



Te Pūrongo Ā-Tau

Annual Report

2022/23



Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

2022/23

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.

After publishing the 2022/23 Annual Report in September, a minor error was found within footnote 25 (page 67). The error relates to an incorrect description of how a performance measure was calculated. While the error did not materially change the report or performance outcomes, we have updated this annual report to reflect the correct information.

Whakapā mai

Contact details

New Zealand Qualifications Authority
125 The Terrace, Wellington 6011
PO Box 160, Wellington 6140
Telephone: +64 (4) 463 3000
Fax: +64 (4) 463 3112
Freephone (in NZ): 0800 697 296
www.nzqa.govt.nz

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He whārangi ihirangi

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He kupu takamua a Te Poari Matua

Board foreword

Whakatauākī

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

Te Kere Ngataierua (Te Āti Haunui-a-Pāpārangī)

The 2022/23 year has seen NZQA continue to work with partner education agencies and sector groups to deliver on the Government's education system changes while also maintaining business-as-usual assessment and quality assurance services to a high standard. NZQA has also supported education providers and kept delivering responsive services for learners and their whānau and for iwi, communities and employers through the ongoing impacts from COVID-19 and disruption from Cyclones Dovi and Gabrielle.

Over the last year, NZQA has achieved some notable advances towards its vision for Aotearoa New Zealand learners to **Kia noho takatū ki tō āmua ao** | **Qualify for the future world**. This report showcases those achievements.

Māori proverb

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

The Board recognises the organisation's commitments to honour Te Tiriti o Waitangi and support Māori-Crown relations, and we are taking a lead in how these are given effect. In May, the Board adopted a statement that will shape the way we actively advance the interests of Māori.

NZQA is driven by the imperative of equity for learners. This means qualification pathways and credentials that offer relevant opportunities for different learner needs and contexts. It means assessments and assessment processes that are accessible for ākongā Māori, Pacific learners, disabled learners and others who face barriers to education.

Across NZQA's endeavours to deliver equity, we acknowledge there is still considerable work to be done. NZQA will keep using the leverage it has through its regulatory functions and through collaboration with sector partners to influence the continuing inequity in achievement. In particular, NZQA will strengthen its work to enable equitable National Certificate of Educational Achievement (NCEA) and University Entrance (UE) attainment for Māori and Pacific learners, disabled students and those from disadvantaged socio-economic backgrounds.

NZQA works alongside schools, education providers, iwi and communities to build capability and support them in their work to achieve equity for all learners. Developing the cultural competence of our own people is also key.

Our thanks go to Ngā Kaitūhono and the NZQA Taupulega, our external Māori and Pacific Advisory Groups, who walk alongside us as partners in our work with Māori and Pacific communities and share our ambitions for equitable learner outcomes. The strategic relationships we have with sector colleagues and key stakeholders will make a critical difference over the longer term.

The Board would also like to acknowledge the resilience and responsiveness of NZQA kaimahi over the past year in delivering for learners and upholding the integrity of the qualifications system. We recognise that it has been challenging to keep providing quality services with legacy infrastructure and in a constrained fiscal environment.

We are committed to enabling the organisation to keep working effectively towards its outcomes of relevant qualifications and credentials and trusted assessment and quality assurance.



Hon Tracey Martin
Board Chair



Lyn Provost
Risk and Assurance Committee Chair

He kupu takamua a Te Pouwhakahaere Matua

Chief Executive foreword

I am proud that NZQA has been able to progress many developments in support of education system reforms over 2022/23 and maintain effective delivery of current processes for qualification recognition, assessment and quality assurance. The last year has brought high points for our endeavours to sustain robust and credible qualifications that are relevant to Aotearoa New Zealand today and for the future.

In all we do, we are intent on our commitment to honour and give effect to Te Tiriti o Waitangi – not only as a public sector organisation meeting the Crown’s Te Tiriti responsibilities but also because this is core to our contribution towards ākonga Māori being able to achieve education success as Māori.

We have made strong steps forward this year with our Customer Experience Improvement Programme, integrating a range of Contact Centre channels and providing enhanced targeted services through our new public-facing website and customer portals. In our design process, we have drawn on specialist expertise to provide familiar and engaging contexts and imagery for ākonga Māori and Pacific learners and to ensure that digital accessibility features for disabled learners are incorporated.

As we work to develop and assure an inclusive qualifications system with equitable outcomes for all learners, we seek to mirror this within our organisation.

We want NZQA to be a place where people are treated fairly and with respect and where diverse talents and perspectives are valued and utilised. This means eliminating barriers and enabling opportunities for disadvantaged groups through our employee-led networks, Papa Pounamu¹ initiatives, our work to close gender, Māori, Pacific and ethnic pay gaps and our recently established Disability Action Plan.

Moreover, our internal te reo Māori and Pacific cultural capability initiatives enhance our staff’s confidence and competence in their engagements with learners, their families and communities, contributing to improvements in equitable educational outcomes.

Sustainability is another cornerstone for the way we run our organisation. This includes the security and future proofing of our business systems and infrastructure, having robust health and safety, risk management and business continuity processes, as well as taking action to reduce our carbon footprint as much as possible.

¹ Papa Pounamu sets the diversity and inclusion work programme for the wider Public Service. It covers five priority areas that are focused on making the most positive impact across all diversity dimensions. [See page 48 for NZQA’s initiatives in the Papa Pounamu priority areas.](#)

Our data and knowledge are assets we must protect and utilise to amplify our work and that of our partners. We draw on research and information we gather from the sector to provide insights into qualifications, assessment and quality assurance, enhancing the guidance we provide to build sector capability.

A notable role we played was in coordinating the *Assessment in the Age of AI* symposium in May, providing a forum for the sector to understand the opportunities and risks of generative AI in education, including new approaches to assessment and challenges to academic integrity.

I would like to recognise the efforts of NZQA's kaimahi across the country who have been adaptive in their work and utterly committed to delivering on our own and wider system responsibilities and improvements.

My thanks also go to our learner voice groups – Te Kāhui Ākonga, NCEA Champions and NCEA Navigators – and students' associations for the valuable feedback and insights they provide.

I look forward to continuing our mahi to safeguard and shape the qualifications system for learner success, embedding our commitment to Te Tiriti o Waitangi, equity, modern regulatory practice and improved customer experience across the spectrum of our work.



Dr Grant Klinkum

Pou Whakahaere | [Chief Executive](#)

Ngā kaupapa hirahira a NZQA 2022/23

NZQA's highlights for 2022/23

WHAT WE ACHIEVED towards our outcome: RELEVANT QUALIFICATIONS and CREDENTIALS

We introduced new skill standards and New Zealand programmes	Simpler qualification design for vocational education
We published insights papers on the use of micro-credentials	Showcasing solutions for emerging or urgent skills needs
We engaged extensively with Māori on how best to incorporate mātauranga Māori in the refresh of the NZQCF	A qualifications framework that will better reflect the aspirations and needs of Aotearoa New Zealand for the future
We responded to a surge in applications for recognition of overseas qualifications	Support for labour mobility and immigration policy changes


WHAT WE ACHIEVED towards our outcome: TRUSTED ASSESSMENT and QUALITY ASSURANCE


We conducted digital external assessments, trialled assistive technologies and built in Universal Design for Learning principles	Secondary school assessment that meets the needs of diverse learners and enables equity
We delivered an error-free external assessment process for the 2022 NCEA and New Zealand Scholarship examination round	Credible and positive assessment experiences that enable student attainment
We released <i>Aromatawai and the Principles of Assessment</i> and provided online guidance and good-practice resources	Robust assessment and aromawatai processes in kura, schools and tertiary providers
We ran an <i>Assessment in the Age of AI</i> symposium for the sector and kept a watching brief on AI developments	Increased sector understanding of the opportunities and risks of generative AI in education
We commenced a strategic review of our quality assurance framework for non-university tertiary education	Development of NZQA's quality assurance approaches in line with regulatory good practice
We worked with learners and providers to build understanding and capability to meet the new Pastoral Code of Practice 2021	Improved student safety and wellbeing enhancing learner outcomes and the reputation of our education system


2022/23 e ai ki te taturanga

2022/23 by the numbers


RELEVANT QUALIFICATIONS and CREDENTIALS

 **30** new micro-credentials approved²


 **19,221** applications for international qualification recognition


 **67** new and **86** reviewed qualifications approved


TRUSTED ASSESSMENT and QUALITY ASSURANCE


 Over **6,000** teachers have been using Pūtake, our learning management system for Assessor Support


 **7,123** examination staff and **1,500** markers delivered the 2022 NCEA and New Zealand Scholarship examinations


 **146,034** students undertook **132** examination sessions held at **468** exam centres in kura and schools including seven in the Cook Islands and one in Niue

 **10,278** parents, families and whānau engaged in our Māori and Pacific NCEA Workshops and **95%** said they were more confident to support their children

 Nearly **43,000** students participated in one or more digital external assessments

 **18,493** students accessed Special Assessment Conditions to help remove barriers to fair assessment for their qualifications

 **128** Managing National Assessment visits were undertaken in the 2022 calendar year


 **97** External Evaluation and Reviews were completed

 We ran **14** Code 101 workshops and **three** Complaints 101 workshops

ORGANISATIONAL CAPABILITY

 **99.3%** of papers to the Minister met agreed deadlines

 **84.4%** of customers surveyed say the quality of service they get from NZQA is the same or better than other New Zealand public sector organisations

 NZQA's median gender pay gap has decreased from **3.1%** to **2.3%** over the last year

2 This does not include deemed micro-credentials.



Credit: Drew Miller, Lincoln High School, Lincoln (Excellence NCEA Level 3 – Printmaking)

Te wāhanga tuatahi: Ā mātou mahi me tā mātou aronga

Part one: Our role and direction

Ā mātou tūmahi

Our functions

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.

NZQA's primary role is to ensure that Aotearoa New Zealand qualifications and credentials are accepted as credible and robust, both nationally and internationally. Through our stewardship of the qualifications system, we ensure that Aotearoa New Zealand qualifications are developed to meet the diverse needs of learners, iwi, community and employers.

We quality assure non-university tertiary education providers and qualifications listed on the New Zealand Qualifications and Credentials Framework (NZQCF). We deliver robust senior-secondary school assessments and quality assure internal assessments for the National Certificate of Educational Achievement (NCEA).

We work to strengthen the international recognition of our qualifications. We also support providers to effectively implement the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code) for international students.

Te whakakitenga

Our vision

Our vision – Kia noho takatū ki tō āmua ao | **Qualify for the future world** – encapsulates our ambition for learners and for Aotearoa New Zealand. We play a vital part in making Aotearoa New Zealand's education system world leading and accessible to all learners.

Tō mātou tāpaetanga ki te pūnaha mātauranga

Our contribution to the education system

NZQA works closely with other education agencies to:

- make sure education in Aotearoa New Zealand is high quality
- help learners make informed choices about their education
- maintain correct and timely records of each learner's educational achievements
- share information to help each other's work and streamline processes
- support Government strategies to improve education in Aotearoa New Zealand.

We continue to work with colleague agencies on the development and implementation of the significant education system changes that are under way – Review of the NZQCF, the NCEA Change Programme and the Reform of Vocational Education.



Our work plays a key part in achieving the Government’s education objectives set out in the Statement of National Education and Learning Priorities (NELP) and the Tertiary Education Strategy (TES). These are presented as a composite strategy with priorities shared across early learning, schooling and tertiary education.

<p>LEARNERS AT THE CENTRE</p> <p>Learners with their whānau are at the centre of education</p>	<p>BARRIER FREE ACCESS</p> <p>Great education opportunities and outcomes are within reach for every learner</p>	<p>QUALITY TEACHING AND LEADERSHIP</p> <p>Quality teaching and leadership make the difference for learners and their whānau</p>
<p>FUTURE OF LEARNING AND WORK</p> <p>Learning that is relevant to the lives of New Zealanders today and throughout their lives</p>	<p>WORLD CLASS INCLUSIVE PUBLIC EDUCATION</p> <p>New Zealand education is trusted and sustainable</p>	

Te anga o te Mahere Putanga Overview of our Outcomes Framework

Our strategic direction to 2026, communicated in our Statement of Intent, describes our ambition and outlines how we intend to create long-term value so all New Zealanders have the opportunity to **Kia noho takatū ki tō āmua ao | Qualify for the future world.**

Our Outcomes Framework is illustrated on page 13. It is informed by Government policy priorities – the NELP/TES objectives outlined above, Ka Hikitia – Ka Hāpaitia, Tau Mai Te Reo, the Action Plan for Pacific Education and the Learning Support Action Plan.

The key outcomes we work to achieve over a long-term horizon are:

- 1.0 Ngā tohu mātauranga e hāngai pū ana | **Relevant qualifications and credentials**
- 2.0 Te whakapono ki ngā aromatawai me te whakaū kounga | **Trusted assessment and quality assurance**

Six intermediate outcomes are outlined as significant steps towards these long-term aims. Each intermediate outcome is broken down into key activity areas with associated performance measures.

Part two of this Annual Report gives an overview of progress for each of the intermediate outcomes. Part four provides a statement of performance against the set measures.

Ka whakamana a NZQA i Te Tiriti o Waitangi **NZQA gives effect to Te Tiriti o Waitangi**

Sitting at the top of our Outcomes Framework and cutting across everything we do is our

commitment to honouring and giving effect to Te Tiriti o Waitangi. We understand our Te Tiriti o Waitangi obligations to mean that we should actively advance the interests of Māori and seek opportunities to enable tino rangatiratanga, by Māori, for Māori, in relation to how NZQA performs its functions.

We strive to work in a way that is consistent with the principles of Te Tiriti, enabling the education success of ākonga Māori. This includes co-designing products, processes and initiatives with iwi, hapū and Māori; making sure Māori education needs are actively advanced with equity of access to opportunities; supporting the increased prominence of mātauranga Māori within qualifications over time; and continuing to build te ao Māori internal capacity and capability across all NZQA functions.

Mā te mana taurite e ārahi te whakarite me te tuku i ngā ahuatanga o te Mahere Putanga **We embed equity in the way we design and deliver against our Outcomes Framework**

A key area of focus that weaves through our work is our long-standing drive for equity. We recognise the education system is not yet delivering equitable outcomes for all learners and that Māori and Pacific peoples face significant and compounding barriers to equitable education success. This is why we are focused on working with ākonga, their whānau, iwi/hapū and Māori as well as Pacific communities, disabled learners and other groups to ensure the products and services we offer at NZQA are designed for, and deliver to, all learners' needs.



Credit: Lily Nijssen, Year 12, Tauranga Girls College, Tauranga

Ka whakamana a NZQA i Te Tiriti o Waitangi

Tō mātou whakakitenga: Kia noho takatū ki tō āmua ao

E aronui ana mātou ki tēnei mea te mana taurite mō ngāi Māori, mō ngā iwi o Te-Moana-nui-a-Kiwa me ngā ākonga hauā. E whai wāhi mai hoki ngā ākonga e whaikaha ana, e rongu ana hoki i te pōharatanga

1.0 Ngā tohu mātauranga e hāngai pū ana	2.0 Te whakapono ki ngā aromatawai me te whakaū kounga	
1.1 Ko tā te pūnaha tohu mātauranga he whakautu i ngā hiahia o ngā ohu mahi, ngā iwi me ngā hapū, ngā hapori me ngā ākonga, ā, ko te whakatairanga hoki i te mātauranga Māori o roto i ngā tohu mātauranga	2.1 E noho haepapa ana ngā aromatawai me ngā whakaritenga o te aromatawai, ā, e tautoko ana i te kounga o ngā mahi ako me ōna tutukinga	2.3 E noho haepapa ana te whakaū kounga e tautoko ai i te kounga o ngā mahi whakaako, ngā mahi ako me te aromatawai
1.2 Te whakamimiti i ngā tauārai hei whakamana i ngā tohu mātauranga me te whakangāwari anō hoki	2.2 E hāngai tonu ana ngā whakaritenga o te aromatawai ki ngā huringa o te ao e ai ki ngā hiahia o ngā ākonga, ngā hapori me ngā ohu mahi	2.4 E hāngai tonu ana te mahi whakaū kounga ki ngā huringa o te ao e ai ki ngā hiahia o ngā ākonga, ngā hapori me ngā ohu mahi

Kei te manaaki tonu mātou i ngā kaipānga, te tautoko me te whakapari te tara ā-whare

NZQA gives effect to Te Tiriti o Waitangi

Our vision: Qualify for the future world

We have a focus on equity for Māori, Pacific and disabled learners as well as learners with additional learning needs and learners who experience socio-economic disadvantage

1.0 Relevant qualifications and credentials	2.0 Trusted assessment and quality assurance	
1.1 The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications	2.1 Credible assessment and aromatawai practices support high-quality learning and achievement	2.3 Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment
1.2 Barriers to qualification recognition and mobility are reduced	2.2 Assessment and aromatawai practices adapt to the changing needs of learners, community and industry	2.4 Quality assurance adapts to the changing needs of learners, community and industry

We continue to support our people and our customers and to build our organisational capability to deliver our vision



Credit: Huang Zhiyuan, Rangitoto College, Auckland (Excellence NCEA Level 3 – Painting)

Te wāhanga tuarua: Ngā whanaketanga i te 2022/23

Part two: Our progress over 2022/23

Te paearu o ngā mahi Measuring our performance

NZQA's performance is a vital element in ensuring Aotearoa New Zealand's education system is world leading and accessible to all learners. Having high-quality information about our performance enables us to assess and improve the impact and effectiveness of our activities and decide where to focus our efforts. It also helps us to be transparent and accountable in our use of resources and to illustrate the value of our work.

NZQA has been following a continuous improvement approach to performance measurement. We have been working to better understand the direct impact of our services for learners, other stakeholders and Aotearoa New Zealand as a whole. Newly developed impact measures will be included in the Statement of Performance Expectations 2023/24 and reported on in next year's Annual Report.

Performance measures are already in place for the key activity areas under each intermediate outcome, and these are reported on in part four of this Annual Report. Where narrative measures are used, we are seeking to shift to more quantitative indicators over time where this is possible. We are also aiming to provide disaggregated data for our priority ākongā and learner groups in our performance reporting.

We are aligning our service performance reporting with Public Benefit Entity Financial Reporting standard (PBE FRS) 48 which outlines requirements for selecting and presenting service performance information so that it is appropriate and meaningful to users and useful for accountability and decision-making purposes.

The next pages provide a short Overview of our achievements across all of our qualifications, assessment and quality assurance work over 2022/23. This is followed by a narrative on our progress towards each of our intermediate outcomes covering:

- why is this important?
- how NZQA is working towards this outcome
- key achievements over 2022/23
- tracking progress – key indicators.

Te tirohanga whānui

Overview of our achievements

Reshaping the qualifications system

NZQA achieved a key milestone in early 2023 with the introduction of two new education products – skill standards and a New Zealand programme – which will simplify the design of vocational qualifications. We continue to promote and support the increasing use of micro-credentials to meet emerging and urgent skills needs and have published insights papers to showcase their application. Through collaboration with Workforce Development Councils (WDCs) and engaging with industry and iwi/community providers, we are ensuring a carefully managed approach to implementing the Reform of Vocational Education.

We are at the final stage of reviewing the New Zealand Qualifications and Credentials Framework (NZQCF), the underpinning architecture and register for all quality-assured qualifications in Aotearoa New Zealand. The developments in the draft NZQCF better reflect the aspirations of Aotearoa New Zealand, evolving stakeholder expectations, employment changes and the need for lifelong learning. It is intended that the new NZQCF will focus more on transferable skills, raise the profile and value of vocational education credentials and allow for the inclusion of mātauranga Māori in qualifications over time.

In the international sphere, NZQA's ongoing work in qualifications recognition supports labour mobility for New Zealanders, Pacific peoples and migrants. This work enhances the standing of Aotearoa New Zealand's qualifications system nationally and internationally and contributes to the attractiveness of Aotearoa New Zealand as a study destination. Additionally, NZQA's ongoing contribution to the Pacific Qualifications Recognition project is helping to build sustainable capacity in qualification agencies in the Pacific.

Accessible and 'digital first' secondary school assessment

We have continued with our work to implement the NCEA Change Programme, new achievement standards and different forms of assessment. Increased participation in digital external assessments has been a key focus for NZQA over the last year and will remain so as digital technologies provide opportunities for new types of support and services that can significantly reduce barriers for disadvantaged learners.

A highlight in 2022/23 was external digital assessments for Te Marautanga o Aotearoa and the New Zealand Curriculum. Through these, NZQA's digital assessment platform has been tested and improvements realised. A key element of the programme was trialling assistive technologies.

Alongside these new developments, NZQA continued to manage operational delivery of the external assessment cycle and provide guidance and good-practice resources to kura and schools and ongoing quality assurance of school assessment processes across the country.

The 2022 NCEA and New Zealand Scholarship examination round met our demanding expectation to deliver an error-free assessment cycle. This is notable given the considerable complexity and resourcing challenge in running the existing system for external assessments while also managing a range of pilots for a new model.



Increasing quality assurance capability

Having rigorous quality assurance processes that are grounded in best-practice regulatory approaches is a key foundation for a successful education system. In keeping with this, NZQA is increasing its investment in developing sector capability relative to monitoring and enforcement. Effective quality assurance helps providers to develop their own improvement strategies for teaching, learning and assessment tuned to learner needs and the settings they live and work within.

In August 2022, NZQA released *Aromatawai and the Principles of Assessment* to support kura, schools and tertiary providers in developing robust assessment and aromatawai approaches.

A new online learning module – *Tāku Reo, Tāku Mahi (My Words, My Work)* – provides guidance for assessors on academic integrity, plagiarism and artificial intelligence (AI) text and image generators. We also organised the *Assessment in the Age of AI* symposium as a forum for the sector to appreciate the opportunities and risks of generative AI in education.

We continue to evolve our quality assurance approach in line with regulatory best practice and to advance equitable outcomes for learners, drawing on Te Hono o Te Kahurangi, our mātauranga Māori quality assurance framework.

A strategic review of NZQA's Quality Assurance Framework for non-university tertiary education has been completed, and work continues with the sector on refinements to the overall model. In the secondary sector, NZQA is also recalibrating the quality assurance system for NCEA to ensure it remains fair, valid and nationally consistent as the new achievement standards are implemented.

NZQA continues to play a key role in supporting student wellbeing through its regulatory role as Code Administrator for the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021. We have engaged with a broad range of stakeholders to co-develop guidance and capability-building resources for students and providers. We work closely with Universities New Zealand to ensure a joined-up approach to monitoring requirements.

Over the last few years, there has been considerable disruption to the standard review cycles that NZQA follows to meet its quality assurance responsibilities in the secondary and tertiary sectors. NZQA has enabled modifications in processes and more recently managed surges in applications as conditions return to a more typical state.

PUTANGA 1	OUTCOME 1
Ngā tohu mātauranga e hāngai pū ana	Relevant qualifications and credentials

This outcome signals our endeavour to ensure Aotearoa New Zealand’s qualifications and credentials are relevant, credible and portable within Aotearoa New Zealand and internationally.

To achieve this long-term outcome, we need to make sure that Aotearoa New Zealand’s qualifications system is responsive to the needs of different users and stakeholders and steer its development to prepare young people and lifelong learners for the social and employment environment of the future.

Critically, we need to focus on removing barriers that have historically contributed to inequitable outcomes and ensure that all learners can achieve education success through pathways relevant to their world view, context, practices and the communities they live in. As a key part of this, we are working to establish the use of mātauranga Māori in qualifications as commonplace rather than the exception and for te ao Māori perspectives to inform teaching, learning, aromatawai and assessment.

To guide this work, we are focused on achieving two intermediate outcomes:

PUTANGA WAENGA	INTERMEDIATE OUTCOME
1.1 Ko tā te pūnaha tohu mātauranga he whakautu i ngā hiahia o ngā ahu mahi, ngā iwi me ngā hapū, ngā hapori me ngā ākonga, ā, ko te whakatairanga hoki i te mātauranga Māori o roto i ngā tohu mātauranga	The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications
1.2 Te whakamimiti i ngā tauārai hei whakamana i ngā tohu mātauranga me te whakangāwari anō hoki	Barriers to qualification recognition and mobility are reduced

Ngā tohu mātauranga e hāngai pū ana

Relevant qualifications and credentials

PUTANGA WAENGA 1.1

INTERMEDIATE OUTCOME 1.1



Ko tā te pūnaha tohu mātauranga he whakautu i ngā hiahia o ngā ahu mahi, ngā iwi me ngā hapū, ngā hapori me ngā ākonga, ā, ko te whakatairanga hoki i te mātauranga Māori o roto i ngā tohu mātauranga

The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications

He aha tēnei i hirahira ai? Why is this important?

The qualifications system needs to reflect the aspirations of Aotearoa New Zealand, evolving stakeholder expectations, changes in work and society and the need for lifelong learning, driven by digitalisation and other socio-economic forces.

NZQA is committed to giving effect to Te Tiriti o Waitangi. Enabling the inclusion of mātauranga Māori in qualifications ensures they reflect the knowledge systems of Aotearoa New Zealand as an inclusive society. Learners can achieve education success through pathways relevant to their world.

Strengthening the role of industry in the design and delivery of qualifications supports the relevance of vocational qualifications and builds confidence in employers and other users.

Mandating the use of skill standards as the building blocks of qualifications and credentials enhances the portability of learning outcomes. This enables learners to continue their learning when moving between learning modes, environments and regions.

Micro-credentials provide a short form of credentialling that can be used by a wide range of industry and iwi/community providers. Micro-credentials can provide accessible pathways into work matched to skills needs, support lifelong learning and reduce barriers to gaining qualifications.

He pēwhea ā NZQA mahi hei whakatutuki i tēnei How NZQA is working towards this outcome

NZQA has been reviewing the New Zealand Qualifications and Credentials Framework (NZQCF) to make it more relevant to the changing world of work and reflecting the needs of all learners.

Under guidance, te ao Māori has been woven through the draft NZQCF, and it is proposed to include mātauranga Māori in the design and delivery of qualifications over time.

NZQA has played a key role in the Reform of Vocational Education. We have supported the establishment of Workforce Development Councils (WDCs) and Te Pūkenga and continue to collaborate with WDCs and sector representatives to simplify the design of qualifications for vocational education.

Our aim is to provide confidence to employers and other end users that the award of a qualification or credential means that graduates have acquired a consistent set of relevant skills and knowledge, regardless of provider. We also want to provide a system that enables learners to keep learning when moving between regions and modes of delivery, with smooth connections between school-level and tertiary-level vocational education and training.

Ngā paetae matua Key achievements

WEAVING MĀTAURANGA MĀORI INTO THE QUALIFICATIONS SYSTEM

Our kaupapa Māori whare ako framework Te Hono o Te Kahurangi has been woven through the proposed NZQCF to support qualifications and programme developers to refresh te ao Māori perspectives in their teaching, learning and assessment.

The Māori Qualifications Service continues to develop and review New Zealand qualifications predicated on mātauranga Māori. We have also developed exemplars of skill standards incorporating mātauranga Māori, informed by Te Hono o Te Kahurangi. This includes a Toi skill standard, which was included in the skill standards guidelines. Transition plans have been formulated for the progressive development of skill standards as we review existing unit standards and qualifications for which we are the Standard Setting Body.

SIMPLIFYING QUALIFICATIONS DESIGN FOR VOCATIONAL EDUCATION

A significant milestone was achieved in January 2023 when NZQA Rules came into effect for two new education products that will streamline the development of vocational qualifications. NZQA has worked with WDCs and a broad sector group to co-design these products, ensuring user needs are reflected in their development.

The two new vocational education products being introduced are mandatory skill standards, which are replacing unit standards and will be the building blocks of vocational qualifications and credentials, and a New Zealand programme that will provide a single pathway to a New Zealand qualification for which a standard setting body is responsible.

Work is under way to prepare guidance and other collateral to support WDCs and tertiary providers to develop and use these products.

Over the year, we have also progressed the development of a new qualifications and credentials repository, which will bring together vocational qualifications, credentials, programmes and standards in a single database.

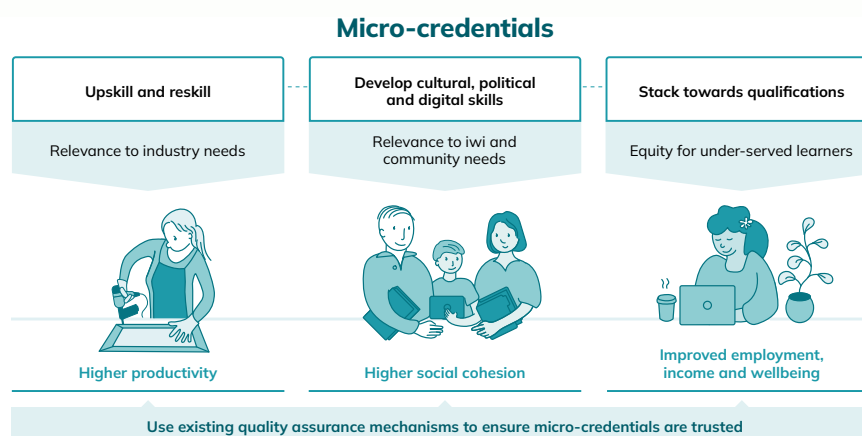
SUPPORTING THE USE OF MICRO-CREDENTIALS

We continue to work with WDCs and providers to develop guidance and resources to support the development, approval and listing of micro-credentials on the NZQCF.

In September 2022, we published two insights papers to share information about the use of micro-credentials as part of a relevant, modern and responsive education system. Case studies in the insights papers showcase the role of micro-credentials, including how they can meet an emerging or urgent skills need.

CASE STUDY abridged from NZQA Insights paper published 21 September 2022

Improving relevance and responsiveness: Aotearoa New Zealand's early micro-credentials journey



Vaccinate a Person with a COVID-19 Vaccine in a Vaccination Setting

Careerforce supports Aotearoa New Zealand workplaces to run workplace training programmes in the health, wellbeing, social and community sectors. In collaboration with the Ministry of Health and other stakeholders, Careerforce developed a micro-credential for COVID-19 vaccinators working under supervision.

A concerted effort between these parties and NZQA meant development and approval of the micro-credential was completed in an expedited timeframe to meet the critical need to increase the vaccination workforce and the diversity of vaccinators, especially Māori and Pacific peoples.

The micro-credential consists of one theoretical and one practical unit standard that are completed at the workplace. By mid-2022, 460 learners had met the requirements of the micro-credential and been authorised to administer the COVID-19 Pfizer vaccine.

Of these, 55% identified as Māori and 12% as Pacific peoples, meeting the aim of increasing representation in the health workforce.

The micro-credential has been successful in meeting its intended outcomes, with positive feedback from learners and employers. It has benefited the health sector, with the increase in vaccinators taking pressure off the regulated workforce and enabling outreach into the more rural areas of Aotearoa New Zealand. Feedback from learners has been particularly positive, including feeling proud that they have a credential on their Record of Achievement and that they can make a difference for their whānau.

This is an example of how micro-credentials can meet urgent and emerging needs through quick development and approval times and enable benefits for learners and employers.

Ngā tohu mātauranga e hāngai pū ana

Relevant qualifications and credentials

PUTANGA WAENGA 1.2

INTERMEDIATE OUTCOME 1.2



Te whakamimiti i ngā tauārai hei whakamana i ngā tohu mātauranga me te whakangāwari anō hoki

Barriers to qualification recognition and mobility are reduced

He aha tēnei i hirahira ai? Why is this important?

Reducing the barriers to qualification recognition has benefits for immigration, professional recognition, employment and further study.

The recognition of Aotearoa New Zealand qualifications encourages learners from other countries to study in Aotearoa New Zealand and allows New Zealanders to use their qualifications overseas.

Where an overseas qualification is recognised by NZQA, individuals immigrating to Aotearoa New Zealand can have certainty that their qualification has parity with a qualification type and/or level on the NZQCF. Employers can also have confidence in the international credentials of current and prospective employees.

Recognition arrangements support labour mobility under free-trade agreements and other bilateral arrangements. That learners can confidently add to and transport their qualifications is important in a rapidly changing world. The future of work requires people to gain valued qualifications and retrain and upskill throughout their working life.

He pēwhea ā NZQA mahi hei whakatutuki i tēnei putanga How NZQA is working towards this outcome

As Aotearoa New Zealand’s designated National Education Information Centre and competent recognition authority, we work with education providers, employers, other agencies and countries to support the recognition of Aotearoa New Zealand qualifications overseas. We also evaluate overseas qualifications so skilled migrants can access work and further study in Aotearoa New Zealand.

We have an International Strategic Action Plan 2023–25 that guides our activities in these areas and a programme of international engagements to increase the credibility and transparency of Aotearoa New Zealand qualifications in other jurisdictions and meet our education-related international commitments.

NZQA has obligations under the Lisbon and Tokyo UNESCO Conventions on the Recognition of Higher Education Qualifications to remove the barriers to recognition and to provide transparent, fair and timely evaluation of overseas qualifications. NZQA’s evaluation reflects the international good-practice guidance provided in the Conventions.

Ngā paetae matua Key achievements

ENGAGING IN INTERNATIONAL FORA AND NETWORKS

We have continued to develop and maintain relationships with key stakeholders both within Aotearoa New Zealand and offshore and to facilitate international visits to NZQA. Participation in international fora and networks is important in our work, and a key engagement this year has been our active involvement in the recently launched Global Academic Integrity Network set up to tackle commercial cheating operations and protect students, qualifications and the integrity of national education systems.

SUPPORTING PACIFIC COUNTRIES

NZQA is strengthening its approach to building relationships and providing support to education agencies across the Pacific region.

Since 2019, NZQA has been working to establish a long-term project with Pacific signatories to the PACER Plus aid and trade agreement and the Educational Quality and Assessment Programme (EQAP) of the Pacific Community – the guardian of the Pacific Qualifications Framework. The intent of the project is to support sustainable development of Pacific qualifications systems to enable recognition of Pacific qualifications.

Based on a business case from NZQA, in March 2023, the Minister of Foreign Affairs approved funding for the five-year implementation phase of the Pacific Qualifications Recognition project. Following the funding announcement, NZQA has been planning with EQAP for the project work to recommence with Pacific national partner agencies later in 2023.

As part of NZQA's long-standing support for the delivery of NCEA in Pacific Realm countries, NZQA has also provided training and support on external digital assessment tools to Cook Islands pilot schools. The seven schools involved in the training have all opted to use the digital platform for the new NCEA Literacy and Numeracy co-requisite assessment in September 2023. NZQA has also continued to progress work to support delivery of NCEA in Tokelau, with NCEA Level 1 introduced through Te Kura this year and Tokelau working towards Level 2 in 2024.

RECOGNITION OF OVERSEAS QUALIFICATIONS

In the last year, there has been a significant rapid rise in applicants wanting their overseas qualification recognised in Aotearoa New Zealand. NZQA received 19,221 applications for qualification recognition in 2022/23, representing a 58% increase compared to the previous financial year.

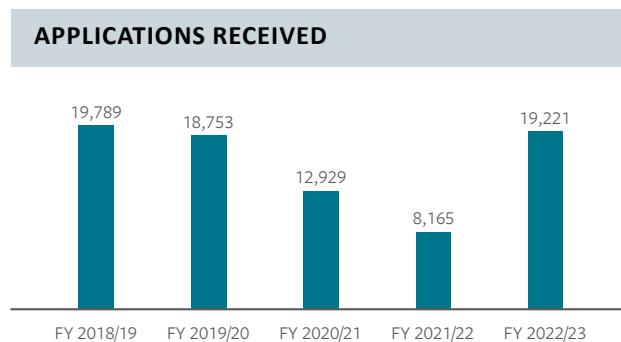
This growth reflected the relaxing of COVID-19 restrictions, changes to immigration policy and teacher supply initiatives as well as a continued demand for skilled labour.

NZQA has worked hard to meet the extra demand and bring the resultant backlog to a manageable level. Initiatives have included streamlining business processes, employing additional evaluation staff and improving training for new staff.

It is anticipated that application volumes will continue to increase next year, and we are working on further improvements to the evaluation process.

Discussions are under way with the Ministry of Business, Innovation and Employment about the impact of further immigration policy changes and work to support the development of a new list of qualifications exempt from assessment. NZQA is also working closely with the Ministry of Education to support its teacher supply initiatives by giving priority to applicants who have relevant overseas teaching qualifications.

He whai i ngā whanaketanga Tracking progress



PUTANGA 2	OUTCOME 2
Te whakapono ki ngā aromatawai me te whakaū kounga	Trusted assessment and quality assurance

Our contribution to Aotearoa New Zealand’s reputation for providing robust, valid and fair education is through our assessment and quality assurance systems. We support the delivery of credible aromatawai and assessment that enable learners to access high-quality learning and achieve qualifications. We regulate secondary and tertiary education providers to support equitable assessment outcomes for all learners.

To achieve trusted assessment and quality assurance, we need to ensure that our aromatawai, assessment and quality assurance practices adapt to reflect teaching and learning approaches and meet the changing needs of learners and stakeholder groups.

A key focus for NZQA is the continuing work with the Ministry of Education to implement the NCEA Change Programme, particularly providing assessment expertise for the Ministry’s achievement standard development work as well as implementation support to pilot schools and kura.

To guide this work, we are focused on achieving four intermediate outcomes:

PUTANGA WAENGA	INTERMEDIATE OUTCOME
2.1 E noho haepapa ana ngā aromatawai me ngā whakaritenga o te aromatawai, ā, e tautoko ana i te kounga o ngā mahi ako me ona tutukinga	Credible assessment and aromatawai practices support high-quality learning and achievement
2.2 E hāngai tonu ana ngā whakaritenga o te aromatawai ki ngā huringa o te ao e ai ki ngā hiahia o ngā ākonga, ngā hapori me ngā ohu mahi	Assessment and aromatawai practices adapt to the changing needs of learners, community and industry
2.3 E noho haepapa ana te whakaū kounga e tautoko ai i te kounga o ngā mahi whakaako, ngā mahi ako me te aromatawai	Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment
2.4 E hāngai tonu ana te mahi whakaū kounga ki ngā huringa o te ao e ai ki ngā hiahia o ngā ākonga, ngā hapori me ngā ohu mahi	Quality assurance adapts to the changing needs of learners, community and industry

Te whakapono ki ngā aromatawai me te whakaū kounga

Trusted assessment and quality assurance

PUTANGA WAENGA 2.1

INTERMEDIATE OUTCOME 2.1



E noho haepapa ana ngā aromatawai me ngā whakaritenga o te aromatawai, ā, e tautoko ana i te kounga o ngā mahi ako me ona tutukinga

Credible assessment and aromatawai practices support high-quality learning and achievement

He aha tēnei i hirahira ai? Why is this important?

Assessment and credentialling strongly support effective teaching. We want assessment to be a positive and seamless experience that is aligned with learning.

Positive assessment experiences play a key part in promoting a learner’s interest in lifelong learning. It is important that methods of assessment give learners broad opportunities to demonstrate what they know and can do and are provided in familiar modes.

Having credible and accessible assessment and aromatawai processes is a key enabler of ākonga/student attainment.

He pēwhea ā NZQA mahi hei whakatutuki i tēnei putanga How NZQA is working towards this outcome

NZQA is responsible for the management of the external assessment cycle for secondary school students in Aotearoa New Zealand whereby students’ learning is evaluated through externally developed and marked assessments. This is separate from the internal assessments conducted by schools.

This involves a number of key processes, including the development of assessment materials, marking of assessments and moderation of marking to ensure consistency and fairness. Results are released to students in January of the following year.

NZQA also supports the assessment capabilities of teachers and assures valid, reliable and equitable assessment for all learners. We work closely with subject experts, teachers and other stakeholders to ensure that the assessment materials meet required criteria and actively share best practice with teachers and assessors.

We continue to engage with iwi, hapū and the wider community to build understanding and confidence in secondary assessment processes.

Ngā paetae matua Key achievements

ASSESSOR SUPPORT

Prior to COVID-19, teacher engagement with our Assessor Support guidance and resources was primarily face to face. Since 2020, we have expanded our online offerings, generating significant growth in engagement compared to prior years.

As at 30 June 2023, there were over 6,000 users for Pūtake, our learning management system. This is a 122% increase from 2021/22 (2,650 users). Of the over 6,000 users:

- approximately 2,000 teachers accessed the short courses
- 501 teachers attended the online workshops.

In addition to using Pūtake, 398 teachers attended across six face-to-face workshops.

In 2022, we developed the Assessor Practice Tool to support teachers and assessors in making assessment judgements. Over September to October 2022, the tool was piloted by 86 teachers and assessors in three subjects (Statistics, Design and Visual Communication, and Media Studies). Participants in the pilot reported that the tool is helpful and that they would use it to practise making assessment judgements. Adjustments have been made to the tool based on their feedback, and a second pilot is planned for later in 2023.

MANAGING THE EXTERNAL ASSESSMENT CYCLE

The 2022 end-of-year NCEA and New Zealand Scholarship examinations were held from Monday 7 November to Friday 2 December 2022 and involved:

146,034 ākongā/students

1.7 million printed examination booklets

132 examination sessions, including 67 online examinations

468 exam centres in kura and schools, including seven in the Cook Islands, one in Niue, two in prisons and three in Regional Health Schools

1,500 markers

7,123 examination centre staff

77 exam centres with 70% or higher ākongā Māori

NCEA results were released to students on 17 January 2023, with students able to access marked NCEA exam papers online from 24 January. New Zealand Scholarship results were released on 8 February 2023, and students were able to view their scripts online from 9 February.

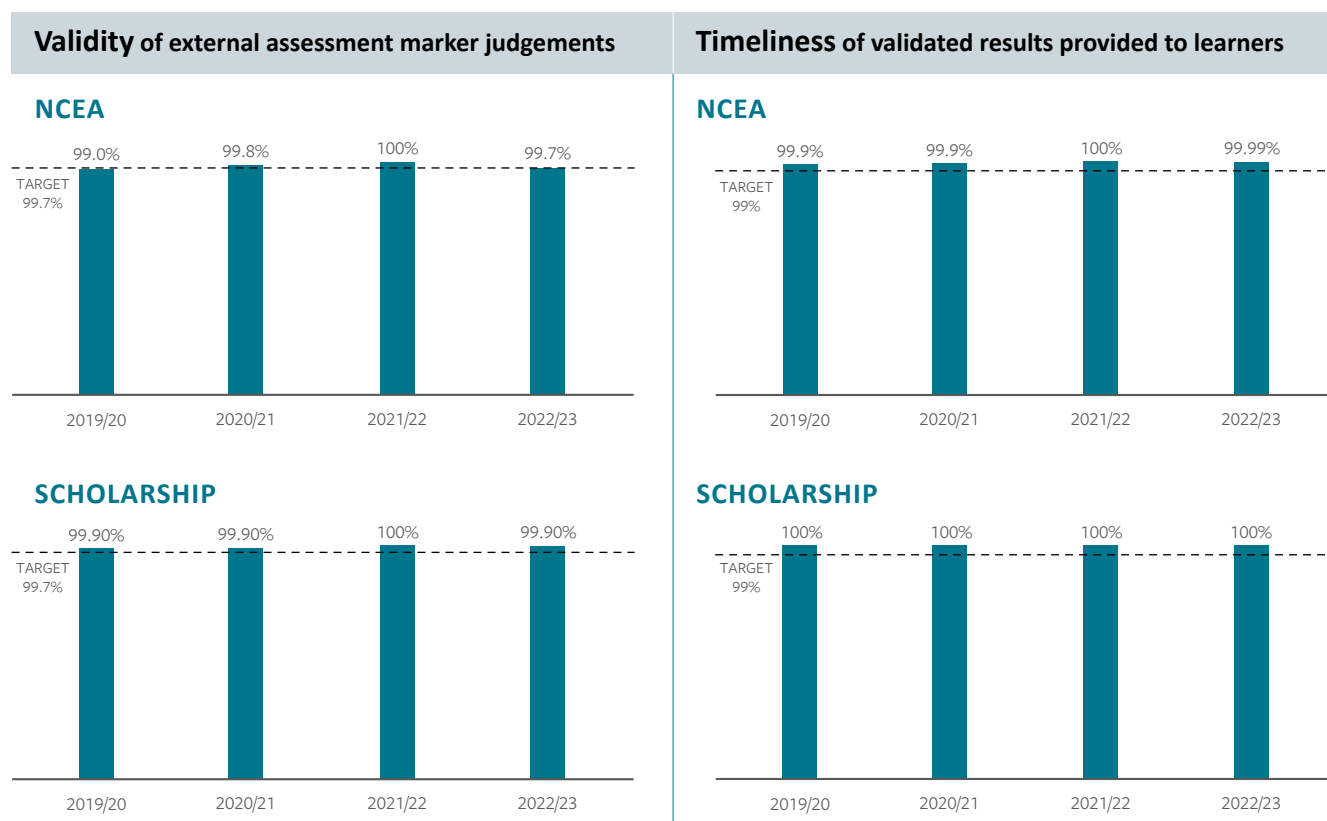
Following continued disruption from COVID-19, changes were made to NCEA qualifications and the University Entrance award in 2022. These included the provision of Learning Recognition Credits, reduced credit thresholds for certificate endorsement and a reduced credit requirement for one of the UE approved subjects for the award of University Entrance.

For 2023, students can be awarded their NCEA qualification earlier in the year, outside of the normal annual cycle. This is to support students where learning is extended into 2023. Once awarded their qualifications, students will be able to commence further study or employment without necessarily needing to attend school for a full academic year.

In March 2023, kura and schools were advised that Learning Recognition Credits would not be available in 2023. Schools and kura should be able to manage any ongoing impact of COVID-19 through the flexibility built into NCEA and their usual processes for managing disruption.

He whai i ngā whanaketanga Tracking progress

MANAGING THE 2022/23 EXTERNAL ASSESSMENT ROUND – ALL RESULTS AT OR ABOVE TARGET



Refer SPE measures 2.1a(i), 2.1a(ii), 2.1a(iii) and 2.1a(iv) – page 62.

ART EXHIBITIONS CELEBRATING EXCELLENCE

Examples of Ringa Toi artwork and Top Art are shown in this Annual Report.

Ringa Toi student exhibition

Ringa Toi is an annual exhibition that showcases the artwork of secondary school students with a focus on Toi Māori. The Ringa Toi exhibition for 2022 was opened by Minister Jan Tinetti in September at Rongomaraeroa Marae inside Te Papa Tongarewa.

Ringa Toi 2022 contained more than 80 artworks from students around Aotearoa New Zealand. Work displayed showcases a range of Māori art forms, including raranga, kākahu (wearable art), tukutuku, tāniko, whakairo, kōwhaiwhai, mahi-tā (paint, print, spray), uku, whakapakoko (sculpture) and mahi-matihiko (digital).

Top Art exhibition

The 2023 Top Art exhibition opened in February at Massey University in Wellington and will travel around the country until September 2023. This annual touring exhibition showcases Visual Arts portfolios from students who achieved Excellence in NCEA Level 3. The portfolios cover five fields of Visual Arts: design, painting, photography, printmaking and sculpture. The schedule of the tours is available on the NZQA website.



Credit: Nyle Turuwhenua, Pukekohe High School, Pukekohe (Excellence NCEA Level 3 – Sculpture)

Te whakapono ki ngā aromatawai
me te whakaū kounga

Trusted assessment and
quality assurance

PUTANGA WAENGA 2.2

INTERMEDIATE OUTCOME 2.2



E hāngai tonu ana ngā whakaritenga o te aromatawai ki ngā huringa o te ao e ai ki ngā hiahia o ngā ākonga, ngā hapori me ngā ohu mahi

Assessment and aromatawai practices adapt to the changing needs of learners, community and industry

He aha tēnei i hirahira ai?
Why is this important?

Our vision – Kia noho takatū ki tō āmua ao | [Qualify for the future world](#) – means that we must shape and refresh assessment and aromatawai processes and tools to meet changing learner and stakeholder needs.

NCEA external assessments should enable effective engagement, support equitable outcomes and be relevant for a digital age. Learners need to be well prepared for a rapidly changing world of work and to make a valuable contribution to their communities.

Providing assistive technologies, adaptive processes and familiar contexts for assessment is key to removing barriers so that all students can demonstrate their knowledge, skills and understanding when being assessed.

He pēwhea ā NZQA mahi hei whakatutuki i tēnei putanga
How NZQA is working towards this outcome

NZQA works on multiple fronts to give effect to this outcome.

Special Assessment Conditions (SAC)

We recognise some learners do not have equal access to qualifications, and we are committed to working with them, their whānau and education organisations to reduce barriers. Through providing SAC, we aim to address barriers to fair assessment in NCEA and New Zealand Scholarship and build on the ongoing learning support offered by kura and schools. We will continue to:

- raise awareness of SAC and support access to fair assessment for students with sensory, physical, medical or learning differences
- engage with schools where SAC applications are lower than expected for the school profile
- provide support through information and guidance, seminars and engagement with NZQA’s school relationship managers.

A key focus for NZQA is to increase SAC applications from Māori and Pacific learners at a rate that is equal to or greater than that of their peers.

Supporting the NCEA Change Programme

Together with the Ministry of Education, we continue to implement the NCEA Change Programme. This programme includes the introduction of Literacy and Numeracy | Te Reo Matatini me te Pāngarau co-requisites and the development of new achievement standards for the New Zealand Curriculum and Te Marautanga o Aotearoa.

NZQA has a key role in the quality assurance of the new achievement standards, the design of external assessment and supporting kura and schools in the delivery of the new assessments (both internal and external). NZQA is providing assessment expertise and input to the Ministry's achievement standards development work and is providing implementation support to the pilots of the draft standards through the digital assessment platform.

NZQA is developing and marking the Literacy and Numeracy | Te Reo Matatini me te Pāngarau assessments for the new NCEA co-requisite unit standards.

Digital Assessment Service

NZQA is 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 (UDL) principles, ensuring inclusive practices and enabling assistive technologies.

Digital external assessment has been part of NZQA's business as usual for the last year, realising the shift from 'paper first' to 'digital first'. Digital technologies provide opportunities for new types of support and services that have the potential to reduce barriers for learners significantly.

We will continue to strengthen participation in digital external assessment in partnership with the secondary education sector, the Ministry of Education and Network for Learning. Further enhancement of our digital platform to support assistive technologies for learners with particular learning needs will also remain a priority.

Meeting the unique needs of kura

Since 2020, we have been working with kura and schools to ensure, where possible, that ākonga Māori can sit their external NCEA and New Zealand Scholarship examinations in a culturally familiar environment. This includes kura or schools becoming an exam centre and NZQA providing instructions in te reo Māori.

NCEA workshops for Māori and Pacific whānau

NZQA plays an important role in providing information to Māori and Pacific whānau to better enable them to understand the education system and support their tamariki.

Our two flagship NCEA workshops – NCEA me te Whānau and NCEA ma le Pasifika – along with tailored information and resources help ākonga Māori, Pacific learners, whānau and communities to understand and engage with NCEA with more confidence and success.

Ngā paetae matua Key achievements

IMPROVING ACCESSIBILITY AND SPECIAL ASSESSMENT CONDITIONS

NZQA is continuing to engage schools and kura regarding the intended changes to SAC processes following the Ministry of Education’s SAC review that concluded in 2022. The Ministry of Education and NZQA agreed to the following three interdependent actions arising from the review:

- Coherently use UDL to strengthen the inclusive design of NCEA assessment processes and associated systems, tools and resources.
- Transition from the current approvals model of SAC to a more equitable, responsive and sustainable non-approvals model to align with the progressive roll-out of the new standards.
- Enable schools and kura to strengthen their own capability in the inclusive design of teaching and assessment in NCEA supported by timely access to learning support services such as Resource Teachers: Learning and Behaviour.

A total of 28 in-person SAC seminars have been held thus far this year with almost 700 participants and over 280 schools and kura in attendance. These seminars explain the findings and objectives of the Ministry’s SAC review and the proposed specific changes to processes for schools and kura.

NZQA is finalising the roll-out of the SAC Notification Gateway from October 2023 to be available for NCEA Level 1 learners in 2024. This transition is designed to reduce the administrative burden on schools.

DIGITAL EXTERNAL ASSESSMENT

The first external digital assessments for new New Zealand Curriculum and Te Marautanga o Aotearoa achievement standards and the co-requisite Literacy and Numeracy | Te Reo Matatini me te Pāngarau standards commenced in June 2022 and continued through to Term Four. Highlights from the external digital assessment pilots held in 2022 and 2023 include:

- a successful small-scale test involving the use of audio and headphones in a Japanese pilot assessment
- engaging with a small number of schools to trial text-to-speech functionality in the Literacy and Numeracy assessments
- supporting learners to provide recorded oral responses to external assessments instead of typed responses.

IMPLEMENTING THE LITERACY AND NUMERACY | TE REO MATATINI ME TE PĀNGARAU CO-REQUISITE

Results for Literacy and Numeracy pilot assessments completed in June and September 2022 were released to learners and their providers in late August 2022 and late November 2022 respectively. The pilots provided opportunities for improving overall assessment design, delivery and marking.

We continue to include Māori and Pacific voices throughout the assessment design and development process and to build UDL principles into assessments as part of our focus on equity for ākonga Māori, Pacific learners and those with additional learning needs.

We refined the assessment process and the user experience ahead of the June 2023 assessment event. Over 41,300 students from schools and kura participated in the literacy and numeracy | te reo matatini me te pāngarau assessments in June 2023. This is 88% of the 46,800 students who entered for these assessments.

ENABLING INCREASED PARTICIPATION IN DIGITAL EXTERNAL ASSESSMENT

Enabling increased participation in digital external assessments has been a key focus over the last year and will remain so. We are intent on improving uptake by all learners and particularly by Māori and Pacific ākonga/learners because of the opportunities digital technologies provide to reduce barriers to equitable assessment.

There has been positive progress over the last year with the overall percentage of students participating in digital assessment in digitally available standards increasing to 34.3% in 2022 compared to just under 19.6% in the 2021 examination round.

The proportion of Māori and Pacific students engaging in digital assessments where external assessments, are offered digitally, has increased. However, the proportion of other learners engaging in digital assessment has also increased and the equity gap has not lessened.³

Over the last year, NZQA has undertaken a number of steps to enable greater uptake of digital external assessment, working towards our aims of 50% of all students and equal or higher participation rates by ākonga Māori and Pacific students than for their peers.

During 2022, Network for Learning was engaged to undertake free assurance checks of network infrastructure for 131 targeted kura and schools to provide confidence about the capacity, reliability and security of network infrastructure.

NZQA and the vendor continue to update the digital external assessment platform to meet web accessibility standards. This will allow NZQA to offer a better student experience when using screen readers and other types of assistive technologies.

Over the latter part of 2022/23, NZQA undertook a digital scale-up project together with the Ministry of Education and Network for Learning. The aim has been to understand schools' decision-making processes and identify obstacles to digital assessments and possible resolutions, particularly to ensure equitable access and opportunities for ākonga Māori, Pacific and disabled learners. A key outcome of this project will be to identify the levers needed to support increased participation in digital external assessment in 2023 and 2024.

MEETING THE UNIQUE NEEDS OF KURA

NZQA continues to improve our products and services for kaupapa Māori kura. We are developing a culturally appropriate approach to the regulation of kura delivering assessment for qualifications. An example of this is the incorporation of *Aromatawai and the Principles of Assessment*⁴ into the Managing National Assessment (MNA) reviews of kura.

We identified the need to develop better fit-for-purpose Leading National Assessment seminars in kura. Subsequently, three were conducted in te reo Māori in Northland, Waikato and Bay of Plenty for those kura that had expressed an interest.

³ SPE measures 2.2b(i) and 2.2b(ii) show detailed results for participation in digital external assessments – see pages 64 and 65.

⁴ For more information, visit [Aromatawai and the Principles of Assessment \(nzqa.govt.nz\)](https://www.nzqa.govt.nz).

NCEA WORKSHOPS FOR MĀORI AND PACIFIC WHĀNAU

Our NCEA in-person and online workshops continue to ensure that ākonga Māori, Pacific learners and their whānau have equitable access to quality information and resources to successfully navigate education and employment pathways essential to their success.

These free workshops are engaging and interactive and include information about NCEA, subject choices, career pathways, digital exams and the support that is available.

Our NCEA me te Whānau and NCEA ma le Pasifika workshops make a difference according to the feedback we receive from participants. Attendees have consistently told us they value the information they get, geared to their needs and circumstances, and the opportunity to have their questions answered.

We continue to grow our reach through in-person and online workshops, sharing information with ākonga Māori, Pacific learners and their whānau at events and via social media connections.

NCEA me te Whānau

There have been 91 NCEA me te Whānau workshops this year – bringing the total of participants in these workshops to more than 10,000 over the last three years. During 2022/23, there have also been nearly 3,000 social media connections and over 5,000 individual engagements at national events we have attended such as Te Matatini Māori performing arts festival.

NCEA ma le Pasifika

There have been 40 in-person NCEA ma le Pasifika workshops in 2022/23, with over 2,070 participants attending. This year, we also had more than 10,000 social media connections and interacted with thousands more at events such as Polyfest 2023 and Pasifika Festival 2023.

He whai i ngā whanaketanga Tracking progress

Continuing increase in SAC applications and a relatively higher increase for Māori and Pacific students – ACHIEVED for 2022/23			Relatively higher increase in SAC applications for lower-decile schools (1–3) than for higher-decile schools (8–10) – ACHIEVED for 2022/23	
Māori: +11.8%	Pacific: +11.7%	Other: +11.5%	Deciles 1–3: +15.2%	Deciles 8–10: +10.4%

Refer SPE measures 2.2a(i) and 2.2a(ii) – page 63.

Refer SPE measure 2.2a(iii) – page 63.

Feedback from NCEA me te Whānau workshops in 2022/23 – ABOVE 90% TARGET		Feedback from NCEA ma le Pasifika workshops in 2022/23 – ABOVE 90% TARGET	
97%	Workshop participants who reported an increase in their understanding of NCEA	98%	
95%	Workshop participants who reported being more confident to support their tamaiti/child	98%	

Te whakapono ki ngā aromatawai
me te whakaū kounga

Trusted assessment and
quality assurance

PUTANGA WAENGA 2.3

INTERMEDIATE OUTCOME 2.3



E noho haepapa ana te whakaū kounga e tautoko ai i te kounga o ngā mahi whakaako, ngā mahi ako me te aromatawai

Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment

He aha tēnei i hirahira ai? Why is this important?

Having robust quality assurance processes that are grounded in good practice regulatory approaches is a key foundation for an effective education system.

Effective quality assurance supports providers in developing their own improvement strategies for teaching, learning and assessment, tuned to learner needs and the settings they work within. It also enables adaptation to reflect equity considerations for ākongā Māori, Pacific learners, disabled learners and other disadvantaged groups.

At the same time, risks to learners, institutions and the Crown's investment are minimised. Such risks relate to the validity and value of qualifications obtained by learners, the financial position of providers and, in turn, reputational risks for institutions and Aotearoa New Zealand's education system.

He pēwhea ā NZQA mahi hei whakatutuki i tēnei putanga How NZQA is working towards this outcome

We use a range of tools to ensure that secondary and tertiary education providers deliver high-quality education and training that meets the needs of learners, employers and other stakeholders. There are four components to our quality assurance system that inform each other: entry controls, monitoring quality, external evaluation and review, and managing risk.

Quality assurance in senior secondary schools

NZQA works with schools and kura to monitor the quality of assessment and outcomes for students engaged in NCEA to ensure that assessment is fair for all students and that results are credible. Each school and kura has a school relationship manager who is their key point of contact in NZQA for advice on assessment rules, consent to assess, resolving issues and providing resources to support their leadership of assessment. This year, we have also allocated our Māori staff to kura auraki with high numbers of Māori students.

A review of each school and kura takes place at least every four years to ensure that assessment is valid, fair, consistent, reliable and accurate and meets the needs of students and the requirements of the national standard and the NZQA Assessment Rules for Schools. Where improvements are needed, a shorter MNA cycle is put in place.

NZQA is commencing a work programme to recalibrate the quality assurance system for NCEA to support the successful implementation of the new standards arising from the Review of Achievement Standards. This is aligned with the NCEA Change Programme and involves reviewing moderation processes for school-based NCEA assessment to support teachers to assess new NCEA standards, improvements to NZQA’s model for managing national assessment and developing new evidence and evaluation frameworks for assessment.

Tertiary quality assurance

NZQA is responsible for assuring educational quality of tertiary education (except that provided by universities) by:

- registering private training establishments
- approving applications to list qualifications (excluding university qualifications), micro-credentials and skill standards
- approving the design of programmes and micro-credentials and accrediting and monitoring delivery of these
- implementing a programme of external evaluation and reviews (EERs) to confirm the ongoing capability of each provider and reviews to assure consistency that graduates are achieving qualifications to an equivalent national standard and that these remain fit for purpose
- investigating and addressing poor education performance.

NZQA’s Te Hono o Te Kahurangi quality assurance framework is used to quality assure qualifications and programmes of study, register private training establishments and assess organisational performance. Providers whose education is delivered in a way that incorporates mātauranga, kaupapa and tikanga Māori can opt to be quality assured using Te Hono o Te Kahurangi.

Ngā paetae matua Key achievements

GUIDANCE ON AROMATAWAI AND THE PRINCIPLES OF ASSESSMENT

In August 2022, NZQA released *Aromatawai and the Principles of Assessment*. The document is designed to support kura, schools and tertiary providers in developing quality assessment and aromatawai practices. This also supports our aim to strengthen the sector’s understanding of aromatawai – a teaching, learning and assessment approach underpinned by mātauranga Māori.

Work has begun for Phase 2 of this project to refresh current good-practice assessment guidance to support effective practice. The guidance will be methodology neutral, applicable across the NZQCF and act as an overarching umbrella for best practice. Phase 3 will involve working with providers to develop online resources that exemplify quality assessment practice in a range of contexts. The assessment resources will be an online publishable resource.

MAINTAINING CURRENCY OF NZQA-OWNED STANDARDS

All Māori Qualifications Services and National Qualifications Services unit standards were maintained by 30 June 2023 as per the review cycle schedule.

ARTIFICIAL INTELLIGENCE AND ACADEMIC INTEGRITY

NZQA has been considering the potential effects of generative artificial intelligence (AI) on its regulatory functions and business operations – the possible risks, challenges and opportunities. A key area of focus is to better understand the impacts on internally assessed NCEA standards and externally assessed NCEA subjects.

AI has been built into many software applications that students use regularly such as MS Word, MS Excel and Grammarly. AI is advancing at a rapid rate, with Microsoft and Google announcing the addition of ChatGPT-like technology to their search engines.

NZQA has released a new online learning module for assessors called *Tāku Reo, Tāku Mahi* (My Words, My Work), which is based on NZQA's *Aromatawai and the Principles of Assessment*. It includes advice and guidance around academic honesty and integrity, plagiarism and AI text and image generators.

NZQA led a national symposium – *Assessment in the Age of AI* – in May 2023, providing a forum for assessment leaders across the secondary and tertiary sectors to understand the risks and opportunities of generative AI in education. This included how AI may affect the future form and function of assessment and mitigate inequities, as well as potential risks to assessment rigour and challenges to academic integrity.

NZQA has established an AI Working Group and is actively monitoring international developments, including the use of AI detectors or checkers. We continue to collaborate with advisory groups and peak bodies to keep the sector updated.

QUALITY ASSURANCE IN SENIOR SECONDARY SCHOOLS

The MNA review process has been operating well over the last year, with visits to 174 kura and schools, including 108 visits that had been rescheduled due to COVID-19 restrictions in 2020 and 2021. After a three-year hiatus owing to the pandemic, we conducted 19 systems checks of school quality assurance processes for derived grades – a key part of the MNA cycle.

We are also introducing a culturally responsive approach to quality assurance of kura assessment processes. This is being tested in our MNA reviews of kura to help ensure ease of use and conformity with our requirements for confirming ongoing consent to assess for kura as well as meeting nationwide assessment standards.

NZQA conducts external moderation of school-based assessment of internal standards to ensure they are fair, valid and consistent nationally. This includes assuring that assessment processes provide all students with an equal opportunity to achieve at all levels and that contexts are suitable for all ākongā.

All schools use the External Moderation Application for making moderation submissions. The submission of digital materials continues to increase and is now 86% of all submissions.

COVID-19 affected our moderation turnaround times, but this has now been addressed with 90% completed in 20 days and 97% completed within 30 days. Some moderations take longer where they are moderated by kāhui or fono panels. For the external moderation round for 2023, we are adapting deadlines for schools affected by Cyclones Dovi and Gabrielle.

We actively share assessment best practice and guidance with teachers and assessors to support robust assessment and quality assurance

practices and have continued to expand our offerings through Pūtaka – NZQA’s learning management system. We also conducted online and face-to-face Leading National Assessment seminars in February and March 2023 focusing on school readiness for the implementation of the NCEA Change Programme, particularly external digital assessments and the support needs of schools and kura.

Engagement with NZQA’s Assessor Support programme has continued to rise at a steady rate.

He whai i ngā whanaketanga Tracking progress

ASSESSOR SUPPORT	As at 30 June 2023
Number of users of Pūtaka	6,000+
Number of teachers who accessed the short courses	2,000
Number of teachers who attended the online workshops	500
Feedback that online courses and modules were ‘useful’ or ‘very useful’	100%

Ngā paetae matua Key achievements

QUALITY ASSURANCE OF TERTIARY ORGANISATIONS

This year, we have monitored a range of sub-degree tertiary programmes, taking a deep dive into providers' own internal moderation systems, programme review processes and (responding to COVID-19) monitoring of online delivery to offshore learners.

A key focus of our monitoring activities is to ensure we share with providers what we have learned. We publish reports summarising monitoring findings, which include examples of good practice and areas that need to be strengthened. Findings from monitoring have also been used to design workshops to support improved provider practice and to develop guidance (for example, for online assessment).

Assuring Consistency events have been well attended and are ahead of schedule in terms of the number conducted this financial year.

Similarly, the percentage of EERs completed is higher than usual. This is a consequence of the high number of EER deferrals in 2021/22 owing to COVID-19 impacts. In the interests of efficiency and sustainability, most EERs this year have been conducted online. Internal monitoring confirms that this shift in mode has had no effect on the quality of the process. However, site visits are still undertaken where necessary (for example, to view the premises of a newly registered provider).

Since 1 July 2022, all EERs at the scoping phase have been required to include information on the support for and performance of any disabled learners enrolled at the provider. Over time, this information will be used to develop a deeper

understanding of the range of support systems available to disabled learners and to track relative levels of achievement within this priority learner group.

At this early stage, many providers have not yet collected separate performance data on disabled learners. However, a small number of providers that deliver Level 1–3 programmes have actively identified disabled learners on entry and supported their progress in training with appropriate resources. NZQA has provided a capability-building online workshop for any providers wishing to raise their performance in this area, and this has been well attended.

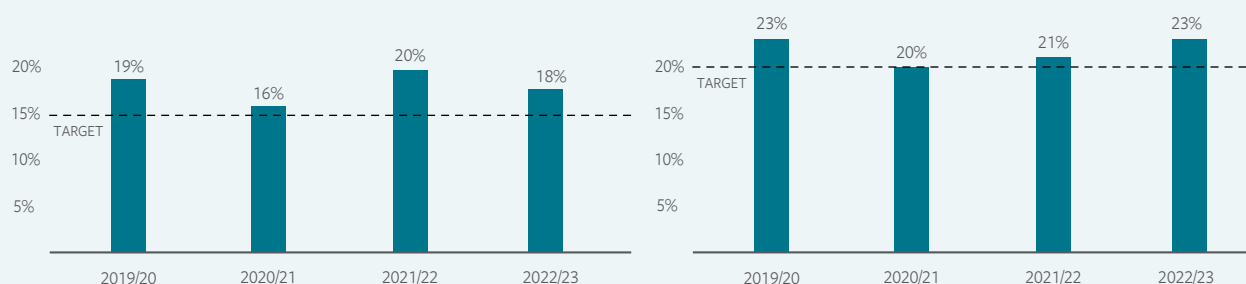
This year we have assessed over 420 risk-related referrals since 1 July 2022. Of those referrals, approximately 280 have been from learners seeking advice and have been resolved quickly through guidance, and support and active follow-up. The remaining referrals, including formal complaints (30) and investigations (19), required varying levels of intervention.

The number of investigations opened in 2022/23 doubled from 2021/22. The increase was from identification of poor assessment and moderation practices and some international education providers not meeting requirements following the reopening of Aotearoa New Zealand's borders.

Where an investigation has been instigated, our approach has been to engage with the provider to implement actions addressing the identified concerns, track progress and reassess once the improvements have been completed. This approach has meant providers have achieved compliance without us needing to take statutory action this year.

He whai i ngā whanaketanga

Tracking progress



The proportion of New Zealand qualifications (that have graduates) that undergo a Consistency Review in any one financial year.

Refer 2.3a(ii) – page 66.

The percentage of non-university tertiary education organisations that had an EER completed

Refer 2.3a(iii) – page 66.

EER reports arrive at confidence statements about a provider’s education performance and its capability in self-assessment. Following this process, NZQA allocates category ratings for each provider.

As at June 2023, approximately 86% of non-university providers are Category 1 or 2, which means NZQA is confident or highly confident in the provider’s education performance and its capability in self-assessment.

The remaining providers are Category 3, which means NZQA is not yet confident in the education organisation’s education performance or its capability in self-assessment, and a range of requirements are imposed. In such cases, NZQA monitors the effectiveness of remediation actions taken by the provider.

REDESIGNING OUR TERTIARY QUALITY ASSURANCE APPROACH

In 2022, we completed a strategic review of NZQA's Quality Assurance Framework (QAF) for non-university tertiary education. The review found that the overall model remains fit for purpose but needs refining to reflect changes arising from the Education and Training Act 2020 and to vocational education. It also needs to incorporate NZQA's regulatory principles and be aligned with the NZQCF.

Work on the redesign of our QAF has continued over the last year as follows:

- A cross sector advisory group has focused on designing the frame of the overall approach for NZQA's quality assurance functions, incorporating its regulatory framework. The group has included representatives from WDCs, Te Pūkenga, wānanga and private training establishments as well as industry, employer, union and learners' groups and universities.
- Four guiding principles have been developed, drawing on kaupapa within Te Hono o Te Kahurangi – our whare ako quality assurance approach. The advisory group has also endorsed the need for a tailored, more flexible approach to quality assurance.

- The next phase is to work with subsector working groups to redesign elements of the quality assurance approach, drawing on the kaupapa and guiding principles. The focus is on enabling quality assurance to be scaled and tailored to the performance and context of organisations as well as understanding system-level performance.

NZQA has agreed interim quality assurance arrangements with WDCs and Te Pūkenga for 2023. Determining the ongoing quality assurance arrangements for these entities is a key aspect of the quality assurance redesign.

Te whakapono ki ngā aromatawai
me te whakaū kounga

Trusted assessment and
quality assurance

PUTANGA WAENGA 2.4

INTERMEDIATE OUTCOME 2.4



E hāngai tonu ana te mahi whakaū kounga ki ngā huringa o te ao e ai ki ngā hiahia o ngā ākonga, ngā hapori me ngā ohu mahi

Quality assurance adapts to the changing needs of learners, community and industry

He aha tēnei i hirahira ai? Why is this important?

In a rapidly changing education environment, effective regulation requires adaptation of quality assurance processes based on data and insights and understanding of changing needs gained through learner and stakeholder engagement.

Enhanced quality assurance processes for student safety and wellbeing remove barriers to learning and bring greater confidence in Aotearoa New Zealand’s education system. Having positive wellbeing and care is essential for learners to get the most out of their education experience and achieve success. Effective pastoral care of learners is also critical to Aotearoa New Zealand’s reputation as a world-class education provider.

Ready access to new tools and analytics enables providers to adapt and improve their offerings to stay fit for purpose and to deliver learning outcomes that are needed for the social and employment environment of the future.

He pēwhea ā NZQA mahi hei whakatutuki i tēnei putanga How NZQA is working towards this outcome

The Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code) sets out the requirements for the wellbeing and safety of domestic tertiary learners and all international learners enrolled with Aotearoa New Zealand education providers. As administrator of the Code, it is NZQA’s role to promote the Code to learners and providers, support the sector to meet obligations of the new Code, approve applications to become a Code signatory and monitor for impact.

NZQA is developing its capability in using data and analytics, which is essential to providing information on the performance and health of Aotearoa New Zealand’s tertiary education. Through greater use of new tools and analytics, we are able to draw out insights to benefit learners, providers and sector partners. We share evidence and best practice and publish insights papers that utilise our quality assurance experience.

Ngā paetae matua Key achievements

During this last year, we have strengthened our relationships with learners through administering the Code and have shared insights on tertiary education arising from our quality assurance activities.

EMBEDDING THE NEW CODE

The Code came into effect on 1 January 2022, and as it embeds, our focus has been on promoting the Code, building capability and monitoring providers. Over 2022/23, we have worked closely with other education and quality assurance agencies, learners and providers to build awareness and understanding of the Code.

We worked to strengthen learner voice across the sector by promoting the Code to learners through videos and social media and using trained Code Champions at universities to take a learner-led approach to promote the Code. We engaged with a broad range of stakeholders, including diverse learner groups, to co-develop guidance and capability-building resources for learners and providers.

For tertiary providers and Code signatories, including schools, we ran our Code 101 workshops and facilitated a range of Code information sessions. We also delivered a series of new Complaints 101 workshops in conjunction with iStudent Complaints, Fair Way and Tertiary Education Disputes Resolution.

We published our Code Administrator Plan for 2023 outlining our regulatory approach and activities for the year ahead as well as guidance for providers on the Code's requirement to record and publish complaint and critical incident data.

A notable addition to the Code work programme during 2022/23 was recommencing NZQA's student accommodation monitoring work through site visits at providers that offer student accommodation, including universities. This included online engagement with key staff, visits to facilities and meeting with student residents. We worked closely with Te Pūkenga and Universities New Zealand to ensure a joined-up approach. Monitoring insights will be collated, communicated and applied to our 2023/24 work programme.

PROVIDING INSIGHTS TO SUPPORT EDUCATION SYSTEM IMPROVEMENT

We continue to draw on our data and information to provide insights into qualifications, assessment and quality assurance matters. This includes publishing a range of insights papers that highlight issues of equity, evidence good/best practice and utilise strong verified administrative data to support education system improvement.

Over the last year, we have published three insights papers:

- **Improving relevance and responsiveness: Aotearoa New Zealand’s early micro-credentials journey:** This paper draws on several case studies to illustrate how micro-credentials are showing benefits for learners and employers.
- **Improving relevance and responsiveness: Aotearoa New Zealand’s rationale for micro-credentials:** This paper looks at why NZQA added micro-credentials to the New Zealand Qualifications and Credentials Framework and what we have learned.

- **Supporting Equity for Māori and Pacific students in New Zealand Scholarship:**

This paper aims to help schools consider their practices for identifying students to enter for New Zealand Scholarship and the support provided to students. It makes recommendations on how schools might provide more equitable opportunities for Māori and Pacific students.

The insights papers about micro-credentials have been used to highlight the opportunities for tertiary education organisations as well as to support our international counterparts’ thinking about micro-credentials in their own countries.

The paper on equity in New Zealand Scholarship will be provided and promoted to all secondary schools to help support their processes around identifying potential candidates for New Zealand Scholarship.



Credit: Nyle Turuwhenua (Ngāi Tūhoe), Year 13, Pukekohe High School, Pukekohe



Credit: Henare Kahukiwa (Ngāi Tuhoē), Year 11, Te Kura Whakapūmau i te Reo Tūturu ki Waitaha, Christchurch

Te wāhanga tuatoru: Te āheinga o te whare

Part three: Our organisational capability

This part of the Annual Report covers the different aspects of NZQA's capability as an organisation:

- **People and culture** – values; diversity and inclusion; workforce composition; cultural capability; health, safety and wellbeing.
- **Relationships** – Māori-Crown relations; working with stakeholders; meeting customer needs.
- **Sustainability** – business systems and infrastructure; risk management and business continuity processes; reducing our carbon footprint.

Ō mātou tāngata me tō mātou ahurea

Our people and culture

Ngā Mātāpono

Our Values

Our Values sit at the heart of everything we do. They guide the culture we seek to instil, the way we operate and work together and the decisions we make.

Respect	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.
Kaitiakitanga	Guardianship
Whakapono	Open and transparent
Manaakitanga	Caring for and valuing others
Rangatiratanga	Empowering and leading others
Kotahitanga	Collaboration and unity
Ngaioitanga	Doing our job in the best possible way

Ara whiwhi mahi tautika
Equal employment opportunities

NZQA has a long-established practice of being an equal opportunities employer.

NZQA as a ‘good employer’ values equity and fairness and is committed to equal opportunity in all its employment policies and procedures. NZQA recognises that the special needs of disadvantaged groups may have to be addressed before equality of opportunity can be attained.

NZQA is committed to working towards the identification and elimination of barriers to the fair participation and development of all staff but has special regard for those disadvantaged groups often overlooked or marginalised – including Māori, Pacific, other ethnic communities, women, people with disabilities and other minority groups.

Te kanorau me te whakawhāiti mai
Diversity and inclusion

NZQA is committed to ensuring NZQA is a place where people are treated fairly and with respect, where they feel their uniqueness and contribution are valued and their talents and potential are utilised and where they feel that they belong. We are working to develop our organisation to be reflective of the diversity of Aotearoa New Zealand, where success is built upon the variety of perspectives, backgrounds, experience and knowledge of all our people.

This is consistent with the Papa Pounamu work programme committed to by Public Service chief executives to meet diversity and inclusion obligations in the Public Service Act 2020.

The results of our first Diversity and Inclusion Survey in May 2022 helped to shape our plans and actions to advance our work in support of the five Papa Pounamu priority areas.

Papa Pounamu priority areas	Our initiatives
Hautūtanga Ngākau Tuwhera Inclusive leadership	NZQA is developing a Māori and Pacific Aspiring Leaders programme to enable more Māori and Pacific staff to move into leadership roles.
Te āheinga ā-ahurea Cultural competence	NZQA has refreshed its management and leadership competency framework through alignment with Māori Crown Relations Capability Frameworks.
Te Urupare i te Mariu Addressing bias	NZQA continues to review and refresh all People policies and processes with an inclusion lens. Beyond Diversity workshops were attended by Board members and staff. ⁵
Te whakawhanaungatanga Building relationships	NZQA regularly engages with other public sector organisations to learn and share ideas. Internally, we celebrate cultural events, language weeks and days of significance where staff from different teams and backgrounds can connect.
Ngā tūhononga e kōkiritia ana e ngā kaimahi Employee-led networks	NZQA has Māori and Pacific employee-led networks and is working on expressions of interest for other networks.

5 Beyond Diversity is a two-day workshop designed to strengthen participants’ critical consciousness of race and lead them to investigate the role that racism plays in institutionalising disparities, particularly using the Courageous Conversation About Race Protocol™ to discuss race in productive and insightful ways.

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

Closing gender, Māori, Pacific and ethnic pay gaps

Work is continuing on assessing gender, Māori, Pacific and ethnic pay gaps in NZQA. These are acknowledged in our inaugural Kia Toipoto Action Plan published in December 2022. NZQA's Action Plan is aligned with the overarching Kia Toipoto Public Service Pay Gaps Action Plan 2021–24.

At 30 June 2023, the average gender pay gap was 7.1% and the median gender pay gap was 2.3%. The median gender pay gap has decreased from 3.1% at the end of the 2021/22 year.

The average and median ethnic pay gaps are as follows:

Ethnic group	Average pay gap	Median pay gap
Asian	8.4%	5.9%
Māori	-1.1%	1.1%
MELAA ⁶ /Other	-9.6%	-0.7%
Pasifika	11.4%	13.4%

Mahere mō te Hunga Hauā

Disability Action Plan

NZQA's Board approved our first Disability Action Plan (DAP) in August 2022. The DAP draws together work from across the organisation and looks at how we can improve our services for disabled people across the education sector, together with supporting our disabled kaimahi to thrive.

The DAP has five focus areas: Voice through partnerships; Data, insights and metrics; Disability confidence; Accessible information, interactions and services; Consulting with and engaging our kaimahi. The latter ensures there is engagement with our kaimahi, especially our disabled kaimahi, so their voices are trusted and heard and they have ownership of the DAP.

We are looking to identify activities that will have the greatest impact on disabled learners and disabled kaimahi and collaborate with our stakeholders to leverage off programmes and processes that are already working well. Our aim is that considerations about disability are built into the design of our work at its inception and embedded in the way we operate.

6 Middle Eastern, Latin American and African.

Te ohu mahi Our workforce

In June 2023, we had a core workforce of 531.2 full-time equivalent (FTE) employees compared to 448.5 FTEs in June 2022.

As at 30 June 2023, 23 staff (4.2%) declared they had a disability.

Breakdowns by gender and ethnicity are shown below.

Workforce by gender

Gender	% of total workforce
Female	46.5%
Male	28.5%
Gender diverse	0.2%
Undeclared	24.8%

Workforce by ethnicity

Ethnic group ⁷	% of total workforce
Asian	10.5%
European	32.5%
Māori	10.3%
Pacific	6.1%
Other	3.9%
Undeclared	40.4%

We continue to work towards a desire to increase the percentage of staff and people leaders who identify as Māori and Pacific, as described in Te Whakapakari Tāngata and Tamata – the people-related focus areas of Te Kōkiritanga and Takiala Pasifika respectively.

Te Rautaki Whakawhanake Tāngata o NZQA Rautaki Whakawhanake Tāngata – NZQA People Strategy

Our Rautaki Whakawhanake Tāngata – People 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, helping them to grow and succeed.

Rautaki Whakawhanake Tāngata is underpinned by Ngā Mātāpono – Our Values and aligned with our commitment to diversity and inclusion, effective leadership and management, health, safety and wellbeing and being a good employer for our kaimahi.

There is ongoing work to progress the four focus areas of the People Strategy:

- **Te whakarite huarahi whakapoapoa**
How we build our talent pathways
- **Te āhuao ngāmahi e ai ki a NZQA**
How we do things at NZQA
- **Tā mātou tautoko, whakapakari, ārahi anō hoki i ā mātou kaimahi**
How we support, develop and coach our people
- **Tā mātou whakanui, whakamana, whakamānawa anō hoki i ā mātou kaimahi**
How we celebrate, recognise and reward our people

⁷ Staff are counted in each ethnic group they identified themselves with.



He whare ako i te reo Māori tēnei
Working as a te reo Māori learning organisation

We have an enduring commitment to being a te reo Māori learning organisation as part of Te Kōkiritanga – NZQA’s Action Plan for Ākonga Māori Success. In turn, this is aligned with Te Maihi Karauna – the Crown’s Strategy for Te Reo Māori Language Revitalisation.

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

Our te reo Māori initiative Te Tipuranga Reo Māori is aimed at building the practices and confidence of staff when engaging with iwi and Māori. Through developing te reo Māori capability and an understanding of tikanga, we are supporting staff to interact and engage in a range of te ao Māori contexts.

We provide in-house te reo classes for kaimahi, te reo Māori coaching and cultural support for business teams. In February 2023, we launched our new online self-provisioning te reo Māori app Te Puāwaitanga, a te reo Māori planning tool. This gives kaimahi access to te reo Māori development tools and resources along with one-to-one coaching options.

Employee demand for te reo Māori development has continued to increase over the last year:

- 13 of our kaimahi completed Te Reo Māori me ōna Tikanga (beginner level 1).
- 27 of our kaimahi completed levels 1 and 2 of Te Ataarangi (Te Reo Māori Capability Development) and 11 kaimahi completed levels 3 and 4.

We have also introduced Te Tiriti o Waitangi workshops for kaimahi with the aim of raising awareness and understanding to build

confidence in supporting our commitment to honouring Te Tiriti.

Te whakapakari i te ahurea o Te Moana-nui-a-Kiwa
Strengthening our Pacific cultural capability

Tamata – People is a key focus of Takiala Pasifika – NZQA’s Action Plan for Pacific Learner Success. NZQA continues to actively support the Pasifika Staff Network and create career development opportunities that advance Pacific staff aspirations and progression. We are also developing the capability of NZQA leaders and staff to better understand Pacific world views and experiences and provide opportunities for staff to strengthen their Pacific cultural capability.

During 2022/23, 130 kaimahi attended Pacific cultural intelligence workshops.

Kei te ū ki te tiaki i te hauora, i te marutau me te oranga o te iwi
Protecting the health, safety and wellbeing of our people

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

The insights gained from the health and safety system provide reporting that informs the work of the Health and Safety Committee. Senior leadership and the Board also receive regular reporting on health and safety performance and risks to ensure that they meet their due diligence responsibilities under the Health and Safety at Work Act 2015.

Our Health and Safety Committee promotes a range of health and wellbeing activities such as awareness sessions on physical health, road safety and a focus on mental health by celebrating Pink Shirt Day and other initiatives.

Ō mātou hononga Our relationships

Ngā take Māori, take Karauna/Paihere Karauna-Māori Māori-Crown relations

As part of our Outcomes Framework and integral to everything we do is our commitment to honouring and giving effect to Te Tiriti o Waitangi. In May, the Board adopted a Te Tiriti o Waitangi statement that will shape the way NZQA actively advances the interests of Māori.

Embedding Te Tiriti in our work processes and engaging effectively with Māori stakeholders is fundamental to the way we work. This includes co-designing products, processes and initiatives with iwi, hapū and Māori, making sure Māori interests are advanced and enabling Māori to achieve education success as Māori.

Te Kōkiritanga (NZQA's Action Plan for Ākonga Māori Success) outlines our commitment to work with education system agencies towards equity for ākonga Māori. Te Kōkiritanga also affirms NZQA's commitment to the Crown's obligations to Te Tiriti o Waitangi.

NZQA continues to be supported by Ngā Kaitūhono (an external expert advisory group) who provide strategic thought leadership to guide and support NZQA's intention to bring prominence to mātauranga Māori in our work.

NZQA has undertaken an internal capability self-review against the Te Arawhiti engagement framework and guidelines. The self-review highlighted areas for action that are now being progressed, including continuing to strengthen our capability to meaningfully engage with Māori stakeholders by offering our people a range of te reo Māori and tikanga initiatives.

Te mahi tahi ki ngā kiripānga matua Working with stakeholders

NZQA supports a wide cross-section of New Zealanders. We work in collaboration with education agencies and the wider government sector, education organisations, teachers and whānau to deliver the best outcomes for learners. These relationships enable us to amplify the work we are doing to improve equity, with a focus on ākonga Māori, Pacific learners and disabled learners.

We meet regularly with peak bodies, including those for learners such as national student associations, iwi, secondary and tertiary educators, education providers and employers. This allows us to keep communication channels open, better understand needs and address any issues.

We also take a broad and collaborative approach to managing other opportunities and challenges that impact on education such as the residual impacts of COVID-19 in the community and how educators can best harness new technologies such as artificial intelligence.

We continue to work with agencies on the education system changes to ensure that our service delivery is responsive to Government decisions. Through these and other collaborations, we support the shaping and delivery of a stronger education system meeting the diverse needs of learners, their iwi, community and employers.

Te mārama ki ngā kiritaki me te whakaea i ō rātou matea

Understanding our customers and meeting their needs

NZQA’s customers are diverse: learners, whānau, education organisations, new migrants and employers. In relation to the secondary school sector, they include secondary school students and their whānau as well as teachers, principals and school administration staff. In the tertiary sector, NZQA interacts with tertiary students, including adult learners and administration staff.

Understanding the customer experience enables us to gauge whether our services meet their needs and how we can improve and further tailor the range of services we deliver.

Over the last two years, NZQA has been in the process of transforming its digital channels through a Customer Experience Improvement Programme (CxIP) to provide targeted personalised services for customers through our website and secure portals for learners, schools and tertiary education providers.

In this context, we have launched our new public-facing website. This has been the first significant overhaul of our website in over a decade.

We have also launched our new customer portals, and work will continue in 2023/24 to further enhance portal experiences. We ensure that our customers are continuously engaged during the design, testing and delivery of our website and portals. The website has been designed to ensure that its architecture is familiar and engaging for ākonga Māori and Pacific learners and the navigation supports ease of accessibility for disabled people.

We are continuing to modernise our Contact Centre channels to more closely reflect our customers’ preferred modes of engagement such as phone, email, webchat and social media. Equity is being embedded in the way we design these channels, particularly with a focus on Māori, Pacific and disabled learners.

We have carried out co-design and customer insight workshops with schools, kura and learners for various initiatives such as developing an end-to-end automated solution for managing submitted material (such as rich media files) for NCEA assessments. This has been a significant pain point in the sector, and NZQA has responded to this with a new system that will be piloted in 2023/24.

NZQA is committed to providing the highest-quality service to its customers through responsive and professional service delivery and positive relationships based on mutual respect and understanding. We survey our customers regularly to check how well our services meet customer requirements.

Contact Centre survey feedback has consistently been at a 90%–95% satisfaction level.

In the more comprehensive customer surveys that measure feedback against all NZQA services and channels, we are slightly below target for all responses in the latest surveys.

We are looking for further improvements through the enhancements we are making to customer interactions through CxIP and other customer service improvements.

Percentage of customer survey respondents who agree/strongly agree that:	Standard	All respondents
Information they received from NZQA met their needs	75%	69% n=1,592
NZQA services are easy to use	70%	68% n=1,600
The quality of service they receive from NZQA is the same or better than from other New Zealand public sector organisations	85%	84.4% n=1,326

Net Promoter Score	Standard	All respondents
The likelihood to recommend and/or speak positively about NZQA services (This is on a scale from minus 100 to plus 100. Any score above 0 indicates that NZQA has more promoters than detractors among respondents.)	Upwards trend from June 2022 baseline NPS = 11	19.5 n=2,250

Toitūtanga Sustainability

Kua tīmata te whai kia iti iho te tapuwae waro Reducing 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. NZQA is a certified Toitū carbonreduce organisation under the Toitū Envirocare programme.

Our direct impact on the environment is driven by air travel, printing and distribution and general waste. In 2022/23, air travel accounted for 86%⁸ of our total emissions, with printing and distribution and general waste generating 14%.⁸

Our people and contracted specialist workforce travel widely in Aotearoa New Zealand to undertake assessment and quality assurance functions and to collaborate and engage with stakeholders. As much as possible, we look to reduce our travel emissions by utilising online technology. Overseas air travel to fulfil our international role is minimised.

⁸ NZQA is a certified Toitū carbonreduce organisation. Reported emissions results are yet to be audited. A full verified greenhouse gas (GHG) inventory and supporting information will be submitted to the Programme Lead (Ministry for the Environment) by 1 December of each year.

In 2022/23, NZQA had a 58% increase in its CO₂ emissions compared to the emissions of the 2020/21 base year. This increase can be primarily attributed to a 98% increase in air travel as NZQA’s on-site visits to schools and stakeholders increased due to the implementation of the Review of Achievement Standards.

The following table summarises NZQA’s carbon emissions.

Emissions⁸	(tCO₂e)
Total annual emissions	861.08
Emissions profile broken down by emissions source/scopes	
Category 1 – Direct emissions	8.04
Category 2 – Indirect emissions from imported energy	68.14
Category 3 – Indirect emissions from transportation	710.71
Category 4 – Indirect emissions from products used by organisation	74.19
Base year period 2021	822.37
Full-time equivalent of staff in the reporting period 2023	531.20

Looking ahead, it is anticipated that by 2025, NZQA will be in a favourable position to maintain a relatively low level of residual net emissions. To attain Toitū net carbonzero status, NZQA will need to offset these remaining emissions by purchasing carbon credits.

The 2025 and 2030 targets compared to the 2021 base year represent a 10% and 25% reduction, respectively.

NZQA is planning to reduce its air travel and printing of examination papers, which are significant components of its CO₂ emissions. NZQA will be further refining its data collection process, specifically in relation to third-party provided data, to further improve its data quality.

Te whanake tonutanga o ngā pūnaha me te waihanga
Enhancing our systems and infrastructure

We continue to invest in and enhance systems and infrastructure to ensure the efficient and secure functioning of NZQA, taking a continuous improvement approach to developing our information systems capability. However, some of our core systems are nearing the end of their useful lives and are requiring replacement. We are facing pressures to fund these requirements from capital reserves as well as meet technology investment priorities to support the major changes under way in the education system.

NZQA has invested in a cloud-based modern data warehouse and established a data engineering capability that can be extended as we mature our use of data, including increasing use of business intelligence tools and data science.

We have 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 te reo Māori text-to-speech application.

NZQA needs to replace its legacy regulatory business system, which is now over 15 years old. This system is complex, at the end of its economic life and is not meeting business needs. An investment strategy and work programme are needed to enable a modernisation pathway for transitioning from the system based on an evidenced understanding of current and future business functions.

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 our information and assets. Over the last year, we have continued to improve our security posture.

Mā te whakahaere tūraru e tau ai ngā whakaritenga **Managing our risks**

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. This provides a sound foundation for a consistent approach to identifying, assessing and monitoring risks.

We continued to strengthen our risk management maturity during 2022/23. This included implementing an agreed set of risk appetite statements to guide NZQA on the level of risk permitted and enable consistency of risk management across the organisation as well as enhance governance decision making.

Kei te takatū ake ki ngā whakapōreareatanga me ngā ohotata **Being prepared for disruptions**

We are committed to maintaining our business continuity preparedness for major disruption events, including large-scale emergencies and scenarios where business-as-usual activities are disrupted.

Mitigations for COVID-19 restrictions were in place for the 2022 external assessment cycle, and some of our planned seminars and moderation panels moved online. We have also been able to adapt requirements to more localised, ongoing disruption in response to Cyclone Gabrielle impacts. Together with the Ministry of Education, we are developing long-term solutions to support kura, schools and students where teaching, learning and assessment opportunities have been impacted by adverse events such as natural disasters.

We continue to keep business continuity preparedness as an integrated part of our activities to ensure we can effectively respond to such events in timely, flexible and innovative ways.



Credit: Sophie Overeem, Whangārei Girls' High School, Whangārei (Excellence NCEA Level 3 – Photography)

Te wāhanga tuawhā: Te whai hua o ā mātou mahi

Part four: Our service performance

This section provides the performance results for the measures in NZQA's 2022/23 Statement of Performance Expectations (SPE) set against the Intermediate Outcomes and supporting Key Activities.

The work we have done to deliver these results along with commentary on variances, is discussed in [Part two: Our progress over 2022/23](#), in addition to specific footnotes.


Where the result is provided against a narrative standard, the page reference is given for the relevant section of Part two.

Some performance measures used in the Statement of Performance Expectations are also used in the 2022/23 Estimates of Appropriation, and these are identified accordingly.


In accordance with PBE FRS 48, performance results for 2020/21 and 2021/22 have been shown where they are available for measures that were new in the 2022/23 Statement of Performance Expectations.

2022/23 results meeting the standard show 


2022/23 results not meeting the standard show 

PUTANGA 1		OUTCOME 1		
Ngā tohu mātauranga e hāngai pū ana		Relevant qualifications and credentials		
Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23
 INTERMEDIATE OUTCOME 1.1 – The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications				


Key Activity 1.1a – Approve qualifications, credentials and their components

SPE Measure 1.1a(i) Update on the progress in adopting the new vocational education products (skill standards, New Zealand programme/s ⁹).	N/A	N/A	Narrative	Achieved 
	New measure for 2022/23			

Key Activity 1.1b – Weave mātauranga Māori into the qualifications system


SPE Measure 1.1b(i) Update on our progress weaving mātauranga Māori into the qualifications system.	N/A	N/A	Narrative	Achieved 
	New measure for 2022/23			

9 At the time the 2022/23 Statement of Performance Expectations was published, the product now known as ‘New Zealand programme/s’ was referred to as ‘national curriculum’.

Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23
 INTERMEDIATE OUTCOME 1.2 – Barriers to qualification recognition and mobility are reduced				

Key Activity 1.2a – Support the recognition of New Zealand qualifications overseas through NZQA's:

- **bilateral and multilateral qualification recognition work, and**
- **participation and engagement in relevant international fora**

SPE Measure 1.2a(i) Update on the progress achieved in reducing barriers to qualification recognition and qualification mobility (such as number, maintenance, and progress).	N/A	N/A	Narrative	Achieved	
	New measure for 2022/23			Refer page 23 on INTERNATIONAL FORA AND SUPPORTING PACIFIC COUNTRIES and footnote ¹⁰	

Key Activity 1.2b – Timely access to and transparent recognition of overseas qualifications in New Zealand

SPE Measure 1.2b(i) The percentage of overseas qualification applications received that are able to be recognised.	N/A	N/A	75%	97%	
	New measure for 2022/23				

10 Bilateral arrangements

- The South African Qualifications Authority and NZQA signed a memorandum to promote education cooperation to support mobility of learners and skilled workers through qualification recognition.
- NZQA worked closely with Education New Zealand, Ministry of Education and Ministry of Foreign Affairs and Trade to update and renew an arrangement with China on academic qualification recognition in higher education. In June, the arrangement was signed in China. NZQA will operationalise the arrangement.
- NZQA also continues to engage with other countries (particularly, Ireland and the Philippines) to support qualification and labour mobility.


UNESCO Conventions

In 2023, NZQA hosted visitors from Australia and Fiji to discuss a wide range of areas of mutual interest, including national qualification frameworks, quality assurance, academic integrity, qualification recognition practice and UNESCO Conventions. NZQA attended the 30th Annual Joint Meeting of the European Network of Information Centres and the National Academic Recognition Information Centres under the UNESCO Lisbon Recognition Convention to discuss academic mobility and qualifications recognition.





Collaboration on qualifications recognition

In March 2023, NZQA signed a service agreement with World Education Services (WES), a non-profit transnational organisation that provides credential evaluations. WES will provide a verification service to individuals applying for an International Qualification Assessment from NZQA to ensure the authenticity and validity of academic documents. This will provide further assurance that qualifications evaluated by NZQA have been genuinely awarded and may expedite the evaluation process.

PUTANGA 2	OUTCOME 2
Te whakapono ki ngā aromatawai me te whakaū kounga	Trusted assessment and quality assurance


Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23
 INTERMEDIATE OUTCOME 2.1 – Credible assessment and aromatawai practices support high-quality learning and achievement				

Key Activity 2.1a – External Assessment Cycle Management




<p>SPE Measure 2.1a(i) Appropriation measure</p> <p>The percentage of all National Certificate of Education Achievement (NCEA) marker judgements unaltered following Review or Reconsideration of External Assessment Results processes.</p>	99.8%	100%	99.7%	99.7% ¹¹	
<p>SPE Measure 2.1a(ii) The percentage all New Zealand Scholarship marker judgements unaltered following Review or Reconsideration of External Assessment processes.</p>	99.99%	100%	99.7%	99.9% ¹²	
<p>SPE Measure 2.1a(iii) The percentage of validated NCEA results provided to learners no later than the end of the third full week of January.</p>	99.9%	100%	99%	99.99%	
<p>SPE Measure 2.1a(iv) The percentage of validated New Zealand Scholarship results provided to learners no later than the end of the second full week of February.</p>	100%	100%	99%	100%	

11 The formula for this measure is the number of unaltered external assessment marker judgements (following the Review and Reconsideration of External Assessment Results processes) over all external assessment marker judgements. In 2022, out of a total 744,651 external marker judgements, 742,744 (99.7%) remained unaltered. 1,907 were altered following a successful application for reconsideration or review (out of 9,017 applications).


12 In 2022, out of a total 11,425 external marker judgements for New Zealand Scholarship, 11,417 (99.9%) remained unaltered. Eight were altered following a successful application for reconsideration or review (out of 468 applications).

Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23
 INTERMEDIATE OUTCOME 2.2 – Assessment and aromatawai practices adapt to the changing needs of learners, community and industry				

Key Activity 2.2a – Special Assessment Conditions


SPE Measure 2.2a(i) Appropriation measure The percentage growth in Special Assessment Conditions applications for Māori students exceeds the percentage growth in applications for students of other ethnicities. ¹³	Māori: 21.3% Other: 15.1%	Māori: 20.1% Other: 14.8%	Achieved	Achieved Māori: 11.8% Other: 11.5%	
New measure for 2022/23					
SPE Measure 2.2a(ii) Appropriation measure The percentage growth in Special Assessment Conditions applications for Pacific students exceeds the percentage growth in applications for students of other ethnicities.	Pacific: 31.5% Other: 15.1%	Pacific: 17.9% Other: 14.8%	Achieved	Achieved Pacific: 11.7% Other: 11.5%	
New measure for 2022/23					
SPE Measure 2.2a(iii) Appropriation measure The percentage growth in Special Assessment Conditions applications from lower decile (1-3) schools exceeds the percentage growth in applications from higher decile (8-10) schools.	1-3 decile schools: 26.0% 8-10 decile schools: 8.9%	1-3 decile schools: 23.1% 8-10 decile schools: 12.2%	Achieved	Achieved 1-3 decile schools: 15.2% 8-10 decile schools: 10.4%	
New measure for 2022/23					

13 These measures focus on improving access to SAC for ākonga Māori, Pacific students and those from low socio-economic backgrounds. SAC are provided to students with a permanent or long-term sensory, physical, medical or learning difficulty that impacts their access to fair assessment. Students who have multiple ethnicities will be counted in each ethnicity they reported.


Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23
Key Activity 2.2b – Digital Assessment Service				
SPE Measure 2.2b(i) The rate of ākonga Māori and Pacific students participating in digital assessment is similar to or higher than their peers.	Upwards trend achieved	Upwards trend achieved	Upwards trend from 2020/21 baseline ¹⁴	Not achieved ¹⁵  Refer to page 33 for commentary
	Māori:	Māori:		Māori:
	NCEA L1 14.5% (-4.2 pp)	NCEA L1 18.2% (-3.5 pp)		NCEA L1 29.5% (-9.0 pp)
	NCEA L2 13.7% (-5.0 pp)	NCEA L2 18.8% (-2.0 pp)		NCEA L2 33.7% (-6.6 pp)
	NCEA L3 15.9% (-2.2 pp)	NCEA L3 16.1% (-0.7 pp)		NCEA L3 32.8% (-7.4 pp)
	Pacific:	Pacific:		Pacific:
	NCEA L1 13.6% (-5.1 pp)	NCEA L1 12.2% (-9.5 pp)		NCEA L1 24.7% (-13.8 pp)
	NCEA L2 12.0% (-6.7 pp)	NCEA L2 12.9% (-7.9 pp)		NCEA L2 29.2% (-11.1 pp)
	NCEA L3 13.1% (-5.0 pp)	NCEA L3 10.5% (-6.3 pp)		NCEA L3 28.9% (-11.3 pp)
	compared to			
	Other:	Other:		Other:
	NCEA L1 18.7%	NCEA L1 21.7%		NCEA L1 38.5%
	NCEA L2 18.7%	NCEA L2 20.8%		NCEA L2 40.3%
	NCEA L3 18.1%	NCEA L3 16.8%		NCEA L3 40.2%

14 Baseline established from the 2020 end-of-year external examinations.



15 The proportion of Māori and Pacific students engaging in digital external assessment as a proportion of all Māori and Pacific students engaging in digital externally assessed standards has increased since 2020/21.

Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23	
SPE Measure 2.2b(ii) The percentage of students that participate in digital assessment.	17.5%	19.6%	50% or greater	34.3% ¹⁶	
	New measure for 2022/23			Refer to page 33 for commentary	

Key Activity 2.2c – Meeting the unique needs of kura

SPE Measure 2.2c(i) Upward trend in the number of kura whose students are externally assessed in a familiar setting. ¹⁷	49	71	Upwards trend	77%	
	New measure for 2022/23				

Key Activity 2.2d – NCEA workshops for Māori and Pacific whānau






SPE Measure 2.2d(i) 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%	98%	90% ¹⁸	98%	
SPE Measure 2.2d(ii) The percentage of parents and whānau who attended NCEA me te Whānau workshops who report increased knowledge of NCEA and more confidence to support their children.	100%	98%	90% ¹⁹	95% ¹⁹	

16 This is a relatively new measure. Although the target was not achieved in 2022/23, the percentage of students participating in digital assessment has increased from 19.6% in 2021 to 34.3% in 2022. Nearly 43,000 students participated in digital external assessment for digitally available standards. (This figure excludes students participating in the pilots for the new NCEA Level 1 achievement standards and in Te Ao Haka. This measure also excludes students participating in the Literacy and Numeracy | Te Reo Matatini me te Pāngarau assessments as most students are from Year 10. Nearly 30,000 students across all year levels participated in the digital external assessments for the Literacy and Numeracy | Te Reo Matatini me te Pāngarau standards.

17 Note this measure does not assume that all kura will become exam centres.

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

19 97% reported an increase in their understanding of NCEA and 95% reported being more confident to support their tamaiti.





Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23	
 INTERMEDIATE OUTCOME 2.3 – Credible quality assurance supports high quality teaching, learning, aromatawai and assessment					
Key Activity 2.3a – Quality assure education organisations and the quality of teaching, learning and assessment					
SPE Measure 2.3a(i) Appropriation measure The percentage of schools who progress from a 1-2 year Managing National Assessment (MNA) cycle based on evidence that the school has made the specified improvements.	N/A	N/A	60%	20% ²⁰	
	New measure for 2022/23				
SPE Measure 2.3a(ii) Appropriation measure The proportion of New Zealand qualifications (that have graduates) ²¹ that undergo a Consistency Review in any one financial year	16%	20.4%	15%	18%	
SPE Measure 2.3a(iii) Appropriation measure The percentage of non-university tertiary education organisations that had an External Evaluation and Review completed. ²²	20%	21%	20% ²³	23%	
SPE Measure 2.3a(iv) All external evaluation and reviews will evaluate the support available to disabled learners and outcomes achieved.	N/A	N/A	Achieved	100%	
	New measure for 2022/23				

20 MNA reviews are conducted during a calendar year. Of the five schools and kura that were on a one to two-year MNA review cycle at the end of 2021/22, only one school on a one-year MNA cycle was reviewed and moved to a three to five-year cycle by 30 June 2023. The MNA reviews for the four remaining schools and kura are on track to be completed by the end of 2023.

21 Some NZQA-listed qualifications do not yet have any graduates and therefore cannot participate in Consistency Reviews.

22 An EER is completed when an EER job is closed off and the resulting report published on the NZQA website.

23 The formula for this measure is the total number of EER cases divided by the total number of registered or recognised and active tertiary education organisations subject to external evaluation review. Tertiary education organisations are required to have an EER at least once every four years. The target reflects system variability due to the status of tertiary education organisations that are inactive or in hibernation as well those that are newly registered, subject to risk management action and the impact of system change with the establishment of Workforce Development Councils and Te Pūkenga.

Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23	
SPE Measure 2.3a(v) Appropriation measure The percentage of investigations where identified risks or quality concerns have been managed appropriately through intervention or corrective action. ²⁴	N/A	N/A	100% ²⁵	100% 9 out of 9	
Key Activity 2.3b – Enable education organisations to understand their responsibilities and improve learner outcomes					
SPE Measure 2.3b(i) Percentage of tertiary education organisations that say New Zealand Qualifications Authority quality assurance practices support them to improve their performance.	N/A	N/A	76%	74% ²⁶	
Key Activity 2.3c – Revise NZQA's quality assurance frameworks					
SPE Measure 2.3c(i) Update on progress achieved in the re-design of the Quality Assurance Framework, including in response to Reform of Vocational Education.	N/A	N/A	Narrative	Achieved	
	New measure for 2022/23			Refer to commentary on page 41	
SPE Measure 2.3c(ii) The percentage of applications (which meet the criteria to be approved) that are quality assured using Te Hono o Te Kahurangi.	5%	5%	≥3%	5.3%	


24 The baseline for this measure is 100%. Investigation management and remedial actions are constantly reviewed to ensure all necessary steps are taken to mitigate or remove potential risk. An end-of-case review is undertaken prior to closure of all investigations.

25 This is calculated by the total number of investigations (where the outcome was rated as 'significant intervention' or 'corrective action') that were managed appropriately divided by the total number of investigations where the outcome was rated as 'significant intervention' or 'corrective action'. Investigations where the outcome has been rated as 'minor/unsubstantiated' are not included in this measure.


26 The percentage of respondents who agreed or strongly agreed fell 2% from the initial baseline of 76% set in 2021/22. In addition to this, there was a 15% reduction in the response rate from invited tertiary education organisations. NZQA will continue to work with tertiary education organisations to support them to improve their performance.

Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23
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Key Activity 2.3d – Assessor support

SPE Measure 2.3d(i) The percentage of respondents who say their confidence level has increased in re-contextualising assessment tasks after completing our online learning programme.	N/A	N/A	>75%	Not able to be measured ²⁷	
	New measure for 2022/23				


Key Activity 2.3e – Maintaining currency of NZQA-owned standards

SPE Measure 2.3e(i) Appropriation measure	100%	100%	95%	100%	
The percentage of New Zealand Qualifications Authority-owned standards maintained by their planned reviewed dates.					









INTERMEDIATE OUTCOME 2.4 – Quality assurance adapts to the changing needs of learners, community and industry

Key Activity 2.4a – Tertiary education organisations and schools ensure the safety and well-being of learners

SPE Measure 2.4a(i) Appropriation measure	N/A	N/A	Narrative	Achieved	
Providing a progress update on NZQA’s performance in embedding the Code of Practice ²⁸ against its 2022 Code Administrator Plan, including the performance of delegated parties such as Universities New Zealand, and sector performance. The progress update will be provided in NZQA’s Annual Report.	New measure for 2022/23			See page 43 on EMBEDDING THE NEW CODE	

27 In 2022/23, only 43 teachers and assessors participated in the online learning programme Transforming Assessment Praxis. None of these participants completed the online survey. Anecdotal feedback from teachers indicated the programme is too long and inflexible. A new online module on culturally responsive assessment was implemented in early 2023. Evaluation of this will be reported on in the next Annual Report.

28 The Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021.

Measure	Result 2020/21	Result 2021/22	Standard 2022/23	Result 2022/23	
ORGANISATIONAL CAPABILITY OC – We continue to support our people and our customers, and build our organisational capability to deliver our vision					
Key Activity Oc1 – Support and understand our customers					
Measure Oc1(i) Appropriation measure	77%	69%	75%	69%	
The proportion of survey respondents who agree/strongly agree that the information they received from the New Zealand Qualifications Authority met their needs. ²⁹					
Key Activity Oc2 – Support our key stakeholders					
Measure Oc2(i) Appropriation measure	8	8	8	8	
The overall satisfaction rating given by the Minister of Education on the New Zealand Qualifications Authority. ³⁰					
Measure Oc2(ii) The percentage of Ministerial items that achieve the deadlines agreed with the Minister's office.	99.1%	99.3%	99%	99.3%	
Key Activity Oc3 – Deliver quality services to customers					
Measure Oc3(i) How likely customers are to recommend and/or speak positively about NZQA. (Net Promoter Score ³¹)	29.8	Upwards trend Not achieved	Upwards trend from baseline NPS 11 at June 2022	19.5	
Measure Oc3(ii) How customers compare the quality of service they receive from NZQA with the quality of service they receive from other New Zealand public sector organisations. (The proportion that agree/strongly agree that it is the same or better)	N/A	N/A	85%	84.4%	
New measure for 2022/23					
Measure Oc3(iii) The percentage of respondents to our customer satisfaction survey who agree or strongly agree that NZQA services are easy to use.	N/A	N/A	70%	68%	
New measure for 2022/23					

29 Survey respondents are stakeholders that include employers, education providers, students and families. Information received covers the full range of advice, data, communication and instruction that NZQA provides to its customers to support their relationship, business and interaction with it.

30 The survey measures the Minister's satisfaction with the quality of advice on a scale from 1 to 10 where 1 means unsatisfied and 10 means extremely satisfied.

31 This is on a scale from minus 100 to plus 100. Any score above 0 indicates that NZQA has more promoters than detractors among respondents.



Credit: Kiri Rogers, Year 11, Whangamatā Area School, Whangamatā

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 2022/23 and, where updated, 2022/23 Vote Education – Supplementary Estimates of Appropriation. Non-financial performance information is included in the preceding performance tables on [pages 60–69](#).

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.

	2022/23 Actual (\$000)	2022/23 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	21,886	18,163	3,723	20
Other	25,372	23,959	1,413	6
Total revenue	47,258	42,122	5,136	12
Expenses	46,370	41,866	(4,504)	(11)
Surplus	888	256	632	247

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.

	2022/23 Actual (\$000)	2022/23 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	6,309	3,309	3,000	91
Other	8	–	8	N/A
Total revenue	6,317	3,309	3,008	91
Expenses	7,534	3,831	(3,703)	(97)
Deficit	(1,217)	(522)	(695)	(133)

Almost 100% of the total 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.³²

Crown revenue is \$3.0 million above budget. This reflects additional funding received for a new Human Capital Management (HCM) system.

Expenses are \$3.7 million above budget. This is the result of the costs incurred for the new HCM system following the above noted additional funding. In addition, there was also an increase in software licence and support costs plus increased salary-related costs following the public sector pay adjustment.

³² 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.

	2022/23 Actual (\$000)	2022/23 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	9,528	8,805	723	8
Other	6,637	7,099	(462)	(7)
Total revenue	16,165	15,904	261	2
Expenses	16,842	19,007	2,165	11
Deficit	(677)	(3,103)	2,426	78

Approximately 59% 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.³³

Crown revenue is \$0.7 million above budget. This reflects additional funding received for the administration of Code Office.

Other revenue is \$0.5 million below budget. This reflects a reduction in revenue across a number of quality assurance services offset in part by a small increase in consistency fees.

Expenses are \$2.2 million below budget as a result of capital-related costs incurred for our Qualifications and Credentials Repository (QCR) project. In addition, there was a reduction in Reform of Vocational Education (RoVE) costs with some activities and related expenditure being deferred into next year.

³³ 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.

	2022/23 Actual (\$000)	2022/23 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	6,049	6,049	–	–
Other	18,727	16,860	1,867	11
Total revenue	24,776	22,909	1,867	8
Expenses	21,994	19,028	(2,966)	(16)
Surplus	2,782	3,881	(1,099)	(28)

Approximately 24% 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.³⁴

Other revenue is \$1.9 million above budget. This primarily reflects the increase in demand of applications for assessment of overseas qualifications, largely as a result of immigration settings and returning to more normal travel and border conditions following the COVID-19 pandemic.

Expenses are \$2.9 million above budget. This is largely a result of the additional staff costs necessary to meet the increased demand for qualification recognition services.

³⁴ 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 mahi aromatawai o ngā kura tuarua Secondary School Assessment

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.

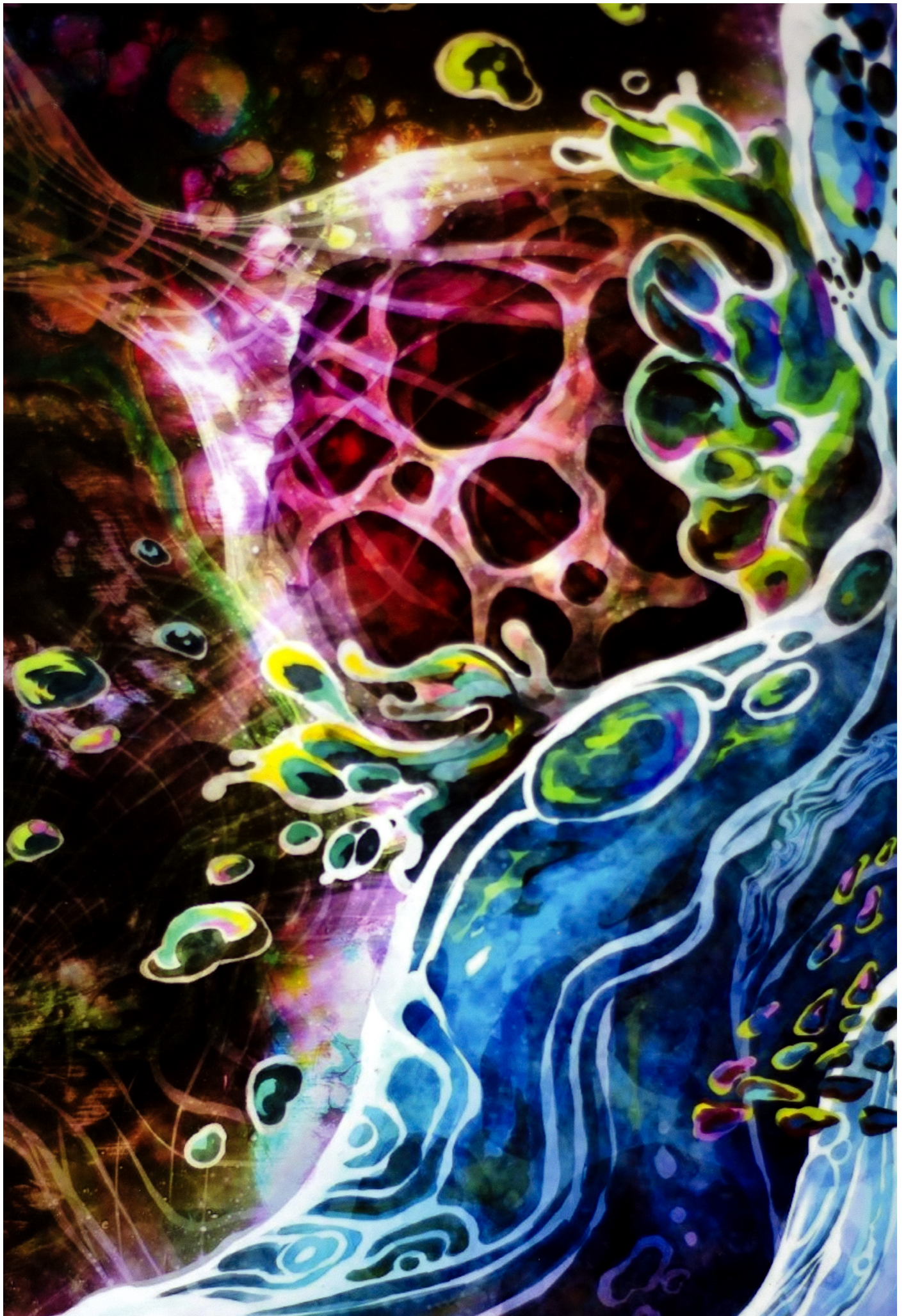
	2022/23 Actual (\$000)	2022/23 Budget (\$000)	Variance (\$000)	Variance %
Revenue				
Crown	55,355	57,060	(1,705)	(3)
Other	2,377	2,317	60	3
Total revenue	57,732	59,377	(1,645)	(3)
Expenses	74,675	71,015	(3,660)	(5)
Deficit	(16,943)	(11,638)	(5,305)	(45)

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 Assessment (M26)* appropriation.³⁵

Crown revenue is \$1.7 million below budget due to the reduction in funding received for the Review of Achievement Standards (RAS) project.

Expenses are \$3.7 million above budget. This is largely driven from an increase in costs associated with the acceleration of projects within the Customer Experience Improvement Programme, which has included a website refresh and implementation of a CRM system. This is offset by a reduction in our specialist workforce costs as a result of lower than expected levels of assessment activities and reduced support for the RAS programme (particularly around the development of standards).

³⁵ 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.



Credit: Akane Shibata, Rangitoto College, Auckland (Excellence NCEA Level 3 – Painting)

Te wāhanga tuarima: He kīanga kawenga

Part five: Statement of responsibility

He 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 2023.

Signed on behalf of the Board:



Hon Tracey Martin

Board Chair

31 August 2023



Lyn Provost

Risk and Assurance Committee Chair

31 August 2023

Independent Auditor's Report

To the readers of New Zealand Qualifications Authority's financial statements and performance information for the year ended 30 June 2023

The Auditor-General is the auditor of New Zealand Qualifications Authority (the Authority). The Auditor-General has appointed me, Dereck Ollsson, 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 85 to 114, that comprise the statement of financial position as at 30 June 2023, 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 59 to 69, 71 to 75 and 117.

In our opinion:

- the financial statements of the Authority on pages 85 to 114:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2023; 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 59 to 69, 71 to 75 and 117:
 - presents fairly, in all material respects, the Authority's performance for the year ended 30 June 2023, 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 31 August 2023. 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 2 to 57, 77, 115 to 116 and 119 to 124 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.



Dereck Ollsson
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



Credit: Ella Court (Ngāti Pākehā), Year 13, Queen Margaret College, Wellington

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 2023)

	Note	2023 Actual (\$000)	2023 Budget (\$000)	2022 Actual (\$000)
REVENUE				
Funding from the Crown		77,241	75,223	82,357
Other revenue		27,749	26,276	24,257
Interest revenue		1,313	489	518
Total revenue	3	106,303	101,988	107,132
EXPENDITURE				
Personnel and Board	4	66,276	64,642	56,736
Specialist workforce		10,151	14,267	9,788
Professional services	5	20,571	10,380	12,948
Publication, printing and distribution		3,976	3,774	3,905
Other operating costs	6	17,471	16,406	13,159
Depreciation and amortisation		2,887	2,886	3,675
Capital charge	7	1,026	1,015	1,015
Total expenditure		122,358	113,370	101,226
(DEFICIT)/SURPLUS		(16,055)	(11,382)	5,906
Other comprehensive revenue and expense		–	–	–
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		(16,055)	(11,382)	5,906

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 2023)

	Note	2023 Actual (\$000)	2023 Budget (\$000)	2022 Actual (\$000)
ASSETS				
Current assets				
Cash and cash equivalents	8	2,972	3,258	3,965
Receivables	9	4,419	2,998	3,208
Prepayments		3,414	1,880	1,032
Investments	10	22,000	23,500	38,500
Total current assets		32,805	31,636	46,705
Non-current assets				
Property, plant and equipment	11	1,586	1,513	1,677
Intangible assets	12	3,771	3,944	4,513
Work in progress	12	–	1,800	472
Total non-current assets		5,357	7,257	6,662
TOTAL ASSETS		38,162	38,893	53,367

	Note	2023 Actual (\$000)	2023 Budget (\$000)	2022 Actual (\$000)
LIABILITIES				
Current liabilities				
Payables and deferred revenue	13	8,740	11,445	8,682
Employee entitlements	15	5,282	5,110	4,559
Provisions	16	675	–	629
Total current liabilities		14,697	16,555	13,870
Non-current liabilities				
Employee entitlements	15	559	665	536
Total non-current liabilities		559	665	536
TOTAL LIABILITIES		15,256	17,220	14,406
NET ASSETS		22,906	21,673	38,961
EQUITY				
Contributed capital		20,528	20,528	20,528
Accumulated surplus		2,378	1,145	18,433
PUBLIC EQUITY	20	22,906	21,673	38,961

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 2023)

	Note	2023 Actual (\$000)	2023 Budget (\$000)	2022 Actual (\$000)
Balance at start of the year		38,961	33,055	32,835
Total comprehensive revenue and expense for the year		(16,055)	(11,382)	5,906
Crown – capital contribution		–	–	220
BALANCE AT END OF THE YEAR	20	22,906	21,673	38,961

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

(for the year ended 30 June 2023)

	Note	2023 Actual (\$000)	2023 Budget (\$000)	2022 Actual (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from the Crown		77,241	75,223	82,357
Receipts from other revenue		28,047	26,511	24,159
Interest received		1,149	489	266
Payments for employee and Board costs		(65,530)	(63,917)	(56,297)
Payments to other suppliers		(55,390)	(46,991)	(40,944)
Payments for capital charge		(1,026)	(1,015)	(1,015)
Goods and services tax (net)		(401)	–	(254)
Net cash flows from operating activities		(15,910)	(9,700)	8,272
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of property, plant and equipment		(643)	(500)	(967)
Purchases of intangible assets		(940)	(2,800)	(532)
Purchases of investments		(47,500)	(30,500)	(38,500)
Receipts from sale of investments		64,000	43,500	32,000
Net cash flows from investing activities		14,917	9,700	(7,999)
CASH FLOWS FROM FINANCING ACTIVITIES				
Crown – capital contribution	20	–	–	220
Net cash flows from financing activities		–	–	220
Net (decrease)/increase in cash and cash equivalents		(993)	–	493
Cash and cash equivalents at the beginning of the year		3,965	3,258	3,472
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8	2,972	3,258	3,965

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 2023)

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

	2023 Actual (\$000)	2022 Actual (\$000)
Net (deficit)/surplus	(16,055)	5,906
Add/(less) non-cash items		
Depreciation and amortisation expense	2,887	3,675
Increase in rent accrual	122	71
(Decrease) in allowance for credit losses on receivables	(69)	(48)
Total non-cash items	2,940	3,698
Add/(less) items classified as investing or financing activities		
Loss on disposal of property, plant and equipment	1	1
Total items classified as investing or financing activities	1	1
Add/(less) movements in statement of financial position		
(Increase) in receivables	(1,142)	(73)
(Increase)/decrease in prepayments	(2,382)	767
(Decrease) in payables and deferred revenue	(64)	(2,460)
Increase/(decrease) in employee entitlements	746	439
Increase/(decrease) in provisions	46	(6)
Net movements in statement of financial position	(2,796)	(1,333)
NET CASH FLOW FROM OPERATING ACTIVITIES	(15,910)	8,272

The accompanying notes form part of these financial statements.

Ngā tuhinga mō te tauākī ā-pūtea Notes to the financial statements

1. Statement of Accounting Policies

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 Act 2020. 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 and Credentials Framework, administering the secondary school assessment system, independent quality assurance of non-university education providers, qualification 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 2023 and were approved by the Board on 31 August 2023.

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 historical cost basis unless otherwise specified (for example, actuarially assessed liabilities).

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.

Presentation currency and rounding

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

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. While it is noted that both PBE IPSAS 41 Financial Instruments and PBE FRS 48 Service Performance Reporting were effective for the first time for the year ended 30 June 2023, the impact of applying those standards was not considered significant.

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

There are no standards issued and not yet effective that are expected to have a significant impact on the financial statements of NZQA.

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.

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.

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 and 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.

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.

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.

Software as a Service (SaaS) arrangements

SaaS arrangements are service contracts providing NZQA with the right to access a cloud provider's application software over a contract period. Where the ongoing fees solely provide a right to access the software, these costs are recognised as an operating expense when the services are received.

Often, the core software will require significant customisation and configuration prior to use. Where such customisation and configuration costs meet the recognition criteria for an intangible asset (for example, through the enhancement, modification or creation of additional capacity to existing on-premises systems or through the creation of bespoke additional software capacity), they are recognised as an intangible software asset and amortised on a straight-line basis over the useful life of the software. In all other instances, the customisation and configuration costs are treated as an operating expense and recognised in the surplus:

- as the services are performed or
- over the SaaS term (when the work is performed by the cloud provider and the services are not considered to be distinct from the SaaS access).

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.

Critical judgements in applying accounting policies

Management has exercised critical judgements in applying accounting policies for:

- intangible assets – refer to note 12.

2. Explanation of major variances against budget

Statement of comprehensive revenue and expense

The overall net deficit for the year ended 30 June 2023 of \$16.1 million compares against a budgeted net deficit of \$11.4 million. Significant variances within individual line items are as follows:

- Crown revenue of \$77.2 million is \$2.0 million ahead of budget primarily due to additional revenue received for a new Human Capital Management (HCM) system offset in part by reduced funding for the Review of Achievement Standards (RAS).
- Other revenue of \$27.7 million is \$1.5 million above budget. This is largely driven by the increase in demand for qualification recognition services (i.e. assessment of overseas qualifications against the New Zealand Qualifications and Credentials Framework) as a result of immigration settings and returning to more normal travel and border conditions following the COVID-19 pandemic.
- Interest revenue of \$1.3 million is \$0.8 million ahead of budget due to increased interest rates.

- Personnel and Board costs of \$66.3 million are \$1.6 million above budget largely reflecting additional staff costs necessary to meet the increased demand for qualification recognition services. There were also additional exam-related costs but these have largely been offset by a reduction in some project-related spend with some originally envisaged staff costs being replaced by contractor spend instead.
- Specialist workforce costs of \$10.2 million are \$4.1 million below budget. This is a result of lower than expected levels of assessment activities and reduced costs incurred for RAS (particularly around the development of standards).
- Professional services costs of \$20.6 million are \$10.2 million above budget. This is due to the continued work to develop our core systems, including the development of the HCM system and acceleration of projects within the Customer Experience Improvement Programme, which has included a website refresh and implementation of a CRM system.
- Other operating costs of \$17.5 million are \$1.1 million ahead of budget due to increased software licence and support costs plus increased travel following the COVID-19 pandemic.

Statement of financial position

Net assets at 30 June 2023 were \$22.9 million compared to a budget of \$21.7 million. Within individual lines, the significant variances are as follows:

- Receivables of \$4.4 million, are \$1.4 million ahead of budget largely due to additional funding receivable for the assessment of international teaching qualifications.

- Prepayments of \$3.4 million are \$1.5 million above budget due to increased software and licence costs, including payment for multi-year software contracts.
- Work in progress of nil is \$1.8 million below budget due to a reduced capital component and changed timing for some information technology projects.
- Payables and deferred revenue of \$8.7 million are \$2.7 million below budget. This largely reflects secondary exams and specialist workforce accruals being lower than originally budgeted and deferral of some work for the RAS project.
- The provision of \$0.7 million relates to payroll remediation, which was originally expected to have been paid but has been deferred to better fit with the implementation of the new HCM system and resourcing availability.

Statement of cash flows

Significant variances in operating activity cash flows compared to budget essentially reflect comments already made above. Other significant variances are explained below:

- Purchases of intangible assets of \$0.9 million are \$1.9 million below budget reflecting a reduced capital component and changed timing for some information technology projects.
- Purchases and sales of investments are approximately 50% more than budget reflecting the increased use of term deposits to maximise interest revenue while managing cash flow requirements.

3. Revenue

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 results from exchange transactions.

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.

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.

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.

Interest

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

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 (for example, charges for approval and accreditation services, external evaluations and reviews, annual fees).

Breakdown of total revenue and further information

	2023 Actual (\$000)	2022 Actual (\$000)
Crown funding for		
Provision of communication and advice	6,309	3,309
Quality assurance	9,528	9,845
Qualifications support structures	6,049	6,049
Secondary school assessments	55,355	63,154
Total funding from the Crown	77,241	82,357
Other revenue		
Examination fee remissions*	1,288	1,288
Examination fees	1,008	1,239
NZQF fees and registration	11,489	10,543
Quality assurance services	6,656	6,719
Qualification recognition service fees**	7,003	3,565
Other income***	305	903
Total other revenue	27,749	24,257
Interest revenue	1,313	518
Total revenue	106,303	107,132

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

** Includes \$352,000 (2022: \$352,000) from Immigration New Zealand for quality assurance work on the list of qualifications exempt for assessment and \$1.6 million (2022: nil) from the Ministry of Education to support the free assessment to applicants of international teaching qualifications.

*** Includes \$200,000 (2022: nil) from the Ministry of Education to support additional resource for the processing of international teaching qualifications (2022: \$848,000 from the Ministry of Foreign Affairs and Trade for supporting qualification recognition, primarily in the Pacific Region).

4. Personnel and Board

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

	2023 Actual (\$000)	2022 Actual (\$000)
Salaries and wages	63,525	54,486
Employer contributions to defined contribution plans	2,005	1,811
Increase in employee entitlements (note 15)	746	439
Total personnel and Board costs	66,276	56,736

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. Professional services

Breakdown of professional services costs

	2023 Actual (\$000)	2022 Actual (\$000)
Fees to auditors		
Fees to Audit New Zealand for audit of financial statements	131	123
Fees to Audit New Zealand for other services	–	–
Consultancy and contractor fees	19,937	11,565
Moderation Rebates to Industry Training Organisations	–	682
Other costs	503	578
Total professional services costs	20,571	12,948

6. Other operating costs

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.

Software licences relating to SaaS contracts are recognised in accordance with the accounting policy set out in note 1.

Breakdown of other operating costs

	2023 Actual (\$000)	2022 Actual (\$000)
Travel and accommodation	3,247	1,122
Office rental – operating lease expense	3,093	2,846
Hardware maintenance and support	98	91
Software licences and support	7,217	5,918
Information technology outsourcing	104	70
Telephony	489	612
(Decrease) for credit losses on receivables	(69)	(48)
Bad debt write-off	3	3
Minor equipment purchases	208	138
Schools administration fees	932	892
Insurance	423	433
Bank charges	142	74
Other	1,583	1,007
Net loss on disposal of property, plant and equipment	1	1
Total other operating costs	17,471	13,159

Operating leases as lessees

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

	2023 Actual (\$000)	2022 Actual (\$000)
Not later than one year	3,090	2,910
Later than one year and not later than five years	10,273	12,173
Later than five years	–	711
Total non-cancellable operating leases	13,363	15,794

The non-cancellable operating lease payments disclosed above relate predominantly to a lease for a number of floors of an office building that expires on 31 August 2033. This lease can however be cancelled after nine 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 nine 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. Capital charge

Accounting policy

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

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 2023 was 5% (2022: 5%).

8. Cash and cash equivalents

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

	2023 Actual (\$000)	2022 Actual (\$000)
Cash on hand and at bank	2,972	3,965
Term deposits with maturities less than three months	–	–
Total cash and cash equivalents	2,972	3,965

While cash and cash equivalents at 30 June 2023 are subject to the expected credit loss requirements of PBE IPSAS 41, no allowance for credit losses has been recognised since the estimated value is trivial.

9. Receivables

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 IPSAS 41 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 comprises 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.

Breakdown of receivables and further information

	2023 Actual (\$000)	2022 Actual (\$000)
Receivables (gross)	4,442	3,300
Less: allowance for expected credit losses	(23)	(92)
Total receivables	4,419	3,208

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

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

	2023			2022		
	Gross (\$000)	Allowance for expected credit losses (\$000)	Net (\$000)	Gross (\$000)	Allowance for expected credit losses (\$000)	Net (\$000)
Not past due	4,347	(1)	4,346	3,252	(72)	3,180
Past due 1–30 days	51	(6)	45	12	–	12
Past due 31–60 days	(4)	–	(4)	7	–	7
Past due 61–90 days	18	(5)	13	–	–	–
Past due >91 days	30	(11)	19	29	(20)	9
Total	4,442	(23)	4,419	3,300	(92)	3,208

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:

	2023 Actual (\$000)	2022 Actual (\$000)
Balance at start of the year	92	140
(Decrease) in loss allowance made during the year	(66)	(45)
Receivables written off during the year	(3)	(3)
Balance at end of the year	23	92

The rates used to calculate the expected credit losses are based on the payment profile of revenue on credit over the last four 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.

10. Investments

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 rate method and is recorded within receivables.

Breakdown of investments and further information

	2023 Actual (\$000)	2022 Actual (\$000)
Term deposits – current	22,000	38,500
Total investments	22,000	38,500

While investments at 30 June 2023 are subject to the expected credit loss requirements of PBE IPSAS 41, 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. Property, plant and equipment

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.

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.

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 and electronic equipment (desktop and notebooks)	4 years	25%
Computers and 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.

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.

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.

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 and electronic equipment (\$000)	Office equipment (\$000)	Leasehold improve- ments (\$000)	Furniture and fittings (\$000)	Total (\$000)
Cost						
At 1 July 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
Additions	–	584	–	–	59	643
Disposals	–	(90)	–	(124)	–	(214)
At 30 June 2023	156	9,621	449	231	259	10,716
Accumulated depreciation and impairment losses						
At 1 July 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
Depreciation expense	–	725	7	–	1	733
Impairment losses	–	–	–	–	–	–
Eliminated on disposal	–	(89)	–	(124)	–	(213)
At 30 June 2023	156	8,101	441	231	201	9,130
Carrying amounts						
At 1 July 2021	–	1,433	23	–	18	1,474
At 30 June and 1 July 2022	–	1,662	15	–	–	1,677
At 30 June 2023	–	1,520	8	–	58	1,586

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 (2022: nil).

12. Intangible assets

Accounting policy

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

Acquired software

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

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.

Work in progress

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

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 three to four years (25–33%) with other acquired software amortised over three to five years (20–33%).

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.

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 three to four 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.

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 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
Additions	–	1,412	1,412
Disposals	(1,147)	(278)	(1,425)
At 30 June 2023	951	45,245	46,196
Accumulated amortisation and impairment losses			
At 1 July 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
Amortisation expense	–	2,154	2,154
Disposals	(1,147)	(278)	(1,425)
Impairment losses	–	–	–
At 30 June 2023	951	41,474	42,425
Carrying amounts			
At 1 July 2021	1	6,364	6,365
At 30 June and 1 July 2022	–	4,513	4,513
At 30 June 2023	–	3,771	3,771
Work in progress			
Other	–	–	–
At 30 June 2023	–	–	–

	2023 Actual (\$000)	2022 Actual (\$000)
Work in progress – intangible assets		
Balance at start of the year	472	1,000
Additions	940	532
Transfers to assets	(1,412)	(1,060)
Balance at end of the year	–	472
Intangible asset breakdown (including work in progress)		
	Life (years)	Total (\$000)
Software (developed and purchased)		
NCEA Online	4	2,230
Qualifications and Credentials Repository	4	1,383
Other (each <\$150,000 net book value)	4	158
Total		3,771
Work in progress		
N/A	N/A	–
Total		–
Balance at 30 June 2023		3,771

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 nil (2022: \$793,000).

13. Payables and deferred revenue

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

	2023 Actual (\$000)	2022 Actual (\$000)
Payables and deferred revenue under exchange transactions		
Creditors	455	636
Revenue in advance	2,015	670
Accruals	5,315	6,225
Total payables under exchange transactions	7,785	7,531
Payables and deferred revenue under non-exchange transactions		
Taxes payable (GST, PAYE)	955	1,151
Total payables under non-exchange transactions	955	1,151
Total payables and deferred revenue	8,740	8,682

14. Contingencies

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.

Contingent liabilities

NZQA has the following contingent liabilities as at 30 June 2023. This is unchanged from the position at 30 June 2022.

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.

Contingent assets

NZQA has no contingent assets as at 30 June 2023 (2022: nil).

15. Employee entitlements

Accounting policy

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.

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.

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

	2023 Actual (\$'000)	2022 Actual (\$'000)
Current portion		
Accrued salaries and wages	665	585
Annual leave	4,064	3,452
Sick leave	194	194
Retirement and long-service leave	359	328
Total current portion	5,282	4,559
Non-current portion		
Retirement and long-service leave	559	536
Total non-current portion	559	536
Total employee entitlements	5,841	5,095

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 New Zealand 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 4.44% (2022: 4.24%) and a weighted average salary inflation factor of 1.99% (2022: 1.98%) were used.

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 \$24,000 to \$26,000.

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 \$24,000 to \$26,000.

16. Provisions

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

	2023 Actual (\$000)	2022 Actual (\$000)
Payroll remediation	675	629
Total provisions	675	629

Movements for each class of provision are as follows:

	Payroll remediation (\$000)
Balance at start of the year	629
Amounts used	(77)
Additional provisions made during the year	123
Balance at end of the year	675

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 under way 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 2023, 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. 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 (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 (2022: nil).

Key management personnel compensation

Key management personnel include the Board and the members of the Strategic Leadership Team, which includes the Chief Executive.

	2023 Actual (\$000)	2022 Actual (\$000)
Board members		
Remuneration	243	231
Full-time equivalent members	1.42	1.26
Strategic Leadership Team		
Remuneration	1,764	1,589
Full-time equivalent members	5.57	5.00
Total key management personnel remuneration	2,007	1,820
Total full-time equivalent personnel	6.99	6.26

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 Jan Tinetti, and the previous Minister, being the Hon Chris Hipkins, have certified they had no related-party transactions for the year ended 30 June 2023 (2022: nil).

18. Events after the balance sheet date

There were no significant events after the balance sheet date.

19. Financial instruments

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.

(a) Categories of financial instruments

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2023 Actual (\$000)	2022 Actual (\$000)
Financial assets measured at amortised cost		
Cash and cash equivalents	2,972	3,965
Receivables	4,419	3,208
Investments – term deposits	22,000	38,500
Total financial assets measured at amortised cost	29,391	45,673
Financial liabilities measured at amortised cost		
Payables (excluding revenue in advance and taxes payable)	5,770	6,861
Total financial liabilities measured at amortised cost	5,770	6,861

(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.

Market risk

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 that are held at fixed rates of interest. NZQA does not actively manage its exposure to fair value interest rate risk.

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.

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.

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.

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.

Credit quality of financial assets

The only significant concentrations of credit risk relate to \$3.0 million of cash and \$19 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 \$3 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 2023 with counterparties without credit ratings who have defaulted in the past (2022: nil).

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.

Contractual maturity analysis of financial liabilities

All financial liabilities are due for payment within six 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. Equity

Accounting policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the components of:

- contributed capital
- accumulated surplus.

Breakdown of equity and further information

	2023 Actual (\$000)	2022 Actual (\$000)
Contributed capital		
Balance at start of the year	20,528	20,308
Crown – capital contribution	–	220
Balance at end of the year	20,528	20,528
Accumulated surplus		
Balance at start of the year	18,433	12,527
(Deficit)/surplus for the year	(16,055)	5,906
Balance at end of the year	2,378	18,433
Total equity	22,906	38,961

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.

Ngā kupu āpiti

Appendix: Other disclosures

1. Statutory remuneration disclosures

Section 152 of the Crown Entities Act 2004 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

Total remuneration paid or payable	Number of staff	
	2023 Actual	2022 Actual
\$440,000 – \$449,999	1	–
\$430,000 – \$439,999	–	1
\$310,000 – \$319,999	1	–
\$300,000 – \$309,999	1	1
\$290,000 – \$299,999	–	1
\$280,000 – \$289,999	–	1
\$270,000 – \$279,999	1	–
\$250,000 – \$259,999	–	1
\$240,000 – \$249,999	1	1
\$230,000 – \$239,999	1	–
\$210,000 – \$219,999	1	–
\$190,000 – \$199,999	2	2
\$180,000 – \$189,999	10	4
\$170,000 – \$179,999	6	4
\$160,000 – \$169,999	8	7
\$150,000 – \$159,999	6	5
\$140,000 – \$149,999	8	5
\$130,000 – \$139,999	26	17
\$120,000 – \$129,999	30	30
\$110,000 – \$119,999	60	41
\$100,000 – \$109,999	71	55
Total employees	234	176

During the year ended 30 June 2023, one employee received compensation and other benefits of \$55,000 in relation to cessation (2022: one employee amounting to \$55,000).

Member and committee member remuneration disclosures

	2023 Actual (\$000)	2022 Actual (\$000)
Hon Tracey Martin (Board Chair)	43.2	32.1
Pania Gray (Deputy Board Chair)	27.0	20.1
Lyn Provost	21.6	21.6
Lili Tuioti	21.6	21.6
Cheryl de la Rey	21.6	21.6
Mary Chamberlain (to 29 June 2023)	21.6	21.6
Antony Royal (to 29 June 2023)	21.6	21.6
Grant Cleland	21.6	16.0
Jeremy Baker	21.6	16.0
Roger Moses	21.6	13.9
Neil Quigley	–	11.6
Kate Shevland	–	7.3
Jenn Bestwick	–	5.8
Total Board member remuneration	243.0	230.8

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 (2022: 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 expenses

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	2023 Actual Appropriation Estimates (\$000)	2022 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	71,418	76,256
Non-departmental output expense			
Secondary School Assessments		47,540	57,053
Standards and Qualifications Support		23,878	19,203
		71,418	76,256

The above appropriation relates to a multi-category appropriation of two categories (Secondary School Assessments and Standards and Qualifications Support).

There was a change of \$1.992 million from the overall appropriation of \$69.426 million for the Vote Education – Estimates 2022/23 to \$71.418 million for the Vote Education – Supplementary Estimates 2022/23. The increased funding addressed teacher supply issues by providing additional resourcing and the provision of free assessment to applicants of international teaching qualifications.

The Crown funding received through the appropriation equals the actual expenses incurred in relation to the appropriation.



Credit: Jessica Merwood (Ngāti Kahungunu), Year 13, William Colenso College, Napier

Te kupu taka

Glossary

Action Plan for Pacific Education 2020–2030	The Government and Ministry of Education plan to ensure diverse Pacific learners and their families are safe, valued and equipped to achieve their education aspirations.
Artificial intelligence (AI)	Software used by computers to mimic aspects of human intelligence. Includes machine learning involving programming computers to train themselves to find the best way to perform functions on data.
Aromatawai	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.
Assessment	
Assessment (secondary – external)	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.
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.

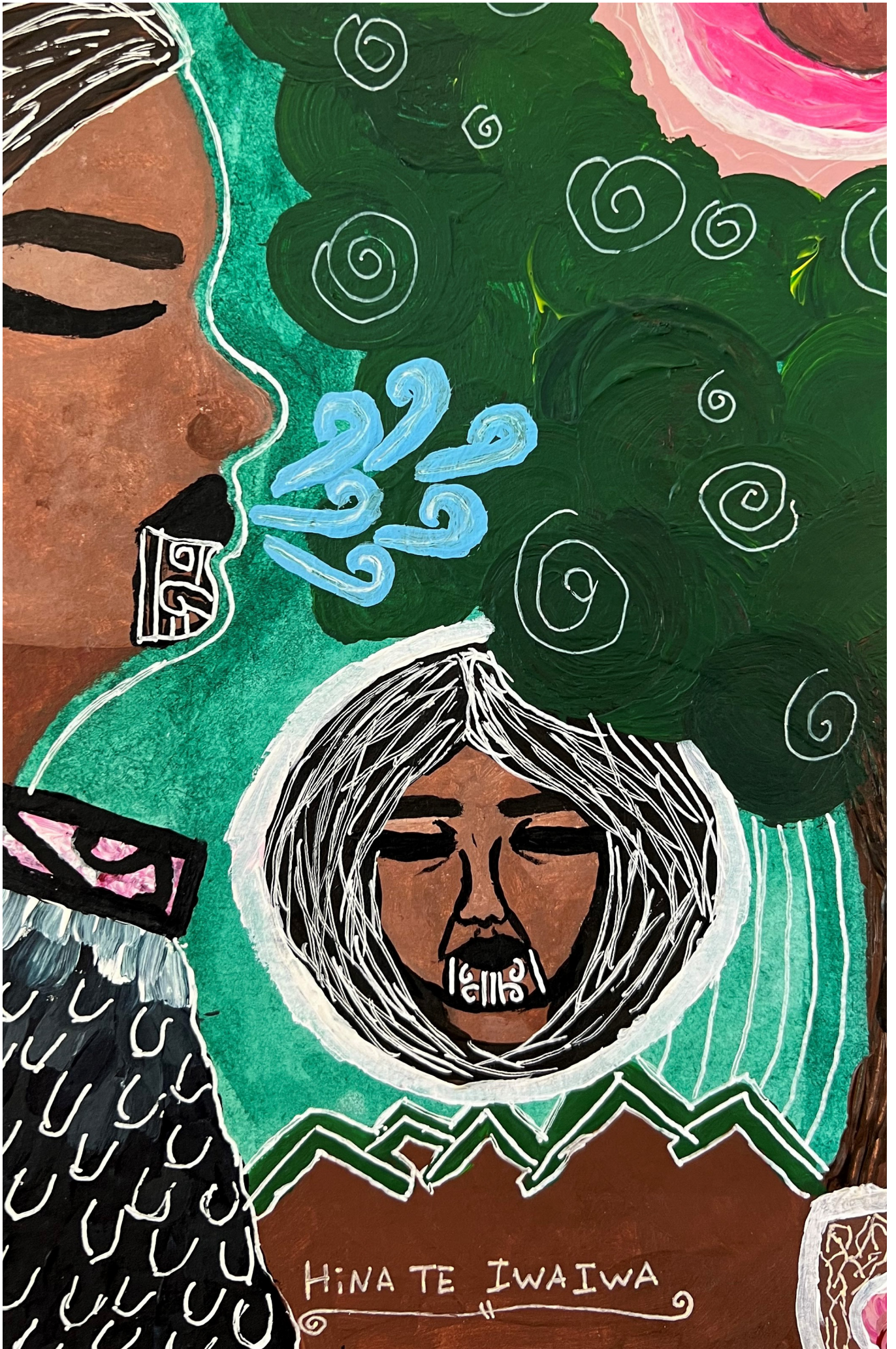
Assessment standards	An assessment standard is a standard listed on the Directory of Assessment and Skill Standards. There are two types of assessment standard – achievement standards and unit standards.
Disability Action Plan (DAP)	The Disability Action Plan (DAP) is a strategic and comprehensive document that outlines NZQA’s commitment and approach to addressing issues related to disability inclusion and accessibility. The primary purpose of the DAP is to promote equal opportunities, participation and the full inclusion of people with disabilities in all aspects of NZQA.
Directory of Assessment and Skill Standards	The Directory of Assessment and Skill Standards lists all quality assured assessment standards and skill standards approved by NZQA for use by institutions as standards for the assessment of students.
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)	
Education Quality and Assessment Programme (EQAP)	EQAP is a programme of the Pacific Community (a Pacific regional development organisation) mandated to develop education quality in the Pacific region by working with the education ministries of 15 Pacific countries and providing technical support or in-country development collaboration. EQAP manages a regional quality assurance agency and operationalises the Pacific Qualifications Framework (PQF). To enable this, EQAP facilitates training and provides support on the development, implementation and review of qualifications and quality assurance frameworks to national quality assurance agencies and ministries of education. NZQA is partnering with EQAP to deliver a five-year joint project to strengthen recognition of Pacific qualifications.

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 (EER)	<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	
Ka Hikitia – Ka Hāpaitia	<p>The Ministry of Education’s strategy to change 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	<p>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.</p>
Moderation	<p>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.</p>
National Certificate of Educational Achievement (NCEA)	<p>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 and Credentials Framework.</p>

<p>New Zealand Qualifications and Credentials Framework (NZQCF)</p>	<p>The New Zealand Qualifications and Credentials Framework (NZQCF) is a comprehensive system that organises all New Zealand qualifications and credentials into a single framework. The framework outlines the levels and types of qualifications and credentials available in New Zealand and provides a way for learners, employers and education providers to understand the level and quality of qualifications.</p>
<p>New Zealand Scholarship</p>	<p>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.</p>
<p>Private training establishment (PTE)</p>	<p>An establishment that provides post-school education and training and is registered by NZQA under Part 4 of the Education and Training Act 2020.</p>
<p>Qualification</p>	
<p>Reform of Vocational Education (RoVE)</p>	<p>RoVE consists of several key changes to create a unified vocational education system. This includes the creation of Te Pūkenga and Workforce Development Councils.</p>
<p>(Secondary) school</p>	<p>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.</p>
<p>Self-assessment</p>	<p>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.</p>
<p>Skill standard</p>	<p>Skill standards are the core building blocks of vocational qualifications and some other qualifications and credentials. They will be listed at Levels 1–7 and will be components of qualifications up to Level 7 diplomas.</p>
<p>Special Assessment Conditions (SAC)</p>	<p>SAC provide 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).</p>

Standards	There are two types of assessment standards in the Directory of Assessment and Skill 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	
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	Te Hono o Te Kahurangi is a whare ako framework and methodology NZQA uses for quality assurance in the non-university tertiary sector. Tertiary education organisations can choose between two evaluative approaches when they send an application to NZQA. They can choose either the standard approach or Te Hono o Te Kahurangi.
Te Kōkiritanga	NZQA's Māori Strategic Action Plan that outlines NZQA's commitment to achieving equity for ākonga Māori and their whānau.
Tertiary education organisations	
Te Pūkenga	An institution that delivers technical, vocational and professional education and is described from section 314 of the Education and Training Act 2020.
Transitional industry training organisation	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.
Universal Design for Learning (UDL)	UDL is a research-based framework to improve and optimise teaching, learning and assessment for all students. For more information, visit https://inclusive.tki.org.nz/guides/universal-design-for-learning/udl-framework/

<p>Wānanga</p>	<p>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 āhuatanga Māori (Māori tradition) according to tikanga Māori (Māori custom).</p>
<p>Workforce Development Council (WDC)</p>	<p>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.</p>



Credit: Flynn McDonnell (Ngā Mahanga), Year 13, South Otago High School, Balclutha



Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority