ao** | Intermediate outcome 2.2.3: Greater qualification recognition enables mobility

This section outlines what we achieved in 2021/22 to advance each of the above intermediate outcomes and provides progress reporting on the performance indicators outlined in He tauākī whakamaunga atu | Statement of Intent 2019/20 – 2022/23 and Te tauākī kawatau

o ngā mahi | Statement of Performance Expectations 2021/2022.

Tō mātou mōhio ki te angitūtanga **How we know we are succeeding**

We use indicators to see whether, over time, there is a trend that represents good progress towards achievement of impact area 2.2. Minor changes from one year to another are less significant than the trend of the results over the medium term.

Impact area 2.2	Success Indicator	Measured by
	The NZQF is widely acknowledged in international focus for the portability of New Zealand qualifications	<p>Recognition of New Zealand qualifications is increased through the development and maintenance of qualification recognition arrangements (informed via narrative information).</p> <p>End-of-year progress</p> <p>Due to the ongoing pandemic and jurisdictions focusing on their domestic situation, NZQA prioritised qualification recognition discussions already under way rather than initiating new recognition arrangements. NZQA has worked with international partners to ensure New Zealand qualifications continue to be recognised. Our ongoing engagement included international forums such as UNESCO and specific capacity-building projects in Southeast Asia and the Pacific as part of the ASEAN¹⁶-Australia-New Zealand Free Trade Area (AANZFTA) and Pacific Agreement on Closer Economic Relations (PACER) Plus free trade agreement.</p> <p>NZQA was asked to speak at a wide range of offshore forums on our micro-credentials work.</p>

16 Association of Southeast Asian Nations.

Te hua 2.2.1: He mea tautoko Te Taura Here Tohu Mātauranga o Aotearoa (NZQF) kia ako te tangata mō te oranga tonutanga

**Intermediate outcome 2.2.1:
The NZQF facilitates lifelong learning**

The New Zealand Qualifications Framework (NZQF) was one of the first qualifications frameworks in the world. It is the heart of New Zealand's education system. All qualifications – both secondary and tertiary – listed on the NZQF come with an assurance of quality that is recognised and trusted worldwide.

At NZQA, we administer the NZQF – we set the rules that ensure the quality of the qualifications listed on the framework, and we use these rules to approve qualifications listed on the framework for non-university education provision.¹⁷

**Ngā hua i puta i ngā tau 2021/22
What we achieved in 2021/22**

**Kei te tautoko tonu i ngā ākonga i ngā whakapōreareatanga o te KŌWHEORI-19
We continued to support learners through COVID-19 disruptions**

During 2021/22, COVID-19 continued to affect schools, kura and learners. In 2021, along with the Minister of Education's Professional Advisory Group, we made changes to NCEA and University Entrance to support learners and to mitigate the varied levels of disruption

caused by COVID-19 across Aotearoa New Zealand.

In addition to delaying the start of the end-of-year examination period, mitigations were made to the 2021 NCEA and University Entrance assessment based on the period the region was in lockdown. These included Learning Recognition Credits (LRCs), decreasing the number of credits required for both course and certificate endorsement as well as for University Entrance award and changing the student evidence requirements for derived grades.

Overall, attainment in 2021 was lower than 2020 but similar to or higher than 2019. This indicates that the changes to NCEA and University Entrance were successful in supporting ākonga to achieve in 2021. Changes to certificate endorsement, University Entrance and unexpected event grades resulted in higher-than-expected attainment in Auckland, Northland and Waikato when compared with 2020.

¹⁷ The Committee on University Academic Programmes (CUAP) at Universities New Zealand approves qualifications to be listed on the framework for the universities.

In the first half of 2022, we reviewed how we manage unexpected event grades and the results submitted by kura and schools. As a result, we are strengthening the derived grade processes.

This includes:

- providing support for schools to improve the reliability of unexpected event grades
- changes to the way that unexpected event grades are implemented
- potential ways for NZQA to alter unexpected event grades after they have been received.

These changes were communicated to kura and schools in early June 2022.

We continue to work with the Ministry of Education in monitoring the level of disruption caused by COVID-19 in 2022 by engaging with schools, kura, advisory groups and peak bodies.

NZQA collaborated with Universities New Zealand (UNZ) to better understand the impact of the 2020 COVID-19 experience on students' learning and outcomes for those students who attended university in 2021. Overall, the findings¹⁸ indicate that interventions such as the 2020 UE award modifications, together with the additional support provided by universities to students, were largely successful in enabling students to achieve at university in 2021.

Kei te tautoko tonu i ngā whare whakangungu kua whakapōreareatia e te KŌWHEORI-19

We continued to support tertiary providers impacted by COVID-19

During 2021/22, we continued to support the resilience of tertiary providers impacted by COVID-19.

In response to the changing alert levels in 2021, many providers were able to pivot to online delivery or delay work placements without the need to notify NZQA due to earlier approval. However, we did approve programme changes for nearly 50 additional providers who had not previously applied.

We contacted private training establishments (PTEs) that rely heavily on international students in order to understand their business plans and financial viability in response to the closing of Aotearoa New Zealand borders to international students. In turn, we supported requests from a small number of PTEs to place their delivery on hold for a specific period.

18 <https://www.universitiesnz.ac.nz/latest-news-and-publications/2020-modified-ue-success-students>

We continued to monitor and support PTEs and signatories under the Code of Pastoral Care for domestic tertiary learners and international learners. Key activities included welfare checks, risk management, providing information on how to access pastoral care services and supporting providers who reported having COVID-19 positive cases.

During Auckland's extended Level 4 lockdown, NZQA staff phoned all the city's PTE student accommodation providers to understand their situation and offer support. We also communicated with providers through 'Code News' to reiterate the importance of the wellbeing of students and staff and to encourage them to contact us with any concerns in relation to international and domestic pastoral care Code obligations.

In February 2022, NZQA was appointed as the Single Point of Contact to support PTEs through the Omicron Protection Framework. We established seven-day-a-week email and phone contacts, with our staff rostered to respond quickly to requests for information and support for PTEs with known or suspected COVID-19 cases. We worked closely with the Ministry of Health and other education agencies to ensure consistent processes for providers across the entire sector.

Kua whakaterere i te Whakahoutanga o te Mātauranga Mahinga

We have been advancing the Reform of Vocational Education

In 2020, the Government implemented reforms of the vocational education sector to create a strong, unified, sustainable vocational education system that is fit for the future of work and delivers the skills that ākonga, employers and communities need to thrive. We have been working to support the goals of the Reform of Vocational Education (RoVE) through four key work areas:

- Simplifying the design of qualifications for vocational education.
- Supporting the establishment of Workforce Development Councils and Te Pūkenga.
- Reviewing the evaluative quality assurance framework for non-university tertiary education organisations.
- Developing a new Qualifications and Credentials Repository.

Ko te whakangāwari i te āhua o ngā tohu ki te mātauranga mahinga

Simplifying the design of qualifications for vocational education

Following public consultation in 2021, we progressed work on simplifying the design of qualifications for vocational education through the development of two new education products: skill standards and national curricula. Skill standards are expected to be used as the building blocks for qualifications and credentials, bringing together industry skills and education delivery (learning) outcomes in a common education product. Drawing on skill standards, national curricula will provide further context, structure and information to guide a provider's approach to teaching and assessment for a specific qualification. The widespread use of skill standards and, where relevant, implementation of national curricula will support the consistency and portability of learning outcomes in vocational education.

Workforce Development Councils (WDCs) and NZQA have jointly led a sector working group for the co-design of skill standards and national curricula to ensure the new education products meet the needs of users. The 30-member working group consists of representatives and technical experts from key stakeholders and partner organisations including

Te Pūkenga, Te Wānanga o Aotearoa, Universities New Zealand, government training establishments, private training establishments (PTEs), schools and kura, the Tertiary Education Union, transitional industry training organisations (TITOs), Tertiary Education Commission (TEC) and Ministry of Education. The group has developed design principles for skill standards (based on ngā mātāpono of Te Hono o te Kahurangi), a template and worked examples. The work of the group will inform public consultation on rules for skill standards and national curricula early in the next financial year.

We continue to support WDCs and Te Pūkenga as they stand up their operations. Key activities have included:

- participating in the review of TITO transition plans and providing advice to the TEC Board on the feasibility of programme-related activities outlined in the plans
- transferring programmes from TITOs to Te Pūkenga Work Based Learning Limited and PTE receiving organisations
- working with Te Pūkenga to support the transition of institutes of technology and polytechnics subsidiaries
- supporting WDCs to implement their programme endorsement function.

**Te arotake i te pou tarāwaho whakaū
kounga a ngā tōpūtanga**
**Reviewing the evaluative quality
assurance framework for non-university
tertiary education organisations**

The review of the quality assurance framework has continued, with work under way to explore the feasibility of weaving ngā kaupapa (based on those of Te Hono o te Kahurangi) through the framework and identifying opportunities to remove duplication of quality assurance activities and ensure the framework accommodates RoVE changes. We will engage with WDCs, Te Pūkenga and the wider tertiary education sector to discuss the approach in the next financial year.

**Te waihanga i tētahi whata hou ki ngā
Tohu me ngā**
**Developing a new Qualifications and
Credentials Repository**

We completed the analysis and design phase for a new Qualifications and Credentials Repository, which provides the opportunity to bring together qualifications, credentials, programmes and standards into a single repository. The build has begun, with the new repository expected to be delivered in early 2023.

WDCs began operation on 4 October 2021. Four NZQA staff transitioned to three of the WDCs to support their set-up. The transition to WDCs of 65

qualifications and 469 standards for which NZQA was the developer or standard-setting body was completed before WDCs began operations. Overall, 16,004 standards and 850 qualifications were transferred.

**I whakaroa te tuku i te rauna
whakamātautau 2021 e pai ai ngā
ākonga ki te whakarite i a ia anō**
**We delayed the 2021 examination round
to give students more time to prepare**

The NCEA and New Zealand Scholarship examination period started on 22 November and finished on 14 December 2021. The start date reflected the decision to delay examinations to give learners more time to prepare due to disruptions caused by COVID-19. For this examination round, we printed approximately 1.7 million examination booklets and securely distributed these to 440 examination centres.

After two years of planning, we implemented scanning of almost all NCEA examination booklets, except for Accounting, Music and New Zealand Scholarship examination booklets. This change in approach enables several efficiencies, including on-screen marking, and reduces administration for markers as well as risks associated with sending completed examination booklets around the country via couriers. Another benefit is the electronic return of marked booklets to students.

Kua pai ake ngā tukanga e āwhina ai i te tukunga o ngā whiwhinga ā-NCEA me ngā whiwhinga karahipi o Aotearoa

We improved processes to support NCEA and New Zealand Scholarship results release

The release of the 2021 NCEA results went smoothly, with over 160,000 learners able to view their results from 20 January 2022. This year also saw the use of a webchat channel alongside our extended call centre, which handled phone and email queries, to assist students accessing their results.

Learners were able to access their marked NCEA examination papers and associated grades online via the NZQA learner portal from 31 January 2022. In the first two days following release of marked examination papers, around 7,500 learners downloaded 36,000 marked examination papers. This is a new process as we previously posted marked examination booklets to learners.

New Zealand Scholarship results were released to learners on 10 February 2022 and announced on the NZQA website the following day.

We published the final 2021 school year NCEA, University Entrance and New Zealand Scholarship attainment statistics on our website on 28 April 2022. For more information, please refer to the 2021 Annual NCEA,

UE and New Zealand Scholarship Data and Statistics Report.¹⁹

The Top Scholar Awards Ceremony was held in the Grand Hall at Parliament on 11 May 2022. The awards recognise the 2021 Premier Award and Top Subject Scholarship Award winners. Cameron Senior, a former Rangitoto College student, received the Prime Minister's Award for Academic Excellence. This is awarded to a candidate who has the best results of all the Premier Award winners. Under the Orange COVID-19 traffic light setting, 200 people attended in person. The event was also livestreamed.

I kōkirihiā te arotake o te NZQCF

We progressed the review of New Zealand Qualifications Framework

During 2021/22, we progressed the review of the NZQF to ensure that it remains fit for purpose, flexible and adaptive to the future needs of learners, employers, iwi and other stakeholders. Our initial timeframe for the review and consultation was adjusted to consider the qualifications system changes needed to support the Reform of Vocational Education (RoVE) programme and the Education and Training Act 2020.

¹⁹ <https://www.nzqa.govt.nz/about-us/news/data-statistics-and-insights-on-2021-ncea-ue-and-nz-scholarship/>

Three changes to the NZQF that have been proposed are:

- weaving te ao Māori through the NZQF
- enabling technical changes confirmed in previous consultation
- revising the presentation of the NZQF technical document.

We have engaged with Māori to support the weaving of te ao Māori through the NZQF. There has been strong support for the increased incorporation of mātauranga Māori in the design of qualifications across the NZQF. We have proposed principles (ngā kaupapa) and Māori states of learning awareness (ngā tirohanga) to provide a foundation for qualification developers to consider te ao Māori.

Following final consultation planned for the first quarter of 2022/23, the updated NZQF will be relaunched as the New Zealand Qualifications and Credentials Framework (NZQCF). It will also include a wider range of quality-assured credentials such as micro-credentials. This change has been progressed through the Education and Training Amendment Bill (No 2) and is expected to enhance the portability of qualifications and meet the demand for changing skills.

Kei te tautoko i ngā aromatawai me te waihanga i te kounga o te aromatawai **We are supporting aromatawai and the development of quality assessment practices**

NZQA is committed to assuring credible assessment of learning that reflects mātauranga Māori, the perspectives of Pacific peoples and the cultural and individual educational needs of all ākonga in our communities. During 2021/22, we developed *Aromatawai and the Principles of Assessment* to provide guidance and support to kaiako and assessors for the development of quality assessment and aromatawai practices.²⁰

The principles are designed to:

- strengthen a sector-wide understanding of aromatawai – a teaching, learning and assessment approach underpinned by mātauranga Māori
- support the sector in quality assessment design and aromatawai practices.

The principles respond to the impacts of digital technologies, cultural and local learning contexts, emerging findings of research and the Māori-Crown partnership for assessment and qualifications outcomes. The principles are underpinned by the six dynamic and inextricably linked kaupapa at the heart of Te Hono o Te Kahurangi – a framework

²⁰ *Aromatawai and Principles of Assessment* was published in August 2022 and scheduled to come into effect in October 2022, see <https://www.nzqa.govt.nz/assets/Providers-and-partners/Assessment-and-moderation/MNA-in-schools/APOA/Aromatawai-and-the-Principles-of-Assessment.pdf>.

we use to carry out quality assurance of mātauranga Māori qualifications. These kaupapa – Rangatiratanga, Whanaungatanga, Manaakitanga, Pūkengatanga, Kaitiakitanga and Te Reo Māori – are woven through all spheres of learning and teaching.

I whakatairanga tonu i ngā tohu-moroiti **We continued to raise awareness of micro-credentials**

During 2021/22, we continued to raise awareness of micro-credentials. A micro-credential certifies achievement of a coherent set of skills and knowledge and is specified by a statement of purpose, learning outcomes and strong evidence of need by industry, employers, iwi and/or the community. They are smaller than a qualification and focus on skill development opportunities not currently catered for in the regulated tertiary education system.

Micro-credentials can provide a pathway into work and a qualification such as a level 3 introduction for school leavers into the motor industry. Employees, those looking for a career change or non-working ākongā can use these as an upskilling opportunity – for example, level 7 digital skills for the workplace. They can also be developed quickly in response to new or emerging skill needs – for example, level 3 vaccinators for COVID-19.

Micro-credentials play an important role in addressing challenges facing the tertiary sector through:

- increasing the relevance of educational products to reduce skills mismatch, improve productivity and better support lifelong learning
- supporting formal recognition and portability of a wide range of learning
- increasing equity by reducing barriers to gaining qualifications through more flexible pathways.

As at 30 June 2022, we had approved 246 micro-credentials. The number of overseas micro-credentials assessed for equivalence against the NZQF has increased to 51.

During 2022, we drafted two insights papers to share information about the evolution and use of micro-credentials as part of a relevant, modern and responsive New Zealand education and training system. The papers were published in September 2022.

The proposed changes to the Education and Training Act 2020 include provisions for listing micro-credentials on the NZQCF and separating the approval from the overall accreditation of providers to deliver. We have been working with providers and WDCs to explore the implications of this change and how micro-credentials can best meet industry needs. For example, there is an opportunity for WDCs to develop micro-

credentials based on skill standards that would be used nationally. Stacking of micro-credentials into programmes is likely to increase as micro-credentials become more widely used as a valued education product.

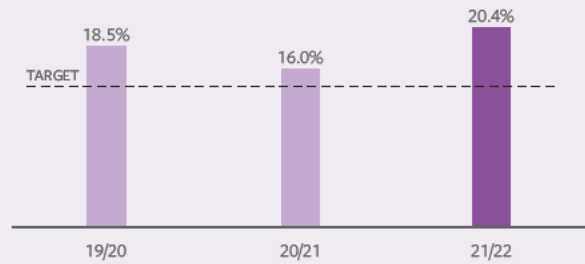
It is also proposed in the legislative changes that micro-credentials will replace training schemes, and we are planning for that transition.

Tō mātou mōhio ki te angitūtanga
How we know we are succeeding

We use the following measure to track the progress we are making towards advancing *Te hua 2.2.1: He mea tautoko Te Taura Here Tohu Mātauranga o Aotearoa (NZQF) kia ako te tangata mō te oranga tonutanga* | *Intermediate outcome 2.2.1: The NZQF facilitates lifelong learning.*

Measure: 2.2.1(a) The proportion of New Zealand qualifications (that have graduates) that undergo a consistency review in any one financial year

20.4% ✓
 TARGET MET (15%)



Te hua 2.2.2: Mā te whakaū kōunga ka noho tika ka noho pono nei ngā pūkenga whāiti me ngā tohu mātauranga o Aotearoa
Intermediate outcome 2.2.2: Quality assurance provides trust and confidence in New Zealand credentials and qualifications

To ensure New Zealand’s credentials and qualifications are trusted, our qualification assurance systems must be robust.

We operate an integrated quality assurance system in which all components support each other. The quality assurance system covers registration of private training establishments and approval of qualifications (including degrees and related qualifications), programmes, training schemes and assessment standards. It also includes assuring the consistency of graduate outcomes, moderating assessment standards, monitoring of programmes including degrees, conducting external evaluation

and review, risk management and quality assuring and monitoring signatories to the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code).

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

I tautoko mātou i ngā whare whakangungu mātauranga e whakamana ai i te rārangi tikanga atawhai

We supported education providers to give effect to the new Code

In July 2021, the Government issued a new Code to support the wellbeing of tertiary and international learners enrolled with New Zealand education providers. The new Code, which came into effect on 1 January 2022, sets out the requirements that education providers must meet for the wellbeing and safety of their learners. As Code Administrator, we monitor and support education providers to give effect to the Code.

In preparation for the new Code, we launched a nationwide #KnowtheCode social media campaign and produced a suite of short videos about the Code made with ākonga, for ākonga. We worked with the sector to co-develop and publish new guidance, code-to-code comparison tools and a gap analysis toolkit. We also delivered workshops outlining the new requirements and surveyed all tertiary providers to gauge their readiness. This informed our Code

Administrator Plan for 2022, published in December 2021, setting out our regulatory priorities and approach.

A key focus of the new Code is the pastoral care in student accommodation. In response, we reviewed the current state of student accommodation by either conducting on-site monitoring or reviewing the relevant policies and procedures from 32 non-university tertiary providers. The review identified strengths in supporting cross-cultural living environments, 24/7 managerial oversight in emergencies and welfare checks on residents. It also identified compliance gaps including processes for house rules and guidance, accommodation staff training and support and student accommodation contracts. We are continuing to work with student accommodation providers to ensure that, where shortfalls were identified, practice has been updated to meet the new Code requirements.

We work closely with Universities New Zealand (UNZ) to ensure its Code-monitoring processes are clear and sufficient. UNZ reported that all eight universities worked with their student associations to complete a gap analysis of current practice against the new Code, identifying many areas of compliance and good practice. Universities report to UNZ quarterly on their progress to close the gaps identified, which were mainly in relation to the new Code

requirements for whole-of-organisation strategic goals and plans, staff training and complaints processes. In addition, we have continued to work with the Education Review Office to monitor international student pastoral care provision in schools, and during 2021/22, we supported several schools to manage critical incidents involving international students and required all school Code signatories to attest to having reviewed their Code compliance.

I raru ngā arotake a te Whakawākanga Aromatawai ā-Motu i te KŌWHEORI-19 COVID-19 impacted our Managing National Assessment reviews

We review the assessment systems of secondary schools at least once every four years to ensure that assessment for qualifications is credible, valid, fair, consistent and reliable. Due to the nationwide COVID-19 lockdown in August and September 2021, our Managing National Assessment (MNA) reviews were suspended. Of the 100 scheduled MNA reviews, 37 visits were postponed until 2022 due to the lockdowns in the upper part of the North Island. In the new year, affected schools were provided with a new MNA review date, and reviews restarted in Term 2 of 2022.

We continued to work with schools under Alert Levels 3 and 4, providing advice about how learning can be validly assessed while students are at home and after they return to face-to-face teaching.

This included quality assurance processes to follow when gathering evidence of achievement to support a derived grade.

I whakahaere tonuhia te aromatāi me te arotake ā-motu, ā, kua panonihia ngā whiringa

We continued national external moderation and made changes to our selection requirements

We moderate assessor judgements in internal assessments against the assessment standard to ensure they are consistent nationally. In doing so, we are ensuring the NCEA qualification is credible and valid.

While national external moderation continued, we made it optional for kura and schools in Auckland, Northland and parts of the Waikato that were impacted by COVID-19. By the end of the fourth quarter of the 2021/22 moderation cycle, we had reviewed 71,904 samples of student work, including approximately 1,000 samples for early submission for 2022.

During 2021/22, changes were made to the selection requirements to ensure sufficient coverage of the new achievement standards, while improving assessor support. These changes were approved by the Minister in September 2021 with schools notified in October 2021. The changes include:

- not moderating current level 1 achievement standards unless requested by kura and schools

- moderating six samples of student work per standard instead of eight samples
- ensuring samples cover the range of grades (not achieved, achieved, merit and excellence).

Over 1,000 standards have been selected comprising:

- 931 secondary standards from 77 subjects
- 84 standards from the Review of Achievement Standards from 41 subjects.

Further standards will be selected from tertiary organisations. We have recruited and trained 105 new moderators to increase moderation capacity as we implement the new achievement standards.

I mahi tahi tonu ki ngā whare whakangungu e iti iho ai ngā tūraru **We continued to work with education providers to manage risks**

We continued to work with education providers to address issues or concerns as they arise. Statutory interventions have declined over the last few years, as the most serious cases of poor programme delivery and assessment practice were identified and resolved between 2017 and 2020. Recent issues or concerns about delivery and assessment practice have been managed through corrective action, either led by or with

the agreement of the tertiary education organisation (TEO), thereby reducing the need for statutory action.

During 2021/22, we saw a number of concerns and complaints from students, staff, industry and the public relating to the impacts of COVID-19 restrictions. These related largely to vaccine requirements, which limited access to TEO sites for on-site and practical components.

I aromātai tonu i ngā TEO **We continued to evaluate TEOs**

External evaluation and review (EER) is the name given to the periodic review of TEOs conducted by NZQA. It is an essential component of NZQA's evaluative quality assurance framework.

Almost all EERs completed in 2021/22 were conducted online due to COVID-19 restrictions. Stakeholder feedback and internal quality assurance confirm that this change has not affected quality or timeliness.

We deferred the EERs of some PTEs on a case-by-case basis. Deferrals were agreed only after NZQA had fully assessed potential or current risk to enrolled ākonga and any reputational risk to the Crown. In particular, this initiative supported high-quality PTEs heavily reliant on international students and affected by closed borders.

EER results continue to mirror recent years with over 80% of TEOs attaining Category 1 or 2 status. Overall, we have seen improved access for priority ākongā but mixed improvement in achievement rates shown through course completions and qualifications. Initial analysis indicates that the primary driver for this has been the impact of COVID-19 on learners and staffing within the TEOs.

Published reports for the targeted evaluations of Te Pūkenga indicate strong performance in vocational education and training. There are also opportunities for improvement in standardising good assessment and moderation practice.

The scheduling of assuring consistency reviews (ACRs), undertaken to provide confidence in the equivalence of graduates of New Zealand qualifications, has been affected by the capacity of the newly formed WDCs to participate fully. However, the overall impact on the review schedule has been less than anticipated with ACRs now running online. The sector has supported this shift as it is easier for key staff to participate. The quality of recent self-assessment submissions for ACRs indicates that our work to improve and expand guidance for self-assessment has been effective.

Despite disruptions to the EER and ACR workflow, all measures for timeliness, volume and quality continued to be met during 2021/22.

Kua hikitia ngā whakaritenga e pā ana ki te aroturuki

We prioritised our approach to monitoring

As part of maintaining approval and accreditation to deliver NZQA-approved programmes, we monitor the delivery of a sample of TEOs each year. During 2021/22, 39% of all TEOs participated in NZQA monitoring. We prioritised monitoring activities and selected monitoring tools and approaches based on a range of risk factors and TEO-specific data. Approximately 80% of TEOs monitored received satisfactory monitoring outcomes. Some of our monitoring activities were cancelled due to regional COVID-19 lockdowns, and some were deferred due to low enrolment numbers.

In 2020, we began monitoring the effectiveness of TEOs' internal moderation systems and processes. In 2021/22, we worked with them to set up new processes and/or improve their existing assessment and moderation practices. As a result, 68% of the providers monitored received a satisfactory rating in follow-up monitoring.

We share our findings with all TEOs delivering the monitored programmes, including examples of good practice. This year, we published monitoring summary reports for two focus areas: programme review processes and

temporary online delivery of programmes to offshore learners. We will publish a similar summary report for internal moderation systems monitoring in late 2022. We also facilitated a workshop for newly registered PTEs to provide information and guidance on NZQA quality assurance systems. The summary reports and workshops aim to assist providers in building their capability in managing their quality assurance processes.

Tō mātou mōhio ki te angitūtanga

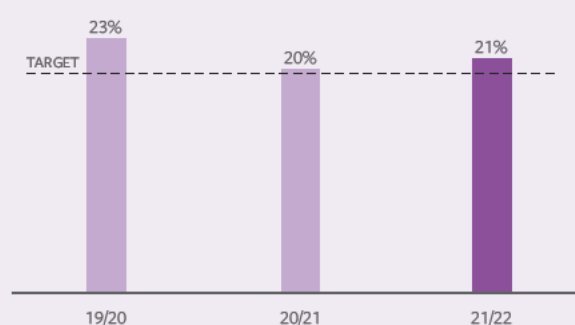
How we know we are succeeding

We use the following measures to track the progress we are making towards advancing *Te hua 2.2.2: Mā te whakaū kounga ka noho tika ka noho pono nei ngā pūkenga whāiti me ngā tohu mātauranga o Aotearoa* | *Intermediate outcome 2.2.2: Quality assurance provides trust and confidence in New Zealand credentials and qualifications.*

Measure: 2.2.2(a) The percentage of non-university Tertiary Education Organisations which had an external evaluation and review completed

21% ✓

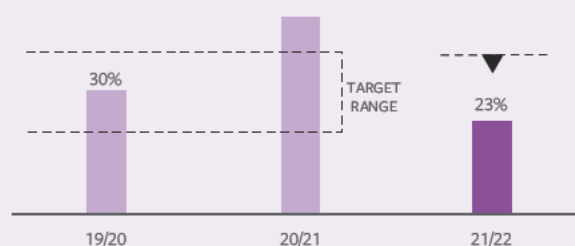
TARGET MET (20%)



Measure: 2.2.2(b) The percentage of investigations that result in a significant NZQA intervention

23% ✓

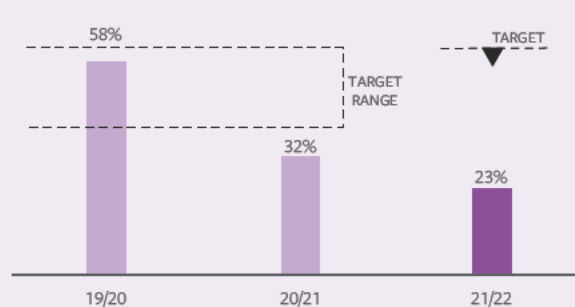
TARGET MET (DOWNWARD TREND ≤40%)



Measure: 2.2.2(c) The percentage of investigations that result in corrective action that satisfactorily resolves the identified non-compliance or quality issues identified

23% ✓

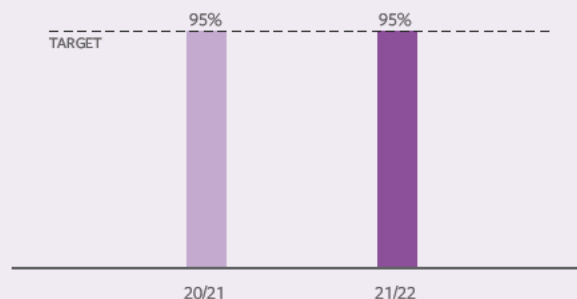
TARGET MET (DOWNWARD TREND ≤60%)



Measure: 2.2.2(d) The percentage of all formal complaints (including international and domestic code) that are concluded within 65 working days

95% ✓

TARGET MET (≥95%)



Measure: 2.2.2(e) Progress in embedding regulatory change reflecting the new vocational qualification system settings under the reform of vocational education

We use narrative information to inform this measure (refer to the above section: *What we achieved in 2021/22* for commentary).

Measure: 2.2.2(f) Progress in transferring qualifications and standards to Workforce Development Councils

We use narrative information to inform this measure (refer to the above section: *What we achieved in 2021/22* for commentary).

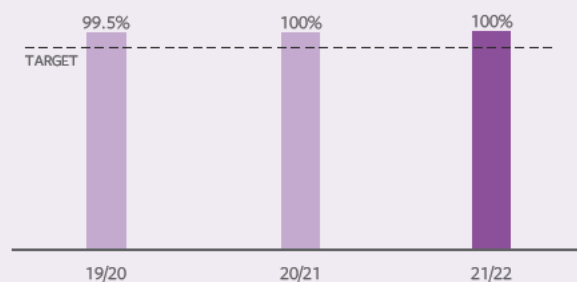
Measure: 2.2.2(g) Progress in embedding the code/s of practice for the pastoral care of international and domestic tertiary students and preparations for implementing the permanent Code from 1 January 2022

We use narrative information to inform this measure (refer to the above section: *What we achieved in 2021/22* for commentary).

Measure: 2.2.2(h) The percentage of NZQA-owned standards maintained by their planned reviewed dates

100% ✓

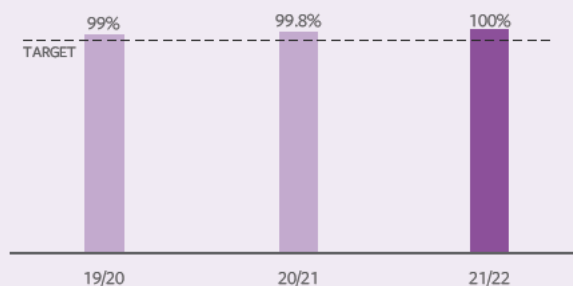
TARGET MET (95%)



Measure: 2.2.2(i) The percentage of total marker judgements unaltered following Review or Reconsideration of External Assessment Result process for NCEA

100% ✓

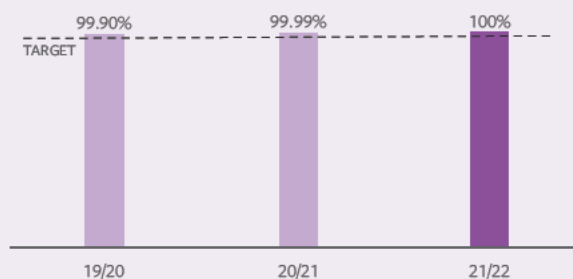
TARGET MET (99%)



Measure: 2.2.2(j) The percentage of total marker judgements unaltered following Review or Reconsideration of External Assessment Result process for NZ Scholarship

100% ✓

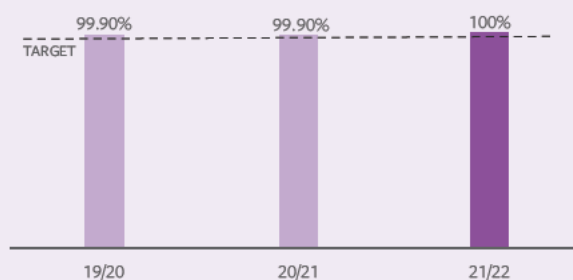
TARGET MET (99%)



Measure: 2.2.2(k) The percentage of validated NCEA results provided to learners no later than the end of the third full week of January

100% ✓

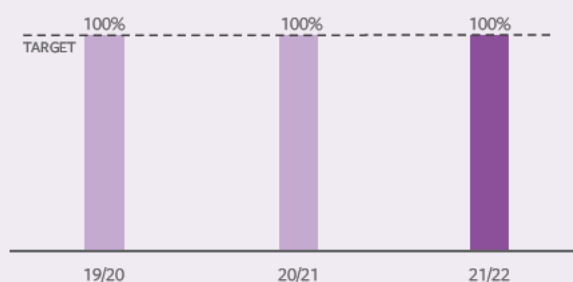
TARGET MET (99%)



Measure: 2.2.2(l) The percentage of validated NZ Scholarship results provided to learners no later than the end of the second full week of February

100% ✓

TARGET MET (99%)



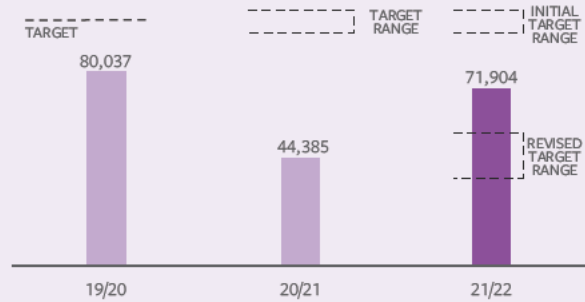
Measure: 2.2.2(m) The annual moderator/ teacher agreement rate at the level of grade for a random sample of student work

This is no longer a valid measure to report against. From July to December 2021, moderation was optional for schools due to COVID-19. From January 2022, the criteria for selecting student work changed from a random to a selective methodology.

Measure: 2.2.2(n) The number of samples of learner work moderated for national external moderation

71,904 ✓

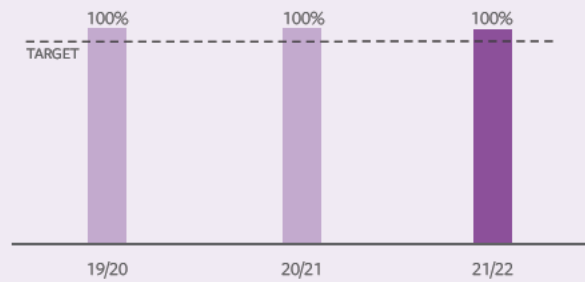
TARGET MET IN NOVEMBER 2021, THE MINISTER APPROVED A REDUCTION IN THE NUMBER OF SAMPLES FOR MODERATION TO 30,000–50,000 (FROM 95,000–105,000).



Measure: 2.2.2(o) The percentage of draft Managing National Assessment reports provided to schools within six weeks from the date of completion of onsite work

100% ✓

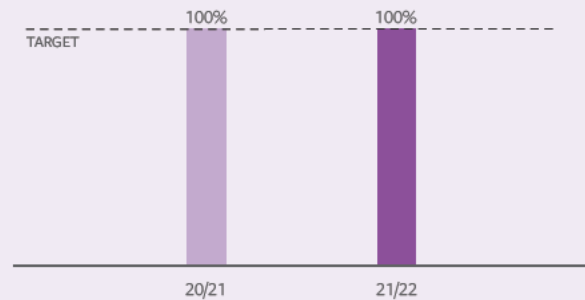
TARGET MET (98%)



Measure: 2.2.2(p) The percentage of schools on a 1–2 year review cycle or undergoing a 1 year targeted review which have a monitored action plan

100% ✓

TARGET MET (100%)



Te hua 2.2.3: Mā te mana tonu o ngā tohu mātauranga ka āheitia te tono atu ki te ao

Intermediate outcome 2.2.3: Greater qualification recognition enables mobility

Greater qualification recognition has benefits for both international and domestic learners as well as those wanting to immigrate to Aotearoa New Zealand. The international recognition of New Zealand qualifications not only encourages international learners to study in New Zealand but also allows domestic learners to have their qualifications more readily recognised overseas. Where a qualification recognition has been agreed, those wishing to immigrate to New Zealand can have confidence that their overseas qualification has parity with the types and levels of New Zealand qualifications.

Ngā hua i puta i ngā tau 2021/22

What we achieved in 2021/22

I wetewete tonu i ngā here o te whakaaetanga o ngā tohu

We continued to reduce barriers to qualification recognition

During 2021/22, we continued to reduce barriers to qualification recognition. We worked closely with the Ministry of Education and the Teaching Council of Aotearoa New Zealand to support teacher border exception applications from teachers with an overseas teaching qualification. We updated our teaching evaluation guidance and refined the pre-approved teaching qualifications list to provide clearer information for teachers with overseas qualifications. In addition, we progressed the development of an alternative evaluation framework for refugees and vulnerable migrants with limited or no evidence of completed qualifications.

We continued to actively participate in overseas forums about qualifications recognition such as the UNESCO Asia-Pacific Network of National Information Centres (APNNIC) and the ENIC-NARIC Networks and engaged with similar agencies in South Africa, Canada, Australia and Sweden to increase the visibility of our qualifications recognition.

At an operational level, we completed a review of our qualifications recognition services, which has resulted in notable efficiencies in our application management processes.

From 1 July 2021 to 30 June 2022, we received a total of 8,165 applications for overseas qualifications assessment. The majority of the qualification award countries were India, Philippines and South Africa. The volume of qualification recognition applications has been declining over the last two years as a result of border closures and COVID-19. This downwards trend stopped in January 2022 following the Aotearoa New Zealand border reopening and immigration policy announcements.

I hāpai tonu kia nui ake ai te kitenga, te whakaaetanga o ngā tohu o Aotearoa me te tautoko mahi ahakoa ngā tohu
We continued to increase the visibility and recognition of New Zealand qualifications and support labour mobility

During 2021/22, we continued our international engagement to increase the visibility and recognition of New Zealand qualifications in other jurisdictions and support labour mobility under free trade agreements.

We have been working with the Chinese Service Center for Scholarly Exchange, our counterpart agency in China, to reduce barriers to Chinese recognition

of distance education. We are also nearing completion of a project with the Philippines Commission on Higher Education to reach agreement on how New Zealand and Philippines bachelor's degrees compare.

We continued New Zealand's support for Association of Southeast Asian Nations (ASEAN) countries that want to reference their own qualifications frameworks to the ASEAN Qualifications Reference Framework (AQRF). Our work is delivered under Phase V of the ASEAN-Australia-New Zealand Free Trade Agreement economic work programme. So far, Malaysia, Philippines, Indonesia and Thailand have successfully referenced their national qualifications frameworks to the AQRF. Our contribution to the project, alongside Australia's Department of Skills and Education (DESE), helps other ASEAN countries work towards this goal.

Implementation responsibilities under free trade agreements continued to form a significant part of our international focus during 2021/22. We are nearing the completion of a scoping phase with eight of the Pacific Island signatories to the Pacific Agreement on Closer Economic Relations (PACER) Plus treaty to reform the qualifications systems in the region. Regional and national implementation plans have been created identifying the work that needs to be completed to strengthen the use of the Pacific Qualifications Framework and



national systems engagement with it. This work, funded by the Ministry of Foreign Affairs and Trade, is ongoing to facilitate qualifications recognition for labour mobility for Pacific peoples within the region.

Tō mātou mōhio ki te angitūtanga
 How we know we are succeeding

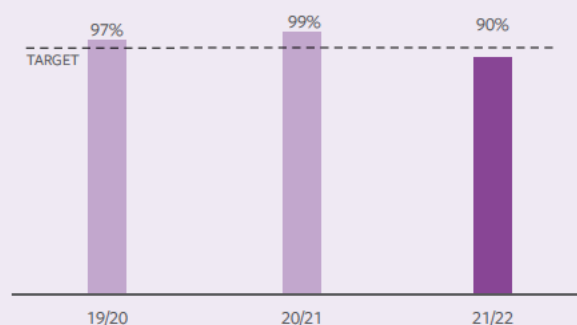
We use the following measure to track the progress we are making towards advancing *Te hua 2.2.3: Mā te mana*

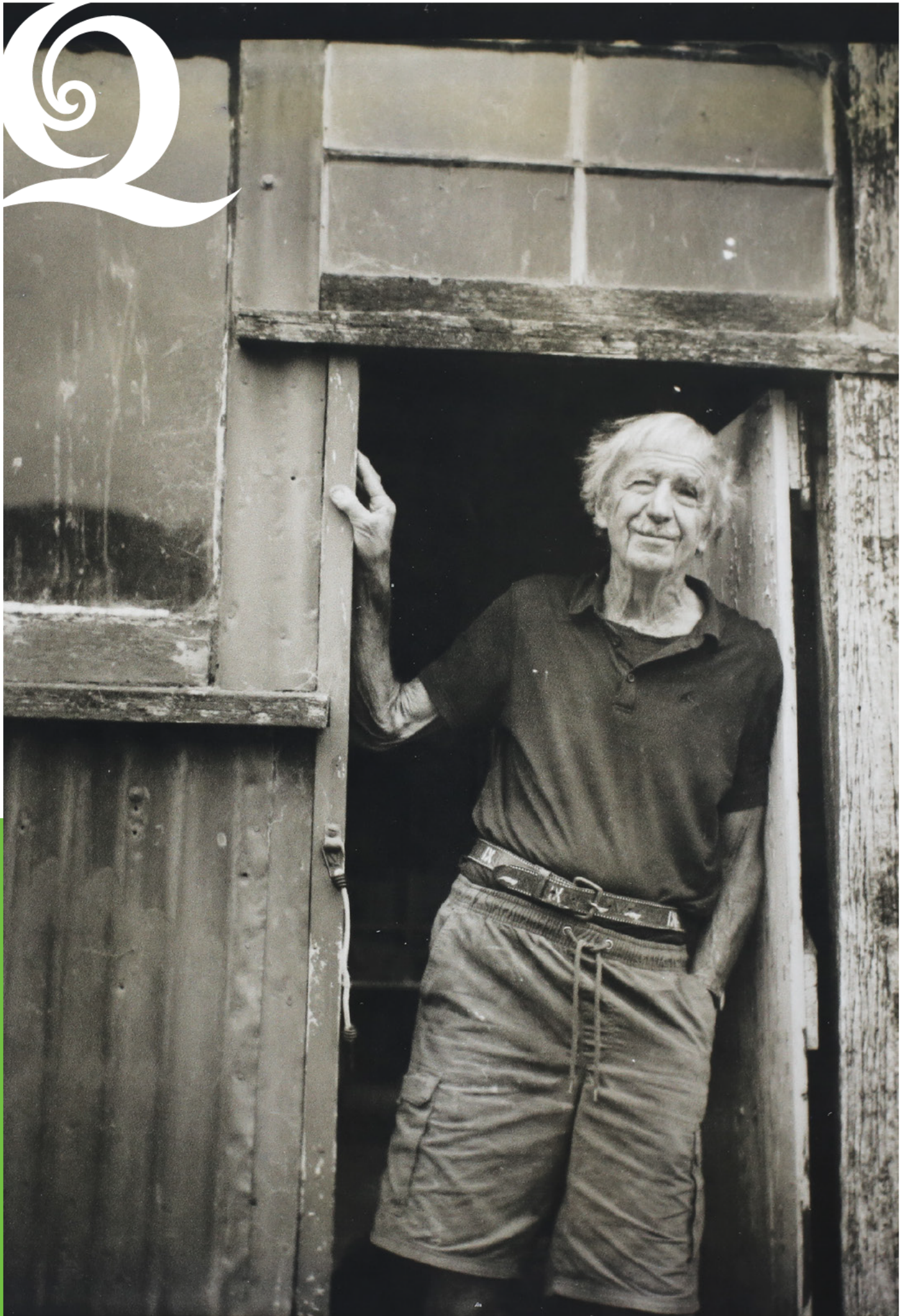
tonu o ngā tohu mātauranga ka āheitia te tono atu ki te ao | Intermediate outcome 2.2.3: Greater qualification recognition enables mobility. Significant changes to the Qualifications Recognition Services business unit operating model took place in April 2022, which temporarily disrupted application management timeframes. This was anticipated when the operating model change was initiated. Application management timeframes are expected to improve once the new operating model is fully embedded in July 2022.

Measure: 2.2.3(a) The percentage of international qualification recognition products that meet their service level agreement

90% ✘

TARGET NOT MET (95%)







Te wāhanga tuatoru: Te āheinga o te whare

Part three: Our organisational capability

Te whakaū i te kanorau me te whakawhāiti mai ki NZQA

We are committed to creating an inclusive and diverse NZQA

NZQA has an inclusive workforce and continues to focus on developing diversity, supporting our people's wellbeing and managing ourselves to keep delivering excellent services for learners, their whānau, stakeholders and customers.

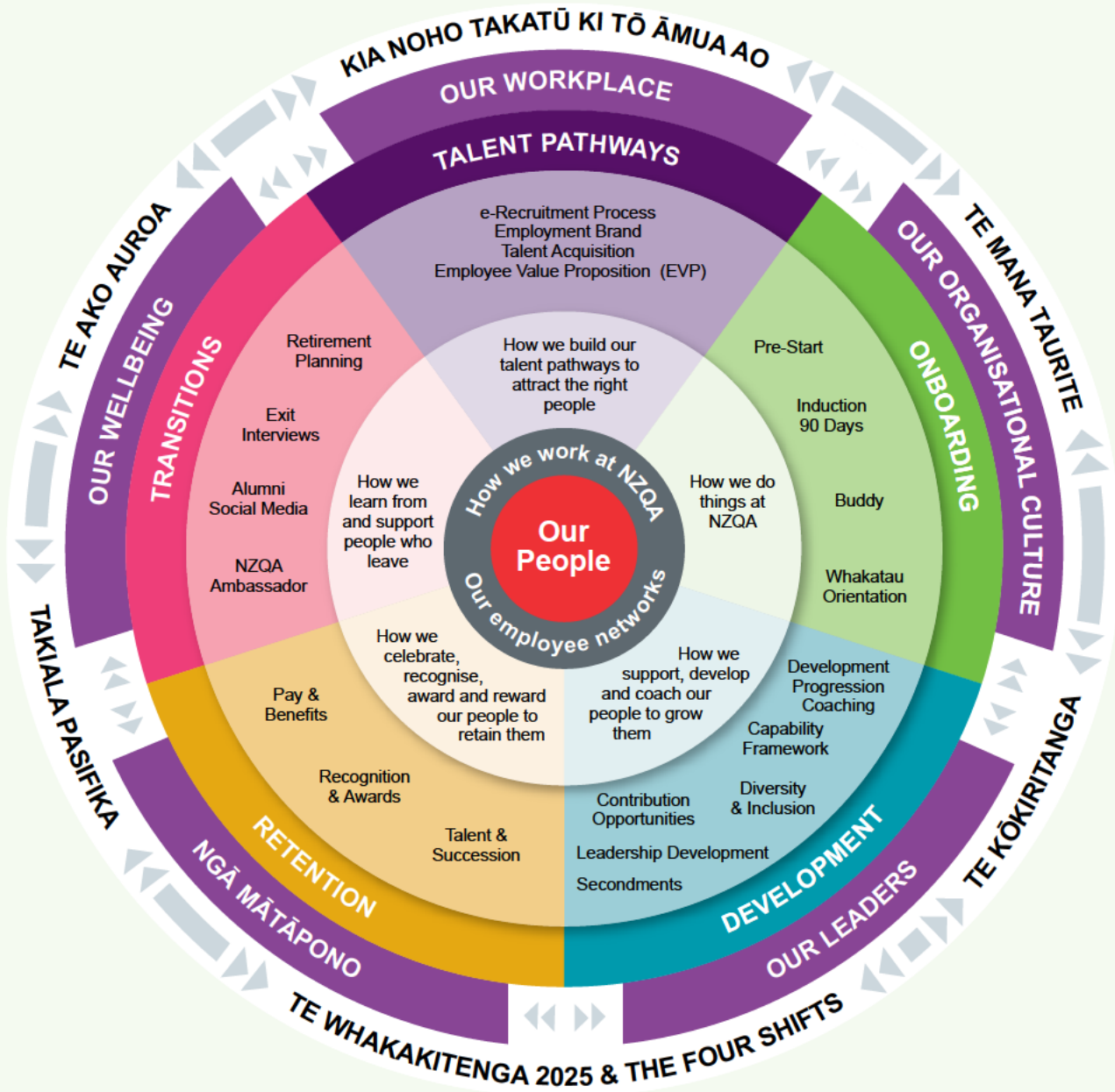
We want NZQA to be a place where people are treated fairly and with respect, where they feel their uniqueness and contribution are valued and heard and where they feel that they belong. Through our Rautaki Whakawhanake Tāngata – People Strategy and Ngā Mātāpono – Our Values, we are building a high-performing organisational culture where our people are empowered, supported and encouraged to be their best.

Te Rautaki Whakanake Tāngata o NZQA

Rautaki Whakawhanake Tāngata – NZQA People Strategy

In November 2021, our Rautaki Whakawhanake Tāngata – People Strategy was launched. This strategy aims to give us shared direction, purpose and responsibility for our people and a way to measure our success. It informs and improves our ability as an organisation to attract, develop and retain the best people while also helping them to grow and succeed.

Rautaki Whakawhanake Tāngata is aligned to our strategic outcomes and goals, and we all play a role in its successful implementation. It is supported by our culture, underpinned by Ngā Mātāpono – Our Values, our commitment to diversity and inclusion, leadership and management, and health, safety and wellbeing. It also covers the seven elements of being a good employer as required by the Human Rights Commission.



Ngā Mātāpono Our Values

We place a very high value on a strong, respect-based culture to guide the way we operate and work together and the decisions we make. We value and consider the professional views, culture and beliefs, feelings, needs and efforts of others. We give equal consideration to others. We say what we mean, listen respectfully and think and act constructively.

Having clearly defined values that our people sign up to as being part of NZQA provides a strong direction. Our values sit at the heart of everything we do: **Kaitiakitanga** – guardianship, **Whakapono** – open and transparent, **Manaakitanga** – caring for and valuing others, **Rangatiratanga** – empowering and leading others, **Kotahitanga** – collaboration and unity, **Ngaiotanga** – doing our job in the best possible way, **Mana** – valuing and considering the views, feelings, needs and efforts of others.

Te kanorau me te whakawhāiti mai Diversity and inclusion

We seek to be an organisation reflective of the diversity of Aotearoa New Zealand with an inclusive culture comfortable for all people to work in, where our success is built upon the diverse knowledge, perspectives, backgrounds and experiences of our people.

An inaugural Papa Pounamu plan resulted in our first Diversity and Inclusion Survey in May 2022. The results of the survey have helped shape our work programme to advance our work in support of the five Papa Pounamu²¹ priority areas. We will include detail on the progress we are making against these priorities in our 2022/23 Annual Report.

²¹ <https://www.publicservice.govt.nz/guidance/papa-pounamu/>

Te Ohu Mahi Our workforce

As at 30 June 2022, we had a workforce of 448.5 full-time equivalent (FTE) employees (2021: 457.5 FTE). We continue to work towards the targets for the percentage of staff and people leaders who identify as Māori (13.5%) and Pacific (7.5%), which are described in Te Whakapakari Tāngata and Tamata – the people-related focus areas of Te Kōkiritanga and Takiala Pasifika respectively.

Kei te tika haere ngā āhuatanga o te ira tangata, o te Māori, o Te Moana-nui-a-Kiwa, me te taha utu o ngā mātāwaka How we are closing gender, Māori, Pacific, and ethnic pay gaps

Work is continuing on assessing gender, Māori, Pacific and ethnic pay gaps and includes the development of Kia Toipoto²² – an action plan to address these pay gaps in NZQA. The median gender pay gap at NZQA as at 30 June 2022 is 3.1%.

Te tautoko me te whanake tāngata We support and grow our people

We support our people through enterprise-wide capability-building programmes as well as on-the-job development, regular coaching and informal peer mentoring. Our commitments to equity, lifelong learning and supporting the revitalisation of te reo Māori are reflected through professional development programmes. Priority learning is also aligned with our Rautaki Whakawhanake Tāngata – NZQA People Strategy.

He whare ako i te reo Māori tēnei We are a te reo Māori learning organisation

Te Whakapakari Tāngata, a key focus area of Te Kōkiritanga: NZQA's Action Plan for Ākonga Māori Success, is aligned with Te Maihi Karauna²³ and Tau Mai te Reo²⁴ and outlines NZQA's commitment to normalising the use of te reo Māori.

Our focus on equity of access and outcomes for ākonga Māori success means we need a culturally competent workforce who can appropriately engage with and respond to ākonga, their whānau families, stakeholders and customers.

²² 2021–2024 Kia Toipoto | Public Service Pay Gaps Action Plan, <https://www.publicservice.govt.nz/assets/DirectoryFile/Action-Plan-Kia-Toipoto-Public-Service-Pay-Gaps-Action-Plan-2021-24.pdf>

²³ <https://www.tpk.govt.nz/en/a-matou-whakaarotau/te-ao-maori/maihi-karauna>

²⁴ <https://www.education.govt.nz/our-work/overall-strategies-and-policies/tau-mai-te-reo/>

The demand for te reo Māori development has continued to increase over the past 12 months:

- 64.4% of employees have an individual te reo Māori plan
- 70% of staff reported that their te reo Māori has improved while being employed at NZQA
- 27 of our employees graduated in Te Ataarangi, with 11 employees completing levels 3 and 4.

During 2021/22, our new te reo Māori initiative Te Tipuranga reo Māori was introduced, to build the practices and confidence of staff when engaging with iwi and Māori. We believe that developing te reo Māori capability of staff builds an awareness of how staff can interact and engage in a range of te ao Māori contexts.

Te whakapakari i te ahurea o Te Moana-nui-a-Kiwa

We are strengthening our Pacific cultural capability

In line with Tamata, a key focus of Takiala Pasifika, NZQA provides opportunities for staff to strengthen their Pacific cultural capability. During 2021/22, 167 staff attended Pacific cultural intelligence workshops.

Te tautoko ngā wāhanga me ngā kaupapa e whakahaerehia ana e ngā kaimahi

We support employee-led networks and events

We have employee-led networks that reflect our diverse and inclusive organisation, such as Te Kāhui Māori, Tangata o le Moana and Chinese employee-led networks. We regularly hold a range of cultural events and promote language weeks. We have an active social club and employee-initiated health and wellness activities. Employees are regularly encouraged to set up employee networks.

Kei te ū ki te tiaki i te hauora, i te marutau me te oranga o te iwi

We are committed to protecting the health, safety and wellbeing of our people

NZQA has a strong commitment to the health and safety of our people. We have put in place robust mechanisms to proactively monitor and address safety concerns for all NZQA employees, which includes our specialist workforce of approximately 9,000.

Our Health and Safety Committee promotes a range of health and wellbeing activities, including activities around awareness of mental health and physical activity, the Employee Assistance Programme, financial literacy, wellness and readiness for emergency events. NZQA has a strong understanding of the risks to our people and what can be

done to eliminate or mitigate those risks. This includes a dedicated and iterative COVID-19 risk assessment.

Kua tīmata te whai kia iti iho te tapuwae waro

We have begun our journey to reduce our carbon footprint

We recognise the impact our organisation has on the environment, and we are committed to improving our environmental sustainability. We know every little bit counts, and we are intent on reducing our carbon footprint. We have had an independent audit of our emissions baseline and have identified opportunities to reduce and offset emissions going forward.

Our direct impact on the environment is driven primarily by air travel, printing and distribution and general waste. In 2021/22, air travel accounted for 55.6% of our total emissions, followed by printing and distribution and general waste (28.12%). While our people and contracted specialist workforce travel widely, we are looking to reduce our travel emissions by further utilising technology such as video conferencing. NZQA is now a certified Toitū carbonreduce organisation under the Toitū Envirocare programme.

We will include more detail on the progress we are making to reduce our carbon footprint in our 2022/23 Greenhouse Gas Emissions Inventory and Management Report.

Te whanake tonutanga o ngā pūnaha me te waihanga

We are continuing to enhance our systems and infrastructure

We continue to invest in and enhance systems and infrastructure to ensure the efficient and secure functioning of NZQA.

During 2021/22, we progressed our Customer Experience Improvement Programme (CxIP) to improve our digital interactions with learners, whānau and providers. The key focus for CxIP is redesigning NZQA's public-facing website as well as our learner portal, school portal and tertiary provider portal.

We engaged with learners and schools this year to seek their feedback in the early stages of design. This is to ensure that our customers are continuously engaged during the design, delivery and testing of our website and portals.

CxIP has a particular focus on equity for Māori, Pacific and disabled learners. We have engaged an indigenous design agency to ensure the design and architecture of our website is equitable.

Additionally, we have engaged an agency that specialises in digital accessibility for disabled people to provide targeted advice to NZQA throughout the design and delivery process of our website and portals.

We extended our digital examination platform and trialled and piloted text-to-speech functionality in our digital assessment platform with selected students. A provider is also assisting us to develop a reo Māori text-to-speech application.

Cyber security is a constantly evolving area. We are mindful of the threat that cyber attacks pose and proactively address cyber security risks to ensure we have effective measures in place to protect the information and assets we hold. Over the last year, we have continued to improve our security posture.

Mā te whakahaere tūraru e tau ai ngā whakaritenga

We use risk management to support effective decision making

As we continue to respond to changes in our operating environment, risk management remains an integral component of our organisational governance at both strategic and operational levels. Our approach to risk management aligns with the principles of the joint Australian/New Zealand international standard for risk management AS/NZS ISO 31000:2009 and provides a sound foundation for ensuring that we apply a consistent approach to identifying, assessing

and monitoring risks. We continued to strengthen our risk management maturity during 2021/22. This included adopting an agreed set of risk appetite parameters.

Kei te takatū ake ki ngā whakapōreareatanga me ngā ohotata

We are prepared for disruptions and emergencies

We are committed to maintaining our business continuity preparedness for major disruption events, including large-scale emergencies. With the arrival of COVID-19 in 2020 and its ongoing presence in 2022, we continue to keep business continuity preparedness at the centre of our activities.







Te wāhanga tuawhā: Te arotake i ngā mahi


Part four: Assessing our performance

Ngā tukunga iho o tā mātou kīanga kawatau ā-paearu mahi 2021/22 Our Statement of Performance Expectations 2021/2022 results

This section consolidates our Statement of Performance Expectations performance results for the year. The work we have done to drive these results, along with commentary in relation to any variances, is discussed in the body of this Annual Report. Some performance measures used in the Statement of Performance Expectations are also used in the 2021/22 Estimates of Appropriations. These measure numbers are identified in bold.

Results not meeting target are marked with a 

Results meeting target are marked with a 

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
Intermediate Outcome 1.1.1					
 1.1.1(a) The proportion of survey respondents who agree/strongly agree that information they received from NZQA met their needs ²⁵	68.6%	77% ^{26,27}	75%	69%	22

25 Survey respondents are stakeholders, including employers, education providers, students and families.

The information that they receive covers the full range of advice, data, communication and instruction that we provide to our customers to support relationships, business and interaction.

26 While some survey responses were received after 30 June 2021, all service contact that is the subject of the survey occurred during the 2020/21 financial year.

27 The overall response rate for the customer satisfaction surveys that contributed results for this measure 1.1.1a was 7.61%.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
✘ 1.1.1(b) The proportion of survey respondents who agree/strongly agree that the NZQA website is easy to use	55.8%	63%	70%	62%	22
Intermediate Outcome 1.1.2					
✔ 1.1.2(a) Co-design solutions to benefit learners	N/A	N/A	Narrative	Narrative	26
Intermediate Outcome 1.1.3					
✔ 1.1.3(a) Participation in digital external assessment increases as a proportion of overall participation in external assessment	11.3%	17.5% ²⁸	Upward trend Baseline established from 2020 data available in June 2021	19.3% ²⁹	31
Intermediate Outcome 1.2.1					
✘ 1.2.1(a) The percentage of NZQA staff who have a te reo Māori plan	48.5% ³⁰	81.8% ³¹	90.0%	64.4%	37
✘ 1.2.1(b) The percentage of NZQA staff who reach higher levels of proficiency through te reo Māori language planning and development	14.3% ³²	15.7%	25%	17.0%	37

28 In 2020 17.5% of assessed results in subjects offered digitally were digital.

29 In 2021, 19.3% of assessed results in subjects offered digitally were digital.

30 In previous Annual reports, this was reported as: 210 staff had a te reo Māori plan (up from 89 in December 2019).

31 In 2020/21, 374 staff had a te reo Māori plan.

32 This was stated as 'N/A' in the Statement of Performance Expectations 2021/2022.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
Intermediate Outcome 1.2.2					
✓ 1.2.2(a) The percentage of applications (which meet the criteria to be approved) that are quality assured using Te Hono o Te Kahurangi	4.4%	5%	≥3%	5%	39
✓ 1.2.2(b) The rate of Māori learner participation in digital external assessment is the same as or better than their non-Māori learner peers ³³	Baseline established NCEA L1 7.5% (-4.5 pp) NCEA L2 8.9% (-2.7 pp) NCEA L3 10.2% (-2.5 pp)	Upward trend achieved NCEA L1 14.5% (-4.1 pp) NCEA L2 13.7% (-5.0 pp) NCEA L3 15.9% (-2.2 pp)	Upward trend Baseline established from 2020/21 data	NCEA L1 -3.5 pp NCEA L2 -2.0 pp NCEA L3 -0.7 pp	39

³³ During 2021/22, a decision was made to report the results using percentage points rather than percentages. Percentage points indicate the difference between two percentages – in this case, the difference between Māori learners and their non-Māori learner peers. Comparative results have been provided for 2019/20 and 2020/21.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
Intermediate Outcome 1.2.3					
✓ 1.2.3(a) The percentage of Pacific parents and families who attended NCEA ma le Pasifika workshops who report increased knowledge of NCEA and more confidence to support their children	100%	100%	90% ³⁴	98%	44
✓ 1.2.3(b) The percentage of parents & whānau who attended NCEA and the Whānau workshops who report increased knowledge of NCEA and more confidence to support their children	98.6%	100%	90% ³⁵	98%	44

34 The standard for this measure covers both knowledge and confidence.

35 The standard for this measure covers both knowledge and confidence.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
<p>✘ 1.2.3(c) The rate of Pacific learner participation in digital external assessment is the same as or better than their non-Pacific learner peers³⁶</p>	<p>NCEA L1 baseline 7.7% (-4.3 pp)</p> <p>NCEA L2 baseline 6.8% (-4.8 pp)</p> <p>NCEA L3 baseline 9.3% (-3.4 pp)</p>	<p>Upward trend achieved</p> <p>NCEA L1 13.6% (-5.0 pp)</p> <p>NCEA L2 12% (-6.7 pp)</p> <p>NCEA L3 13.1% (-5.0 pp)</p>	<p>Upward trend</p> <p>Baseline established from 2020/21 data</p>	<p>NCEA L1 -9.5 pp</p> <p>NCEA L2 -7.9 pp</p> <p>NCEA L3 -6.3 pp</p>	44
Intermediate Outcome 1.3.1					
<p>✔ 1.3.1(a) The percentage of targeted schools³⁷ that found NZQA's package of SAC support useful in helping them manage SAC for learners</p>	N/A	N/A ³⁸	60%–80%	90.5%	48

36 During 2021/22, a decision was made to report the results using percentage points rather than percentages. Percentage points indicate the difference between two percentages – in this case, the difference between Pacific learners and their non-Pacific learner peers. Comparative results have been provided for 2019/20 and 2020/21.

37 Targeted schools are those with lower than expected uptake of Special Assessment Conditions given a range of factors such as their size, decile, ethnic or gender makeup, as measured against schools with similar profiles.

38 Insufficient responses were received to report on this measure.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
Intermediate Outcome 2.1.1					
✓ 2.1.1(a) The percentage of assessors who are more likely to use innovative assessment practices after completing NZQA's learning module on integrated assessment	N/A	N/A	60%–80%	75%	53
✓ 2.1.1(b) The percentage of NCEA examinations available in a digital mode	N/A	64%	60%	65.1%	53
Intermediate Outcome 2.1.2					
✓ 2.1.2(a) Learner feedback is actively used in design and development of digital assessment activities	Narrative	Narrative	Narrative	Narrative	53–54
Intermediate Outcome 2.2.1					
✓ 2.2.1(a) The proportion of New Zealand qualifications (that have graduates) that undergo a consistency review in any one financial year	18.5%	16.0%	15%	20.4%	64

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
Intermediate Outcome 2.2.2					
✓ 2.2.2(a) The percentage of non-university Tertiary Education Organisations which had an external evaluation and review completed	23%	20%	20%	21%	69
✓ 2.2.2(b) The percentage of investigations that result in a significant NZQA intervention	30%	48%	Downward trend ≤40%	23% ³⁹	69
✓ 2.2.2(c) The percentage of investigations that result in corrective action that satisfactorily resolves the identified non-compliance or quality issues identified ⁴⁰	58%	32% ⁴¹	Downward trend ≤60%	23% ³⁹	69

39 The 2021/2022 year has seen a noticeable decrease in the number of investigations being closed (and rated as 'significant NZQA intervention' or 'corrective action'). This is largely due to fewer investigations being initiated. Open investigations also took longer to conclude as some monitoring and enforcement activities were delayed during the COVID-19 lockdowns. We attribute the decrease in investigations being initiated to:

- Fewer problematic providers, following a period of targeted risk management activities during 2016 - 2019 in particular.
- An increase in provider education and capability building, where NZQA gives guidance and an opportunity for providers to build capability rather than escalating cases for investigation.

40 Investigations that result in a corrective action are cases where it was appropriate to allow the provider the opportunity to take corrective action in relation to identified compliance or quality issues and where all required corrective action has been satisfactorily completed.

41 All corrective actions taken have satisfactorily resolved the issues identified. However, the number of investigations undertaken and closed was lower than expected. While out of the targeted range, we have no concerns with the reported result.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
✓ 2.2.2(d) The percentage of all formal ⁴² complaints (including international and domestic code) that are concluded within 65 working days	N/A	95%	≥95%	95%	70
✓ 2.2.2(e) Progress in embedding regulatory change reflecting the new vocational qualifications system settings under the reform of vocational education	N/A	N/A	Narrative	Narrative	70
✓ 2.2.2(f) Progress in transferring qualifications and standards to Workforce Development Councils	N/A	N/A	Narrative	Narrative	70
✓ 2.2.2(g) Progress in embedding the code/s of practice for the pastoral care of international and domestic tertiary students and preparations for implementing the permanent Code from 1 January 2022	N/A	N/A	Narrative	Narrative	70

42 A formal complaint is a written complaint from a student about their experience at an education provider that (i) has been necessary to escalate to NZQA, (ii) we have assessed and accepted as falling within our jurisdiction, (iii) the student has authorised us to investigate and (iv) is related to the education provider's compliance with the Education and Training Act 2020, NZQA Rules, Education (Pastoral Care of International Students) Code of Practice 2016 or Education (Pastoral Care of Domestic Tertiary Students) Interim Code of Practice 2019.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
✓ 2.2.2(h) The percentage of NZQA-owned standards maintained by their planned reviewed dates	99.5%	100%	95%	100%	70
✓ 2.2.2(i) The percentage of total marker judgements unaltered following Review or Reconsideration of External Assessment Result process for NCEA	99%	99.8%	99%	100% ⁴³	71
✓ 2.2.2(j) The percentage of total marker judgements unaltered following Review or Reconsideration of External Assessment Result process for New Zealand Scholarship	99.9%	99.9%	99%	100% ⁴⁴	71
✓ 2.2.2(k) The percentage of validated NCEA results provided to learners no later than the end of the third full week of January	99.9%	99.9%	99%	100%	71

43 This measure is about the accuracy of all external assessment marker judgements (772,532) for NCEA. As a result, the percentage is of all unaltered marker judgements that remain following the review and reconsideration process. In 2021/22, of the 772,532 marker judgements, 5973 applications for review or reconsideration were received, of which 1078 were successful.

44 This measure is about the accuracy of all marker judgements (12,154) for New Zealand Scholarship. As a result, the percentage is of all unaltered marker judgements that remain following the review and reconsideration process. In 2021/22, of the 12,154 marker judgements, 340 applications for review or reconsideration were received, of which 3 were successful.





Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
✓ 2.2.2(l) The percentage of validated New Zealand Scholarship results provided to learners no later than the end of the second full week of February	100%	100%	99%	100%	71
✓ 2.2.2(m) The annual moderator/ teacher agreement rate at the level of grade for a random sample of student work ⁴⁵	81.8%	N/A ⁴⁶	75%–85%	N/A	72
✓ 2.2.2(n) The number of samples of learner work moderated for national external moderation	80,037	44,385 ⁴⁷	30,000–50,000 ⁴⁸	71,904	72
✓ 2.2.2(o) The percentage of draft Managing National Assessment reports provided to schools within six weeks from the date of completion of onsite work	100%	100%	98%	100%	72

45 This is no longer a valid measure to report against. From July–December 2021 moderation was optional for schools due to COVID-19. From January 2022 the criteria for selecting student work was changed from random to selective.

46 To recognise the disruption caused to teaching, learning and assessment as a result of COVID-19, external moderation was made optional in 2020. This affected the random sampling of student work so agreement rates could not be established.

47 The number of samples of learner work moderated is low as submission of work for national external moderation was optional for schools (implemented as a response to the COVID-19 disruption) until the end of the 2020 school year. The normal moderation schedule resumed in Term 1 of 2021.

48 In November 2021, the Minister approved the reduction in the number of samples for moderation from 95,000–105,000 to 30,000–50,000 due to COVID-19.

Measure	Result 2019/20	Result 2020/21	Target 2021/22	Result 2021/22	Page
 2.2.2(p) The percentage of schools on a 1–2 year review cycle or undergoing a 1 year targeted review which have a monitored action plan	N/A	100%	100%	100%	72
Intermediate Outcome 2.2.3					
 2.2.3(a) The percentage of international qualification recognition products that meet their service level agreement	97%	99%	95%	90%	75
Ministerial Satisfaction					
 i. The overall satisfaction rating given by the Minister of Education on the New Zealand Qualifications Authority	8/10	8/10	8/10	8/10	None
 ii. The percentage of Ministerial items that achieve the deadlines agreed with the Minister’s office	99.5%	99.1%	99%	99.3%	None

Te tauākī o te mahi rātonga

Statement of service performance

This section outlines our financial performance against the outputs that are specified in Vote Education – Main Estimates of Appropriation 2021/22 and, where updated, 2021/22 Vote Education – Supplementary Estimates of Appropriation. Non-financial performance information is included in the performance tables on pages 85–95.

Ngā aro whānui me ngā tautoko o ngā tohu mātauranga

Standards and Qualifications Support

Te korahi | Scope

This category is limited to the New Zealand Qualifications Authority managing, operating, maintaining and providing advice on the New Zealand qualifications system, and providing quality assurance services on NZQA's areas of responsibility.

	2021/22 Actual (\$000)	2021/22 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	19,203	19,203	–	–
Other	21,682	24,471	(2,789)	(11)
Total Revenue	40,885	43,674	(2,789)	(6)
Expenses	38,248	46,131	7,883	17
Surplus/(Deficit)	2,637	(2,457)	5,094	207

The above table is the summary of expense categories for Provision of Communication and Advice, Quality Assurance and Qualifications Support Structures.

Ngā whakamārama me ngā tohutohu mō ngā tohu mātauranga

Provision of Communication and Advice

Te korahi | Scope

This category is limited to communication and advice related to education policies, programmes and services that are the responsibility of the New Zealand Qualifications Authority.

He aha ngā hua ka puta | What is intended to be achieved

This category is intended to achieve communication and advice that helps Ministers, learners, communities, employers, schools and tertiary education organisations make informed decisions.

	2021/22 Actual (\$000)	2021/22 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	3,309	3,309	–	–
Other	–	–	n/a	n/a
Total Revenue	3,309	3,309	–	–
Expenses	3,390	3,539	149	4
(Deficit)	(81)	(230)	149	65

All revenue for this category of expense is provided by the Crown through the Vote Education: Non-Departmental Related Expense – Provision of Communication and Advice (M26) appropriation.⁴⁹

⁴⁹ The Crown funding received by NZQA equals the actual expenses incurred in relation to the appropriation, which is a required disclosure from the Public Finance Act.

Te whakaū kounga

Quality Assurance

Te korahi | Scope

This category is limited to provision by the New Zealand Qualifications Authority of quality assurance services and maintenance of the quality assurance framework to support the New Zealand qualifications system.

He aha ngā hua ka puta | What is intended to be achieved

This category is intended to achieve higher levels of trust and confidence by learners and other stakeholders in the non-university tertiary education sector.

	2021/22 Actual (\$000)	2021/22 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	9,845	9,845	–	–
Other	6,712	6,570	142	2
Total Revenue	16,557	16,415	142	1
Expenses	15,255	17,690	2,435	14
Surplus/(Deficit)	1,302	(1,275)	2,577	202

Approximately 60% of the total revenue for this category of expense is provided by the Crown through the Vote Education: Non-Departmental Related Expense – **Quality Assurance (M26)** appropriation.⁵⁰

Expenses are \$2.4M below budget as a result of the deferral of some information technology projects. In addition, personnel costs were also below budget due to some positions remaining vacant during the year.

⁵⁰ The Crown funding received by NZQA equals the actual expenses incurred in relation to the appropriation, which is a required disclosure from the Public Finance Act.

Ngā pūnaha tautoko o ngā tohu mātauranga

Qualifications Support Structures

Te korahi | Scope

This category is limited to the New Zealand Qualifications Authority overseeing the setting of standards and New Zealand qualifications development, recognition and review of qualifications and contributing to the maintenance and promotion of the New Zealand qualifications system.

He aha ngā hua ka puta | What is intended to be achieved

This category is intended to ensure that New Zealand's qualifications are valued as credible and robust and meet the needs of learners and employers.

	2021/22 Actual (\$000)	2021/22 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	6,049	6,049	–	–
Other	14,970	17,901	(2,931)	(16)
Total Revenue	21,019	23,950	(2,931)	(12)
Expenses	19,603	24,902	5,299	21
Surplus/(Deficit)	1,416	(952)	2,368	249

Approximately 29% of the total revenue for this category of expense is provided by the Crown through the Vote Education: Non-Departmental Related Expense – **Qualifications Support Structures (M26)** appropriation.⁵¹

Other revenue is \$2.9M below budget. This primarily reflects the reduced applications for assessment of overseas qualifications largely as a result of the continued border restrictions in place due to the COVID-19 pandemic.

Expenses were \$5.3M below budget. This reflects the ceasing of moderation rebate payments following the transfer of activities from TITOs to the Workforce Development Councils under the Reform of Vocational Education. In addition, with the reduced demand for assessment of overseas qualifications, there was a consequential

⁵¹ The Crown funding received by NZQA equals the actual expenses incurred in relation to the appropriation, which is a required disclosure from the Public Finance Act.

saving in personnel and other operating costs as the unit was resized to meet the reduced demand.

Ngā mahi aromatawai o ngā kura tuarua

Secondary School Assessments

Te korahi | Scope

This category is limited to New Zealand Qualifications Authority overseeing assessment for national secondary school qualifications, including the NCEA and New Zealand Scholarship examinations, and the moderation of internal and external school assessments.

He aha ngā hua ka puta | What is intended to be achieved

This category is intended to achieve trust and confidence in robust and equitable secondary school level assessment.

	2021/22 Actual (\$000)	2021/22 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	63,154	55,765	7,389	13
Other	2,575	3,143	(568)	(18)
Total Revenue	65,729	58,908	6,821	12
Expenses	62,460	59,530	(2,930)	(5)
Surplus/(Deficit)	3,269	(622)	3,891	626

Approximately 96% of the total revenue for this category of expense is provided by the Crown through the Vote Education: Non-Departmental Related Expense – **Secondary School Assessments (M26)** appropriation.⁵²

Crown Revenue is \$7.4M above budget due to the additional funding received for the Review of Achievement Standards project.

⁵² The Crown funding received by NZQA equals the actual expenses incurred in relation to the appropriation, which is a required disclosure from the Public Finance Act.

Other revenue is \$0.6M below budget due to a reduction in international NCEA fees as a result of the COVID-19 pandemic and related border restrictions.

Expenses are \$2.9M above budget largely driven from costs associated with the Review of Achievement Standards project that were incurred following the above noted additional funding. However, it is noted that some work and the related expenditure has been deferred into the next financial year.





Credit: Geena Lindsay, Palmerston North Girls High, Feilding (Excellence NCEA Level 3 – Sculpture)



Te wāhanga tuarima: He kīanga kawenga

Part five: Statement of responsibility

Te kīanga kawenga

Statement of responsibility

We are responsible for the preparation of the New Zealand Qualifications Authority's (NZQA) financial statements and statement of performance and for the judgements made in them.

We are responsible for any end-of-year performance information provided by NZQA under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of NZQA for the year ended 30 June 2022.

Signed on behalf of the Board:

Hon Tracey Martin

Board Chair

20 January 2023

Lyn Provost

Risk and Assurance Committee Chair

20 January 2023

Te pūrongo o te kaiarotake motuhake
Independent Auditor's Report

To the readers of New Zealand Qualifications Authority's financial statements and performance information for the year ended 30 June 2022

The Auditor-General is the auditor of New Zealand Qualifications Authority (the Authority). The Auditor-General has appointed me, Stephen Usher, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for appropriations, of the Authority on his behalf.

Opinion

We have audited:

- the financial statements of the Authority on pages 111 to 153, that comprise the statement of financial position as at 30 June 2022, 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 including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Authority on pages 17 to 75, 85 to 101 and 156.

In our opinion:

- the financial statements of the Authority on pages 111 to 153:
 - present fairly, in all material respects:
 - › its financial position as at 30 June 2022; and
 - › its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and

- the performance information on pages 17 to 75, 85 to 101 and 156:
 - presents fairly, in all material respects, the Authority’s performance for the year ended 30 June 2022, including:
 - › for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - › what has been achieved with the appropriations; and
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 16 December 2022. 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 Board and our responsibilities relating to the financial statements and the performance information, 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 Board for the financial statements and the performance information

The board is responsible on behalf of the Authority for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the board is responsible on behalf of the Authority for assessing the Authority's ability to continue as a going concern. The board 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 Authority, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are 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 these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Authority's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

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 financial statements and the performance information, 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 Authority's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Authority's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority'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 financial statements and the performance information 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 Authority to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board 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 board is responsible for the other information. The other information comprises the information included on pages 3 to 15, 77 to 83, 103, 154, 155 and 159 to 165 but does not include the financial statements and the performance information, and our auditor's report thereon.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information 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 Authority 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 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 Authority.



Stephen Usher
Audit New Zealand

On behalf of the Auditor-General
Wellington, New Zealand







Te wāhanga tuaono: Ngā pūrongo pūtea

Part six: Financial statements

Te tauākī aroā ā-pūtea whiwhi, ā-pūtea whakapaunga Statement of Comprehensive Revenue and Expense

(for the year ended 30 June 2022)

	Note	2022 Actual (\$000)	2022 Budget (\$000)	2021 Actual (\$000)
Revenue				
Funding from the Crown		82,357	74,968	75,605
Other revenue		24,257	27,614	27,794
Interest revenue		518	369	482
Total revenue	3	107,132	102,951	103,881
Expenditure				
Personnel and Board	4	56,736	57,320	54,170
Specialist workforce		9,788	12,140	11,328
Professional services	5	12,948	12,943	10,477
Publication, printing and distribution		3,905	4,216	4,090
Other operating costs	6	13,159	14,580	12,664
Depreciation and amortisation		3,675	3,816	3,610
Capital charge	7	1,015	1,015	1,015
Total expenditure		101,226	106,030	97,354
Surplus/(Deficit)		5,906	(3,079)	6,527
Other comprehensive revenue and expense		–	–	–
Total comprehensive revenue and expense		5,906	(3,079)	6,527

Since NZQA is a wholly owned Crown entity, the entire net surplus and total comprehensive revenue and expense are attributable to public equity.

Explanations of major variances against budget are detailed in note 2.

The accompanying notes form part of these financial statements.

Te tauākī aroā pūtea ā-tūranga

Statement of Financial Position

(as at 30 June 2022)

	Note	2022 Actual (\$000)	2022 Budget (\$000)	2021 Actual (\$000)
Assets				
Current assets				
Cash and cash equivalents	8	3,965	3,202	3,472
Receivables	9	3,208	2,889	3,087
Prepayments		1,032	957	1,799
Investments	10	38,500	27,000	32,000
Total current assets		46,705	34,048	40,358
Non-current assets				
Property, plant and equipment	11	1,677	1,318	1,474
Intangible assets	12	4,513	5,185	6,365
Work in progress	12	472	2,043	1,000
Total non-current assets		6,662	8,546	8,839
Total assets		53,367	42,594	49,197

	Note	2022 Actual (\$000)	2022 Budget (\$000)	2021 Actual (\$000)
Liabilities				
Current liabilities				
Payables and deferred revenue	13	8,682	10,984	11,071
Employee entitlements	15	4,559	4,701	4,033
Provisions	16	629	–	635
Total current liabilities		13,870	15,685	15,739
Non-current liabilities				
Employee entitlements	15	536	680	623
Total non-current liabilities		536	680	623
Total liabilities		14,406	16,365	16,362
Net assets		38,961	26,229	32,835
Equity				
Contributed capital		20,528	20,308	20,308
Accumulated surplus		18,433	5,921	12,527
Public equity	20	38,961	26,229	32,835

Explanations of major variances against budget are detailed in note 2.

The accompanying notes form part of these financial statements.

Te tauākī o ngā whakahaerenga hou mō te mana taurite

Statement of Changes in Equity

(for the year ended 30 June 2022)

	Note	2022 Actual (\$000)	2022 Budget (\$000)	2021 Actual (\$000)
Balance at start of the year		32,835	29,308	26,308
Total comprehensive revenue and expense for the year		5,906	(3,079)	6,527
Crown – Capital Contribution		220	–	–
Balance at end of the year	20	38,961	26,229	32,835

Explanations of major variances against budget are detailed in note 2.

Ngā tauākī pūtea hokohoko

Statement of Cash Flows

(for the year ended 30 June 2022)

	Note	2022 Actual (\$000)	2022 Budget (\$000)	2021 Actual (\$000)
Cash flows from operating activities				
Receipts from the Crown		82,357	74,968	75,605
Receipts from other revenue		24,159	26,515	27,250
Interest received		266	369	463
Payments for employee and Board costs		(56,297)	(57,240)	(54,431)
Payments to other suppliers		(40,944)	(42,597)	(36,946)
Payments for capital charge		(1,015)	(1,015)	(1,015)
Goods and Services Tax (net)		(254)	–	198
Net cash flows from operating activities		8,272	1,000	11,124
Cash flows from investing activities				
Purchases of property, plant and equipment		(967)	(500)	(719)
Purchases of intangible assets		(532)	(3,500)	(3,080)
Purchases of investments		(38,500)	(36,500)	(45,000)
Receipts from sale of investments		32,000	39,500	38,000
Net cash flows from investing activities		(7,999)	(1,000)	(10,799)

Ngā tauākī pūtea hokohoko
Statement of Cash Flows (continued)
(for the year ended 30 June 2022)

	Note	2022 Actual (\$000)	2022 Budget (\$000)	2021 Actual (\$000)
Cash flows from financing activities				
Crown – Capital contribution	20	220	–	–
Net cash flows from financing activities		220	–	–
Net increase in cash and cash equivalents		493	–	325
Cash and cash equivalents at the beginning of the year		3,472	3,202	3,147
Cash and cash equivalents at the end of the year	8	3,965	3,202	3,472

Explanations of major variances against budget are detailed in note 2.

The accompanying notes form part of these financial statements.

Ngā tauākī pūtea hokohoko

Statement of Cash Flows (continued)

(for the year ended 30 June 2022)

Reconciliation of net surplus to net cash flow from operating activities

	2022 Actual (\$000)	2021 Actual (\$000)
Net surplus	5,906	6,527
Add/(less) non-cash items		
Depreciation and amortisation expense	3,675	3,610
Increase in rent accrual	71	123
(Decrease) in allowance for credit losses on receivables	(48)	(58)
Total non-cash items	3,698	3,675
Add/(less) items classified as investing or financing activities		
Loss on disposal of property, plant and equipment	1	–
Total items classified as investing or financing activities	1	–
Add/(less) movements in statement of financial position		
(Increase) in receivables	(73)	(264)
Decrease in prepayments	767	883
(Decrease) in payables and deferred revenue	(2,460)	(71)
Increase/(decrease) in employee entitlements	439	(261)
(Decrease)/increase in provisions	(6)	635
Net movements in statement of financial position	(1,333)	922
Net cash flow from operating activities	8,272	11,124

The accompanying notes form part of these financial statements.

Ngā tuhinga mō te tauākī ā-pūtea

Notes to the Financial Statements

1. Te tauākī o ngā kaupapa here pūtea

1. Statement of Accounting Policies

Te hinonga rīpoata

Reporting entity

NZQA is a Crown Entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing NZQA's operations includes the Crown Entities Act 2004 and the Education and Training Amendment Act 2022. NZQA's ultimate parent is the New Zealand Crown.

NZQA's core business is to provide services to the New Zealand public. NZQA ensures that New Zealand qualifications are valued as credible and robust both nationally and internationally. NZQA is accountable for managing the New Zealand Qualifications Framework, administering the secondary school assessment system, independent quality assurance of non-university education providers, qualifications recognition and standard setting for some specified unit standards.

NZQA is designated a public benefit entity (PBE) for financial reporting purposes. A PBE's primary objective is to provide goods or services for community or social benefit rather than for a financial return to equity holders.

The financial statements for NZQA are for the year ended 30 June 2022 and were approved by the Board on 20 January 2023.

Te tūnga pūtea o te rōpū

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies, which materially affect the measurement of results and financial position, have been applied consistently throughout the year. The financial statements have also been prepared on a historic cost basis unless otherwise specified (e.g., actuarially assessed liabilities).

Te tauākī tūtohu

Statement of compliance

The financial statements of NZQA have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards and comply with those standards.

Te whakaatu me te whakaawhiwhi pūnaha moni

Presentation currency and rounding

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

Te pæaru me ngā whakamāramatanga kaute hou

New accounting standards and interpretations

(i) Changes in accounting policies and disclosures

All accounting policies adopted in these financial statements are consistent with those of the previous financial year.

(ii) Standards issued and not yet effective and not early adopted

- PBE IPSAS 41 Financial Instruments is effective for reporting periods ending 30 June 2023. This standard supersedes PBE IFRS 9 Financial Instruments and as a consequence of the very similar requirements in PBE IFRS 9 and PBE IPSAS 41, the impact on the financial statements from PBE IPSAS 41 is considered to be minimal.

- PBE FRS 48 Service Performance Reporting is effective for reporting periods ending 30 June 2023. This standard supersedes the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements. NZQA considers the main impact of the new standard is that additional information will need to be disclosed on those judgements that have the most significant effect on the selection, measurement, aggregation and presentation of service performance information.

Te rāpopototanga o ngā kaupapahere kaute

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.

Tāke moni whiwhi

Income tax

NZQA is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision for income tax has been made.

Te tāke hokohoko**Goods and Services Tax (GST)**

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

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

The net GST paid to or received from IR, 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.

Ngā nama o te pūtea**Budget figures**

The budget figures are derived from the statement of performance expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Te tuari utu**Cost allocation**

NZQA has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be attributed to a specific output in an economically feasible manner.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity/usage information. Depreciation is charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

Ngā whakapae pūtea matua

Critical accounting estimates and assumptions

In preparing these financial statements, NZQA has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions 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 estimating:

- useful lives of internally generated software – refer to note 12.
- the impact of the COVID-19 global pandemic's effect on the carrying value of receivables – refer to note 9.

Ngā whakataunga matua o te mahi kaupapahere

Critical judgements in applying accounting policies

Management has exercised critical judgements in applying accounting policies for:

- intangible assets – refer to note 12.

2. Ngā whakamārama e ai ki ngā tangongitanga a te pūtea

2. Explanation of major variances against budget

(i) Te tauākī aroā ā-pūtea whiwhi, ā-pūtea whakapaunga

(i) Statement of comprehensive revenue and expense

The overall net surplus for the year ended 30 June 2022 of \$5.9 million compares against a budgeted net deficit of \$3.1 million. Significant variances within individual line items are as follows:

- Crown revenue of \$82.4 million, is \$7.4 million ahead of budget, reflecting additional revenue received for the implementation of the Review of Achievement Standards (RAS) project.
- Other revenue of \$24.3 million, is \$3.4 million below budget. This is largely driven by decreased demand for qualifications recognition services (assessment of overseas qualifications against the New Zealand Qualifications Framework), as well as a decrease in international examination fees as a result of the COVID-19 pandemic and border restrictions.
- Specialist workforce costs of \$9.8 million, are \$2.4 million below budget. This decrease reflects reduced secondary school exam costs driven by lower student numbers at examinations, due to the impact of

COVID-19 restrictions. This is partially offset by some specialist workforce costs for RAS being incurred, which were not included in the original budget.

- Other operating costs of \$13.2 million are \$1.4 million below budget. This reflects management's focus on cost control, plus some travel savings as a result of the COVID-19 pandemic. Software licencing costs contributed to this favourable variance, as while they continue to increase as the business makes more use of digital technology, they were less than originally budgeted.

(ii) Te tauākī aroā pūtea ā-tūranga

(ii) Statement of financial position

Net assets at 30 June 2022 were \$39.0 million compared to the budget of \$26.2 million. Within individual lines, the significant variances are as follows:

- Investments of \$38.5 million are \$11.5 million above budget, reflecting the improved operating result compared to budget. Some work, particularly for RAS and information technology projects, has been deferred to the next financial year contributing to this improved position.
- Intangible assets and work in progress of \$5.0 million are \$2.2 million below budget as a result of a lower capital investment in the NCEA Online project and the deferral of other information technology projects.
- Payables and deferred revenue of \$8.7 million are \$2.3 million below budget. This largely reflects secondary school exams and specialist workforce accruals being lower than originally budgeted. This is largely due to the impact the COVID-19 pandemic has had on student exam attendance.
- Provisions of \$0.6 million as a result of costs for payroll remediation are detailed in Note 16.

(iii) Statement of cash flows

(iii) Ngā tauākī pūtea hokohoko

The main variances are explained below:

- Receipts from the Crown of \$82.4 million are \$7.4 million ahead of budget. Receipts from other revenue of \$24.2 million are \$2.4 million below budget and payments to other suppliers of \$40.9 million are below budget by \$1.6 million essentially reflecting the comments noted above in part (i).
- Purchases of intangible assets of \$0.5 million are \$3.0 million below budget, reflecting a lower than expected capital spend on the NCEA Online project and the deferral of some information technology projects.
- Purchases and sales of investments of \$38.5 million are ahead of budget, reflecting the increased use of short term deposits to maximise interest revenue given an improved cash position.

3. Pūtea whiwahi

3. Revenue

Te kaupapahere o te tiaki pūtea

Accounting policy

The specific accounting policies for significant revenue items are explained below.

In determining whether its various revenues are from exchange or non-exchange transactions, management exercises judgement as to whether NZQA gives approximately equal value (primarily in the form of cash, goods, services or use of current assets) in exchange for the revenue it receives.

As there are no assets or services of approximately equal value provided back to the Crown in exchange for the funding it receives from the Crown, management has determined that revenue from Crown appropriations is to be classified as being from a non-exchange transaction.

Funding from all other sources result from exchange transactions.

Pūtea a te Karauna

Funding from the Crown

NZQA has been provided with substantial funding from the Crown. This funding is restricted in its use for the purpose of NZQA meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the founder. NZQA considers there are no conditions attached to the funding and

it is recognised as revenue at the point of entitlement. This is considered to be the start of the appropriation period to which the funding relates. The fair value of funding has been determined to be equivalent to the amounts due in the funding arrangements.

Ngā utu whakamātautau (kua hono ngā utu NCEA mō ngā taurua nō whenua kē) Examination fees (including NCEA fees for International students)

These non-government funded secondary examination and assessment fees are received in advance and are recognised as revenue when the exams are conducted.

Ngā utu o te ratonga tohu mātauranga o tāwāhi

Qualifications recognition services fees

These application fees for qualification recognition services provided to immigrants are received in advance and recognised as revenue as the work is completed.

Itareti

Interest

Interest revenue is recognised using the effective interest method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount. The method applies this rate to the principal outstanding to determine interest revenue each period.

Ngā ratonga atu**Provision of other services**

Other services provided to third parties on commercial terms are recognised as revenue in proportion to the state of completion at balance sheet date. These

include tertiary credit and assessment fees (NZQF fees) and quality assurance services provided to tertiary education providers (e.g., charges for approval and accreditation services, external evaluations and reviews, annual fees etc).

Breakdown of total revenue and further information

	2022 Actual (\$000)	2021 Actual (\$000)
Crown funding for		
Provision of communication and advice	3,309	3,309
Quality assurance	9,845	8,480
Qualifications support structures	6,049	6,549
Secondary school assessments	63,154	57,267
Total funding from the Crown	82,357	75,605
Other revenue		
Examination fee remissions*	1,288	1,288
Examination fees	1,239	1,807
NZQF fees and registration	10,543	11,219
Quality assurance services	6,719	6,704
Qualifications recognition service fees**	3,565	5,994
Other income***	903	782
Total other revenue	24,257	27,794
Interest revenue	518	482
Total revenue	107,132	103,881

* Received from the Crown's "Benefit & Other Unrequited Expenses" fund.

** Includes \$352,000 (2021: \$352,000) from Immigration New Zealand for Quality Assurance work on the list of qualifications exempt for assessment.

***Includes \$848,000 from the Ministry of Foreign Affairs for supporting qualification recognition, primarily in the Pacific Region (2021: \$710,000 received for projects from a number of government owned entities).

4. Ngā kaimahi me te Poari

4. Personnel and Board

Te kaupapahere o te tiaki pūtea

Accounting policy

Salaries and wages are recognised as an expense as employees provide services. Employer contributions to KiwiSaver, the Government Superannuation Fund and other NZQA Superannuation schemes are accounted for as defined contribution superannuation schemes and are recognised as an expense in the statement of comprehensive revenue and expense.

Breakdown of personnel and board costs

	2022	2021
	Actual	Actual
	(\$000)	(\$000)
Salaries and wages	54,486	52,638
Employer contributions to defined contribution plans	1,811	1,793
Increase/(decrease) in employee entitlements (note 15)	439	(261)
Total personnel and Board costs	56,736	54,170

All other statutory remuneration disclosures required under the Crown Entities Act 2004 are now included separately in the annual report as an appendix to the financial statements.

5. Ngā ratonga ngaio

5. Professional services

Breakdown of professional services costs

	2022 Actual (\$000)	2021 Actual (\$000)
Fees to Auditors		
Fees to Audit New Zealand for audit of financial statements	123	111
Fees to Audit New Zealand for other services	–	–
Consultancy and Contractor fees	11,565	6,499
Moderation Rebates to Industry Training Organisations	682	3,413
Other costs	578	454
Total professional services costs	12,948	10,477

6. Ngā nama atu mō te whakahaere

6. Other operating costs

Te kaupapahere o te tiaki pūtea

Accounting policy

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense in the statement of comprehensive revenue and expense on a straight-line basis over the lease term.

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

Breakdown of other operating costs

	2022 Actual (\$000)	2021 Actual (\$000)
Travel and accommodation	1,122	1,183
Office rental – operating lease expense	2,846	2,859
Hardware maintenance and support	91	76
Software licences and support	5,918	5,102
Information technology outsourcing	70	91
Telephony	612	598
(Decrease) for credit losses on receivables	(48)	(58)
Bad debt write-off	3	6
Minor equipment purchases	138	115
Schools administration fees	892	881
Insurance	433	490
Bank charges	74	96
Other	1,007	1,225
Net loss on disposal of property, plant and equipment	1	–
Total other operating costs	13,159	12,664

Operating leases as lessees

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2022 Actual (\$000)	2021 Actual (\$000)
Not later than one year	2,910	2,728
Later than one year and not later than five years	12,173	11,397
Later than five years	711	3,649
Total non-cancellable operating leases	15,794	17,774

The non-cancellable operating lease payments disclosed above relate predominately to a lease for a number of floors of an office building which expires 31 August 2033. This lease can however be cancelled after 9 or 12 years from commencement (September 2018) with payment of an early termination fee of \$190,000 or \$95,000 respectively. The commitments disclosed above assume the lease is cancelled after 9 years and the relevant early termination fee is paid. NZQA does not have the option to purchase the asset at the end of the lease term. There are no restrictions placed on NZQA by any of its leasing arrangements.

7. Te moni tōpū

7. Capital charge

Te kaupapahere o te tiaki pūtea

Accounting policy

The capital charge is recognised in the statement of comprehensive revenue and expense in the financial year to which the charge relates.

Ngā whakamārama atu mō te moni tōpū

Further information on the capital charge

NZQA pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2022 was 5% (2021: 5%).

8. Ngā moni me ngā moni taurite

8. Cash and cash equivalents

Te kaupapahere o te tiaki pūtea

Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of less than three months. They are measured at the amount invested less any non-trivial expected credit losses.

Breakdown of cash and cash equivalents and further information

	2022	2021
	Actual	Actual
	(\$000)	(\$000)
Cash on hand and at bank	3,965	3,472
Term deposits with maturities less than 3 months	–	–
Total cash and cash equivalents	3,965	3,472

While cash and cash equivalents at 30 June 2022 are subject to the expected credit loss requirements of PBE IFRS 9, no allowance for credit losses has been recognised since the estimated value is trivial.

9. Ngā whiwhinga

9. Receivables

Te kaupapahere o te tiaki pūtea

Accounting policy

Short-term receivables are recorded at the amount due less an allowance for expected credit losses.

The simplified approach to providing for expected credit losses as prescribed by PBE IFRS 9 is applied to receivables. The simplified approach involves making an allowance at an amount equal to lifetime expected credit losses. The allowance for expected credit losses comprise any impairment on individually significant balances plus for those not deemed individually significant, the expected credit loss is determined on a collective basis. A collective basis is used due to shared credit risk characteristics with receivables being grouped based on days past due. The expected credit loss takes into account historical loss experience and incorporates any external and future information. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Nga whakapae pūtea matua

Critical accounting estimates and assumptions

Estimating the impact of the COVID-19 global pandemic on the carrying value of receivables

As a result of the COVID-19 global pandemic, a number of educational providers have seen adverse effects including reducing numbers of students and cash flow challenges. While the full impact of COVID-19 on educational providers will not be determined for a while, NZQA has estimated the allowance for expected credit losses by adjusting historical credit loss rates to take into account the more challenging economic environment faced by a number of our customers.

In addition, NZQA has also estimated the impact of COVID-19 on accrued income that will be invoiced in the second half of the 2022 calendar year but which is partly earned by 30 June 2022.

Any incorrect estimates would affect the net surplus and the carrying amount of receivables in the statement of financial position.

Breakdown of receivables and further information

	2022 Actual (\$000)	2021 Actual (\$000)
Receivables (gross)	3,300	3,227
Less: allowance for expected credit losses	(92)	(140)
Total receivables	3,208	3,087

All receivables derive from the sale of goods and services (exchange transactions).

The ageing profile of receivables at year end is detailed below:

	2022			2021		
	Gross (\$000)	Allowance for expected credit losses (\$000)	Net (\$000)	Gross (\$000)	Allowance for expected credit losses (\$000)	Net (\$000)
Not past due	3,252	(72)	3,180	3,143	(108)	3,035
Past due						
1 – 30 days	12	–	12	41	–	41
Past due						
31 – 60 days	7	–	7	4	(4)	–
Past due						
61 – 90 days	–	–	–	–	–	–
Past due						
> 91 days	29	(20)	9	39	(28)	11
Total	3,300	(92)	3,208	3,227	(140)	3,087

All receivables greater than 30 days in age are considered to be past due.

Movements in the allowance for expected credit losses are as follows:

	2022 Actual (\$000)	2021 Actual (\$000)
Balance at start of the year	140	198
(Decrease) in loss allowance made during the year	(45)	(52)
Receivables written off during the year	(3)	(6)
Balance at end of the year	92	140

The rates used to calculate the expected credit losses are based on the payment profile of revenue on credit over the last 4 years and the corresponding historical credit losses experienced for that period. These historical rates are adjusted for any significant current and forward-looking factors that may impact the recoverability of receivables (e.g., the effect of COVID-19).

10. Ngā haumitanga

10. Investments

Te kaupapahere o te tiaki pūtea

Accounting policy

Investments represent term deposits held with banks with original maturities of three months and above and are measured at the amount invested less any non-trivial expected credit losses. Interest is subsequently accrued using the effective interest method and is recorded within receivables.

Breakdown of investments and further information

	2022 Actual (\$000)	2021 Actual (\$000)
Term deposits – current	38,500	32,000
Total investments	38,500	32,000

While investments at 30 June 2022 are subject to the expected credit loss requirements of PBE IFRS 9, no allowance for credit losses has been recognised since the estimated value is trivial. All term deposits have original maturities of between three and 12 months and the carrying amounts approximate their fair value due to their short-term nature.

11. Te papa, te tari, ngā taputapu hoki

11. Property, plant and equipment

Te kaupapahere o te tiaki pūtea

Accounting policy

Property, plant and equipment asset classes consist of computers and electronic equipment, leasehold improvements, furniture and fittings, office equipment and motor vehicles. All these asset classes are measured at cost less accumulated depreciation and impairment losses.

Ngā āpitianga

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 NZQA and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus as they are incurred.

Ngā ākiri

Disposals

Gains and losses on sale of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus.

Te hekenga wāriu

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Computers & electronic equipment (desktop and notebooks)	4 years	25%
Computers & electronic equipment (network equipment and servers)	3 – 5 years	20% – 33%
Furniture and fittings	10 years	10%
Office equipment	5 years	20%
Leasehold improvements	*see below	*see below
Motor vehicles	4 years	25%

* Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Te whakahauātanga o te papa, o te tari, o ngā taputapu hoki

Impairment of property, plant and equipment

NZQA does not hold any cash-generating assets. Assets are considered to be cash-generating when their primary objective is to generate a commercial return.

Property, plant and equipment assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may 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 the present value of an asset's remaining service potential. It 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 the recoverable amount. The total impairment loss is recognised in the surplus. The reversal of an impairment loss is also recognised in the surplus.

Breakdown of property, plant and equipment and further information

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

	Motor vehicles (\$000)	Computers & electronic equipment (\$000)	Office equipment (\$000)	Leasehold improve- ments (\$000)	Furniture & fittings (\$000)	Total (\$000)
Cost						
At 1 July 2020	156	9,108	449	355	465	10,533
Additions	–	719	–	–	–	719
Disposals	–	(578)	–	–	–	(578)
At 30 June 2021	156	9,249	449	355	465	10,674
Additions	–	967	–	–	–	967
Disposals	–	(1,089)	–	–	(265)	(1,354)
At 30 June 2022	156	9,127	449	355	200	10,287
Accumulated depreciation and impairment losses						
At 1 July 2020	156	7,732	412	355	420	9,075
Depreciation expense	–	662	14	–	27	703
Impairment losses	–	–	–	–	–	–
Eliminated on disposal	–	(578)	–	–	–	(578)
At 30 June 2021	156	7,816	426	355	447	9,200
Depreciation expense	–	737	8	–	18	763
Impairment losses	–	–	–	–	–	–
Eliminated on disposal	–	(1,088)	–	–	(265)	(1,353)
At 30 June 2022	156	7,465	434	355	200	8,610
Carrying amounts						
At 1 July 2020	–	1,376	37	–	45	1,458
At 30 June and 1 July 2021	–	1,433	23	–	18	1,474
At 30 June 2022	–	1,662	15	–	–	1,677

There are no restrictions over the title of NZQA's property, plant and equipment, nor are any such assets pledged as security for liabilities.

There are no contractual commitments for the acquisition of property, plant and equipment (2021: \$nil).

12. Ngā rawa tautuhi kore

12. Intangible assets

Te kaupapahere o te tiaki pūtea

Accounting policy

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Ngā pūmanawa rorohiko matua

Acquired software

Acquired software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Ngā pūmanawa rorohiko tarāwhare

Internally generated software

Costs that are directly associated with the development phase of internally generated software are recognised as an intangible asset. Direct costs include software development, employee costs and an appropriate portion of relevant overheads. 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 the development expenditure can be reliably measured. Research is “original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding”. Expenditure incurred on the research phase of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when incurred.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development of NZQA's website are capitalised and amortised over the period of the life of the asset in accordance with generally accepted accounting practice.

Ngā mahi o te wā

Work in progress

Work in progress which largely represents the development of internally generated software are recognised at cost less impairment and is not amortised.

Ngā utu whakahoki

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 the surplus.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated for each specific individual item of acquired and internally generated computer software. Internally generated software is amortised over 3 – 4 years (25% – 33%) with other acquired software amortised over 3 – 5 years (20% – 33%).

Te hauātanga o ngā rawa iti

Impairment of intangible assets

Refer to the policy for impairment of property, plant and equipment in note 11. The same approach applies to the impairment of intangible assets.

Ngā whakapae pūtea matua

Critical accounting estimates and assumptions

Estimating useful lives of internally generated software

NZQA's internally generated software enables NZQA to meet its objectives and deliverables. Internally generated software has a finite life, which requires NZQA to estimate the useful life of the software assets.

In assessing the useful lives of software assets, a number of factors are considered, including:

- the period of time the software is intended to be in use
- the effect of technological change on systems and platforms
- the expected timeframe for the development of replacement systems and platforms.

An incorrect estimate of the useful lives of software assets will affect the amortisation expense recognised in the surplus, and the carrying amount of the software assets in the statement of financial position.

NZQA has estimated the useful life of internally generated software to be 3-4 years. This useful life is considered reasonable based on the current performance and use of the software, strategic plan updates and the likelihood the technology will stay current and supportable. There are currently no indicators the period of use of the software will be materially different.

Ngā whakataunga matua o te mahi kaupapahere

Critical judgements in applying accounting policies

Determining the cost of internally generated software

NZQA is required to determine which costs of providing internally generated software meet the capitalisation criteria in PBE IPSAS 31 Intangible Assets. This requires judgement on whether the costs are research or development related, the technical feasibility for completing the asset and the availability of sufficient financial and other resources to complete the asset. These judgements ensure that only appropriate development costs directly attributable to producing the asset are capitalised.

An incorrect judgement in determining which costs can be capitalised will affect the timing of costs being recognised in the surplus and the carrying amount of the asset in the statement of financial position.

Breakdown of intangible assets and further information

Movements for each class of intangible assets are as follows:

	Acquired software (\$'000)	Internally generated software (\$'000)	Total (\$'000)
Cost			
At 1 July 2020	3,171	43,855	47,026
Additions	–	3,456	3,456
Disposals	(395)	(3,881)	(4,276)
At 30 June 2021	2,776	43,430	46,206
Additions	–	1,060	1,060
Disposals	(678)	(379)	(1,057)
At 30 June 2022	2,098	44,111	46,209
Accumulated amortisation and impairment losses			
At 1 July 2020	3,167	38,043	41,210
Amortisation expense	3	2,904	2,907
Disposals	(395)	(3,881)	(4,276)
Impairment losses	–	–	–
At 30 June 2021	2,775	37,066	39,841
Amortisation expense	1	2,911	2,912
Disposals	(678)	(379)	(1,057)
Impairment losses	–	–	–
At 30 June 2022	2,098	39,598	41,696
Carrying amounts			
At 1 July 2020	4	5,812	5,816
At 30 June and 1 July 2021	1	6,364	6,365
At 30 June 2022	–	4,513	4,513

	Acquired software (\$000)	Internally generated software (\$000)	Total (\$000)
Work in progress			
Other	–	472	472
At 30 June 2022	–	472	472

	2022 Actual (\$000)	2021 Actual (\$000)
Work in progress – intangible assets		
Balance at start of the year	1,000	1,376
Additions	532	3,080
Transfers to assets	(1,060)	(3,456)
Balance at end of the year	472	1,000

Intangible asset breakdown (including Work In Progress)	Life (years)	Total (\$000)
Software (developed and purchased)		
NCEA Online	4	3,841
Filenet Replacement	4	227
Sector Qualifications Register	4	166
Other (each <\$150,000 net book value)	4	279
Total		4,513
Work in progress		
Qualifications and Credentials Repository	N/A	472
Total		472
Balance at 30 June 2022		4,985

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

The amount of contractual commitments for the acquisition of intangible assets is \$793,000 (2021: \$47,000).

13. Ngā nama me ngā pūtea whiwhi tārewa

13. Payables and deferred revenue

Te kaupapahere o te tiaki pūtea

Accounting policy

Short-term payables are recorded at the amount payable. Due to their short-term nature they are not discounted and are unsecured.

Breakdown of payables and deferred revenue

	2022 Actual (\$000)	2021 Actual (\$000)
Payables and deferred revenue under exchange transactions		
Creditors	636	361
Revenue in advance	670	899
Accruals	6,225	8,376
Total payables under exchange transactions	7,531	9,636
Payables and deferred revenue under non-exchange transactions		
Taxes payable (GST, PAYE)	1,151	1,435
Total payables under non-exchange transactions	1,151	1,435
Total payables and deferred revenue	8,682	11,071

14. Ngā kaupapa whawhati tata

14. Contingencies

Te kaupapahere o te tiaki pūtea

Accounting policy

A contingent liability is a possible obligation arising from a past event that will only be confirmed by one or more uncertain events not wholly within the control of an entity. Disclosure is provided for any contingent liabilities that are not considered remote.

Ngā kawenga ā-rōpū

Contingent liabilities

NZQA has the following contingent liabilities as at 30 June 2022. This is unchanged from the position at 30 June 2021.

NZQA has entered into contracts as part of a project for developing and maintaining an end-to-end digital process for NCEA exams. While Crown funding has been confirmed for the next few years, early termination charges estimated to be between \$0.5 million and \$1 million would be incurred should the contracts be terminated before 31 March 2027.

Ngā rawa me ngā kawenga puni

Contingent assets

NZQA has no contingent assets as at 30 June 2022 (2021: \$nil).

15. Ngā āheinga kaimahi

15. Employee entitlements

Te kaupapahere o te tiaki pūtea

Accounting policy

Ngā āheinga o te pae tata mō te kaimahi

Short-term employee entitlements

Employee benefits that NZQA expects to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and sick leave.

NZQA recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date; to the extent NZQA anticipates it will be used by staff to cover those future absences.

NZQA recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Ngā āheinga o te pae tawhiti mō te kaimahi

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as long service leave and retirement leave, have been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement and contractual entitlements information

- the present value of the estimated future cash flows.

Te whakaatu āheinga kaimahi

Presentation of employee entitlements

Sick leave, annual leave and most of the vested long service leave are classified as a current liability. Both non-vested long service leave and retirement leave that is expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

Breakdown of employee entitlements and further information

	2022 Actual (\$000)	2021 Actual (\$000)
Current portion		
Accrued salaries and wages	585	227
Annual leave	3,452	3,192
Sick leave	194	282
Retirement and long service leave	328	332
Total current portion	4,559	4,033
Non-current portion		
Retirement and long service leave	536	623
Total non-current portion	536	623
Total employee entitlements	5,095	4,656

Key assumptions in measuring retirement and long service leave obligations

The present value of retirement and long service leave obligations depends on a number of factors that are determined on an actuarial basis. Two key assumptions used to calculate this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of NZ government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns and after obtaining advice from an independent actuary. A weighted average discount rate of 4.24% (2021: 3.85%) and a weighted average salary inflation factor of 1.98% (2021: 2%) were used. The salary inflation factor takes into account the current economic environment in the wake of the impact of COVID-19.

If the discount rate were to differ by 1%, with all other factors held constant, the carrying amount of the retirement and long service leave liability would change by approximately \$22,000 to \$25,000.

If the salary inflation factor were to differ by 1%, with all other factors held constant, the carrying amount of the retirement and long service liability would change by approximately \$22,000 to \$25,000.

16. Ngā pūtea penapena

16. Provisions

Te kaupapahere o te tiaki pūtea

Accounting policy

NZQA recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The expense relating to the movement in any provision is recognised in the surplus for the year.

Breakdown of provisions and further information

	2022 Actual (\$000)	2021 Actual (\$000)
Payroll Remediation	629	635
Total Provisions	629	635

Movements for each class of provision are as follows:

	Payroll Remediation (\$000)
Balance at start of the year	635
Amounts used	(169)
Additional provisions made during the year	163
Balance at end of the year	629

NZQA has identified some areas where there may have been non-compliance with the Holidays Act 2003 in particular around the payment of various leave provisions. A payroll remediation project is underway to address these issues which will identify any affected current and former employees including formal quantification of any payments to be made. At 30 June 2022, the provision represents NZQA's best estimate of the costs involved to settle the obligation although there is inherent uncertainty in determining this estimate and the timing in which the obligation will be settled.

17. Ngā hokohoko ā-rōpū

17. Related party transactions

NZQA is wholly owned and controlled by the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship and are on terms and conditions no more or less favourable than those that it is reasonable to expect NZQA would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (e.g., Government

Departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies.

There are no related party transactions with key management personnel other than compensation as noted below (2021: \$nil).

Key management personnel compensation

Key management personnel include the Board and the members of the Strategic Leadership Team, which includes the Chief Executive.

	2022 Actual (\$000)	2021 Actual (\$000)
Board Members		
Remuneration	231	204
Full-time equivalent members	1.26	1.19
Strategic Leadership Team		
Remuneration	1,589	1,844
Full-time equivalent members	5.00	5.78
Total key management personnel remuneration	1,820	2,048
Total full-time equivalent personnel	6.26	6.97

The full-time equivalent for Board members has been determined based on the frequency and length of Board meetings and the estimated time for Board members to prepare for meetings.

An analysis of Board member remuneration is provided under the statutory remuneration disclosures in the appendix to the financial statements.

Ministerial disclosures

The Treasury has advised that the responsible Minister being the Hon Chris Hipkins has certified he has no related party transactions for the year ended 30 June 2022 (2021: \$nil).

18. Ngā kaupapa tōmuri i te rā whakataunga pūtea

18. Events after the balance sheet date

There were no significant events after the balance sheet date.

19. Ngā taonga ahumoni

19. Financial instruments

Te kaupapahere o te tiaki pūtea

Accounting policy

Financial instruments are initially recognised at fair value and subsequently classified as measured at amortised cost. This classification is made by reference to the purpose and nature of the financial instrument or group of financial instruments.

Financial assets are subsequently measured at amortised cost where they are held for the purpose of collecting contractual cash flows and those cash flows are solely related to payments of principal and interest. Interest and any impairment losses are recognised in the statement of comprehensive revenue and expense. Generally, the amount invested or amount due less any allowance for expected credit losses is used to estimate the amortised cost.

Financial liabilities (which comprise payables) are subsequently measured at amortised cost. The amount payable is used as a reasonable estimate of amortised cost as they are typically short term in nature.

19a. Ngā wāhanga o ngā rauemi pūtea

19(a) Categories of financial instruments

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2022 Actual (\$000)	2021 Actual (\$000)
Financial assets measured at amortised cost		
Cash and cash equivalents	3,965	3,472
Receivables	3,208	3,087
Investments – Term deposits	38,500	32,000
Total financial assets measured at amortised cost	45,673	38,559
Financial liabilities measured at amortised cost		
Payables (excluding revenue in advance & taxes payable)	6,861	8,737
Total financial liabilities measured at amortised cost	6,861	8,737

19b. Ngā tūraru o ngā rauemi pūtea

19(b) Financial instrument risks

NZQA's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. NZQA has policies to manage the risks and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Te tūraru o te māketē

Market risk

Te tūraru o te moni hua tika

Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. NZQA's exposure to fair value interest rate risk is limited to term deposits which are held at fixed rates of interest. NZQA does not actively manage its exposure to fair value interest rate risk.

Te tūraru o te moni hua rere**Cash flow interest rate risk**

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. NZQA is not exposed to cash flow interest rate risk as it does not have investments issued at variable interest rates.

Te tūraru o te moni**Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. NZQA is not exposed to currency risk as it does not enter into transactions of this nature.

Te tātaritanga tūtohutanga**Sensitivity analysis**

No sensitivity analysis is provided for financial instruments held at balance date, since any reasonably expected movement in interest or exchange rates would have a minimal impact on the surplus and equity.

Te tūraru o te moni tāwera**Credit risk**

Credit risk is the risk that a third party will default on its obligation to NZQA, causing NZQA to incur a loss. NZQA is exposed to credit risk from cash and term deposits with banks and receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position and

notes 8, 9 and 10 provide information on any impairment calculated by reference to the expected credit loss model.

No collateral is held as security for financial instruments, including those instruments that are overdue or impaired, that give rise to credit risk.

NZQA has processes in place to review the credit quality of customers prior to the granting of credit.

Due to the timing of its cash inflows and outflows, NZQA invests surplus cash with registered banks. NZQA's investment policy limits the amount of credit exposure by only investing funds with registered banks that have at least a current Standard and Poor's credit rating within the AA band. NZQA has experienced no defaults of interest or principal for term deposits.

Te tūraru moni tāwera o ngā rawa**Credit quality of financial assets**

The only significant concentrations of credit risk relate to \$4.0 million of cash and \$32.5 million of term deposits which are both held with Bank of New Zealand which has a Standard and Poor's credit rating of AA-. A further \$6 million of term deposits is held with Westpac New Zealand which has a Standard and Poor's credit rating of AA-.

There are no significant balances at 30 June 2022 with counterparties without credit ratings who have defaulted in the past (2021: \$nil).

Te tūraru o te toremi pūtea

Liquidity risk

Liquidity risk is the risk that NZQA will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions. NZQA manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

Te tātaritanga me te kirimana o ngā rawa kua pakeke

Contractual maturity analysis of financial liabilities

All financial liabilities are due for payment

within 6 months of balance sheet date. The carrying amount of all financial liabilities is equal to the contractual cash flows required to extinguish the liability.

20. Te pūtea mana taurite

20. Equity

Te kaupapahere o te tiaki pūtea

Accounting policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- contributed capital
- accumulated surplus.

Breakdown of equity and further information

	2022 Actual (\$000)	2021 Actual (\$000)
Contributed capital		
Balance at start of the year	20,308	20,308
Crown – Capital contribution	220	–
Balance at end of the year	20,528	20,308
Accumulated surplus		
Balance at start of the year	12,527	6,000
Surplus for the year	5,906	6,527
Balance at end of the year	18,433	12,527
Total equity	38,961	32,835

Te whakahaere moni tōpū

Capital management

NZQA's capital is its equity, which comprises accumulated funds and contributed capital. Equity is represented by net assets.

NZQA is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which imposes restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives. NZQA has complied with the financial management requirements of the Crown Entities Act 2004 during the year.

NZQA manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, and general financial dealings to ensure NZQA effectively achieves its objectives and purpose, while remaining a going concern.

21. Te pātanga nui o te KOWHEORI-19

21. Impact of COVID-19

As a consequence of the COVID-19 global pandemic, in late March 2020 the New Zealand Government declared a State of National Emergency. This resulted in New Zealand entering a 4-week national lockdown. Restrictions were then gradually eased and from early June 2020 New Zealand moved to alert level 1. At alert level 1 there were no significant restrictions within New Zealand however there continued to be significant border controls severely limiting access into New Zealand.

During the past year the framework used to manage the COVID-19 pandemic within New Zealand changed from Alert Levels to the Traffic Light System. The new system recognised that certain levels of COVID-19 were likely within the community and in general was less restrictive than the former Alert Level system. Despite this, tight border controls have remained in place throughout the year albeit they have been gradually eased. The further easing of border controls continued after 30 June 2022 such that by 31 July 2022 New Zealand's borders were fully reopened.

We have assessed the impact of the pandemic on NZQA and reviewed our financial statements and made any adjustments necessary in accordance with NZ GAAP. Overall, we concluded that the impact of the COVID-19 pandemic was not material to the entity's operations or current year financial statements. The main factors contributing to this conclusion are:

- Approximately 75% of total revenue is derived from the Crown which is not considered to be at significant risk.
- There are still some ongoing impacts on third party revenue streams as a result of the pandemic, particularly to our qualification recognition services. This revenue stream has been particularly impacted due to the significant border restrictions that endured throughout the pandemic. Commentary on overall significant annual variances to budget are provided in note 2.
- There are no non-current assets that are considered to be impaired.
- Management have assessed the recoverability of receivable balances and accrued income considering the current state of the pandemic and the impact on the wider education sector (see note 9).
- The assumptions behind the valuation of employee liabilities have been assessed and take into account the impact of the pandemic (see note 15).
- Management have concluded that an increase in flexible working practices (which has been a by-product of the pandemic) has not led to any building lease being considered onerous. This will however continue to be reviewed as required.
- NZQA holds a prudent level of cash and other highly liquid investments that provide assurance as to the ongoing viability of the entity and the going concern basis used to prepare the current year financial statements.
- The current status of the pandemic and the high vaccine uptake in NZ helps to provide a generally more positive outlook going forward.

Assuming the trend of reduced restrictions continues going forward, management would expect the impact of the COVID-19 pandemic to reduce as people and businesses learn to live and manage COVID-19 in the community. However, management will continue to monitor the impact of the pandemic on the results of the entity and manage the business accordingly to best ensure NZQA continues to meet its financial and other objectives.

Appendix: Other disclosures

1. Statutory Remuneration Disclosures

Section 152 of the Crown Entities Act 2004 (CEA) requires Crown entities to disclose information in the annual report about payments in respect of members, committee members, and employees. This disclosure is provided below and does not form part of the audited financial statements.

Employee remuneration band disclosures

	Number of staff	
	2022 Actual	2021 Actual
Total remuneration paid or payable		
\$430,000 – \$439,999	1	–
\$400,000 – \$409,999	–	1
\$320,000 – \$329,999	–	1
\$300,000 – \$309,999	1	–
\$290,000 – \$299,999	1	2
\$280,000 – \$289,999	1	–
\$270,000 – \$279,999	–	1
\$250,000 – \$259,999	1	1
\$240,000 – \$249,999	1	1
\$190,000 – \$199,999	2	3
\$180,000 – \$189,999	4	3
\$170,000 – \$179,999	4	5
\$160,000 – \$169,999	7	4
\$150,000 – \$159,999	5	3
\$140,000 – \$149,999	5	5
\$130,000 – \$139,999	17	20
\$120,000 – \$129,999	30	20
\$110,000 – \$119,999	41	35
\$100,000 – \$109,999	55	68
Total employees	176	173

During the year ended 30 June 2022, 1 employee received compensation and other benefits of \$55,000 in relation to cessation (2021: nil).

Member and committee member remuneration disclosures

	2022 Actual (\$000)	2021 Actual (\$000)
Tracey Martin (Board Chair appointed 1 October 2021)	32.1	–
Neil Quigley (Acting Chair to 30 September 2021)	11.6	43.2
Pania Gray (Deputy Board Chair appointed 1 October 2021)	20.1	–
Mary Chamberlain	21.6	21.6
Antony Royal	21.6	21.6
Lyn Provost	21.6	21.6
Lili Tuioti	21.6	21.6
Cheryl de la Rey	21.6	21.5
Grant Cleland (appointed 1 October 2021)	16.0	–
Jeremy Baker (appointed 1 October 2021)	16.0	–
Roger Moses (appointed 8 November 2021)	13.9	–
Kate Shevland (to 31 October 2021)	7.3	21.6
Jenn Bestwick (to 30 September 2021)	5.8	21.6
Scott Tambisari* (to 30 June 2021)	–	10.0
Total Board member remuneration	230.8	204.3

* Appointment as a Future Director. The role was created to facilitate the development of Governance within the educational sector and enabled observation of and participation in Board Meetings but without voting rights.

There have been no additional payments made to committee members appointed by the Board who are not Board members during the financial year and no Board members received compensation or other benefits in relation to cessation (2021: \$nil).

NZQA has taken out Directors and Officers Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

2. Vote Education – Non-departmental output expense

To comply with our obligations under the Public Finance Act 1989, activities by NZQA that are funded through Vote Education non-departmental output expenses are indicated within each relevant output class in the Statement of Performance. A summary of appropriations funded through Vote Education is provided in the table below.

	What is intended to be achieved with this appropriation	2022 Actual Appropriation Estimates (\$000)	2021 Actual Appropriation Estimates (\$000)
Total appropriation			
Oversight and Administration of the Qualifications System (M26) (A19)	The single overarching purpose of this appropriation is for NZQA to provide effective oversight and administration of the qualifications system	76,256	76,893
Non-departmental output expense			
Secondary School Assessments		57,053	58,555
Standards and Qualifications Support		19,203	18,338
		76,256	76,893

The above appropriation relates to a multi-category appropriation (MCA) of 2 categories (Secondary School Assessments and Standards and Qualifications Support).

There was no change to the overall appropriation of \$76.256 million from the Vote Education – Estimates 2021/22 to the Vote Education – Supplementary Estimates 2021/22.

The Crown funding received through the appropriation equals the actual expenses incurred in relation to the appropriation.





Te kupu taka

Glossary

Action Plan for Pacific Education 2020–2030	<p>The Government and Ministry of Education’s plan to ensure diverse Pacific learners and their families are safe, valued, and equipped to achieve their education aspirations.</p>
Aromatawai	<p>Aromatawai starts with the learner. It is a teaching, learning and assessment approach based on te ao Māori values, beliefs and aspirations. The values and features of aromatawai enrich and inform assessment design and are appropriate for all ākonga. The term ‘aromatawai’ is derived from two words that convey its special nature – its role in learning and teaching. Aro is ‘to take notice of’ or ‘pay attention to’, and matawai is ‘to examine closely’. Within the learning context, aromatawai is literally a way of focusing on the learner, what they can do, their learning journey and experience, the relationship between kaiako and ākonga and how that information can support learning instantly and over time.</p>
Assessment	<p>Collecting and evaluating evidence to establish the level of an individual’s performance in relation to agreed outcomes.</p>
Assessment (secondary – external)	<p>Assessment (NCEA or New Zealand Scholarship) conducted by NZQA. This includes reports, submissions, common assessment activities and national examinations held at the end of the school year.</p>

Assessment (secondary – internal)	Assessment conducted by a secondary school during the school year. Independent moderation by NZQA provides assurance that assessment decisions, in relation to assessment standards, are consistent nationally and that assessment judgements (marking of learners' work) are at the national standard.
Assessment standards	An assessment standard is a standard listed on the Directory of Assessment Standards. There are two types of assessment standard – achievement standards and unit standards.
Directory of Assessment Standards	When the legislation is passed, the Directory of Assessment Standards will list all quality assured assessment standards and skill standards (when developed).
Education organisation	An organisation supplying education, training and/or assessment services that is recognised within the formal schooling, education and training system. This can include secondary schools, government organisations and private providers.
Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code)	The Code supports the wellbeing of tertiary and international learners enrolled with New Zealand education providers.

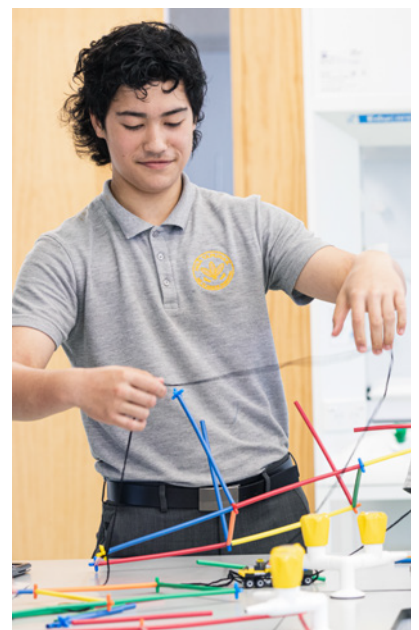
Evaluative quality assurance	<p>This is the basis of NZQA’s quality assurance system. It uses:</p> <ul style="list-style-type: none"> • evaluation theory and practice to reach well-informed, robust, consistent and reliable evidence-based judgements about all aspects of organisational performance and capability • a practical focus on outcomes and key contributing processes • awareness and improvement through organisational self-assessment.
External evaluation and review	<p>A review that provides a judgement on the relative quality of a tertiary education organisation. NZQA expresses this judgement in a report that states NZQA’s level of confidence in the tertiary education organisation’s educational performance and capability in self-assessment.</p>
Government training establishment	<p>A state-owned organisation providing education or training (for example, New Zealand Police Training Services, New Zealand Army).</p>
Ka Hikitia – Ka Hāpaitia	<p>The Ministry of Education’s strategy to change rapidly how the education system performs so that all Māori learners gain the skills, qualifications and knowledge they need to enjoy and achieve education success as Māori.</p>
Managing National Assessment (MNA)	<p>A process for achieving valid, fair, accurate and nationally consistent internal assessment in schools. It is a partnership between schools and NZQA in which NZQA reviews the schools’ processes or systems for managing assessment.</p>

Managing National Assessment review	A review by NZQA of schools' processes or systems for managing assessment for qualifications, including systems for achieving valid, fair, accurate and nationally consistent internal assessment.
Moderation	A process for confirming that an organisation's assessment decisions are fair, valid and consistent with the required standard across a number of assessors or assessing organisations nationally.
National Certificate of Educational Achievement (NCEA)	Aotearoa New Zealand's national qualification for secondary school learners. Available at levels 1–3, it is registered as part of the New Zealand Qualifications Framework.
New Zealand Qualifications and Credentials Framework (NZQCF)	<p>When operational, the NZQCF will be the definitive source of accurate information on all quality assured qualifications and credentials in Aotearoa New Zealand, from secondary school qualifications to doctorates.</p> <p>It is based on learning outcomes, described in terms of knowledge, skills and their application. The NZQCF is expected to become operational in late 2022 or early 2023, when it will replace the NZQF.</p>
New Zealand Qualifications Framework (NZQF)	The NZQF provides information to end users such as employers about what graduates can be expected to know and do.
New Zealand Scholarship	An additional examination most often undertaken by learners in the final year of secondary school (Year 13). New Zealand Scholarship is a competitive monetary award for top-performing learners who intend to enter tertiary study. It does not contribute towards a qualification.

Outcome statements	Statements setting out the outcomes achieved from the learning process of a qualification and describing the knowledge, skills and attributes of a graduate.
Outputs	The goods and services produced by an entity to support the achievement of its impacts and outcomes.
Private training establishment (PTE)	An establishment that provides post-school education and training and is registered by NZQA under Part 4 of the Education and Training Act 2020.
Qualification	A qualification listed on the New Zealand Qualifications and Credentials Framework.
Reform of Vocational Education (RoVE)	RoVE consists of several key changes to create a unified vocational education system. This includes the creation of Te Pūkenga and Workforce Development Councils.
(Secondary) school	Any (secondary) school in Aotearoa New Zealand, Cook Islands or Niue holding consent to assess for NCEA and/or that has learners who sit New Zealand Scholarship examinations.
Self-assessment	The process that providers of post-school education and training services use to establish evidence of their own effectiveness. The results of the process should inform future planning and lead to actions that bring about improvements.
Skill standard	A skill standard is currently defined as a specification of skills and levels of performance in those skills. This definition is currently being expanded through the Education and Training Amendment Bill (No 2) to give more prominence to learning outcomes.

Special Assessment Conditions (SAC)	SAC provides support to learners with sensory, physical or medical conditions/impairments and/or specific learning disorders so they have a fair opportunity to demonstrate their skills and knowledge in internal and external assessment (in both NCEA and New Zealand Scholarship).
Standards	There are two types of assessment standards in the Directory of Assessment Standards: achievement standards and unit standards. Credits from all achievement standards and all unit standards count towards NCEA. Because the standards are nationally agreed, learners' achievements can be recognised in a number of contexts, and their knowledge and skills will be transferable between qualifications and providers.
STEM	The acronym of science, technology, engineering and mathematics.
Takiala Pasifika	NZQA's Pacific Strategic Action Plan that outlines NZQA's commitment to enabling Pacific learners, families and communities to achieve their aspirations.
Te Hono o Te Kahurangi	Provides quality assurance for tertiary education organisations that deliver qualifications or programmes based on mātauranga Māori or where the whole organisational approach is based on mātauranga Māori.
Te Kōkiritanga	NZQA's Māori Strategic Action Plan that outlines NZQA's commitment to achieving equity for ākonga Māori and their whānau.
Tertiary education organisation (TEO)	Universities, wānanga, Te Pūkenga, private training establishments, government training establishments and other providers.

Te Pūkenga	An institution that delivers technical, vocational and professional education and is described from section 314 of the Education and Training Act 2020.
Te Pūkenga subsidiary	A Crown entity subsidiary of Te Pūkenga.
Transitional industry training organisation (TITO)	An industry-specific body recognised under the Education and Training Act 2020 that: <ul style="list-style-type: none"> • sets NZQA-accredited skill standards for its industry • manages arrangements for industry training that enable trainees to attain those standards.
Wānanga	A body established under section 268 of the Education and Training Act 2020 that is characterised by teaching and research that maintain, advance and disseminate knowledge and develop intellectual independence and assist in the application of knowledge regarding āhuetanga Māori (Māori tradition), according to tikanga Māori (Māori custom).
Workforce Development Council (WDC)	A body established under section 363 of the Education and Training Act 2020 in relation to the specific industries it covers that provides leadership, develops and sets standards and qualifications, endorses programmes and moderates assessments and provides an advisory and representative role for employers.





Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority