



# Annual Report

Te Pūrongo Ā-Tau

2023/24



Mana Tohu Mātauranga o Aotearoa  
New Zealand Qualifications Authority

# 2023/24 Annual Report

## 2023/24 Te Pūrongo Ā-Tau

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

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

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### About the artwork used in this report

A selection of artwork from students who participated in Ringa Toi and Top Art are displayed throughout this report. NZQA acknowledges all student artists and schools who contributed works to the various student art exhibitions and extends sincere thanks to everyone whose support made these exhibitions possible.

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**Cover credit: Jayme Hubbard** (*Ngāti Tahu - Ngāti Whaoa, Kāi Tahu, Ngāti Whakaue*), **Western Heights High School, Manu-nui-ā-rangi, Ringa Toi 2023**

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## Foreword of the Board

### He kupu takamua a te Poari Matua

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#### 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-Pāpārangi)**

#### Māori proverb

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

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We are pleased to present this 2023/24 Annual Report, reflecting on what has been a year of successes and challenges for NZQA.

Over the past year, we have valued opportunities to reflect on and refine our products and services, so they continue to enable people to Qualify for the future world | Kia noho takatū ki tō āmua ao.

Among our core roles is providing reliable digital assessment. The 2023 year saw a 94.3% lift in students' participation in NCEA external digital assessment, largely reflecting the uptake of literacy, te reo matatini, numeracy and te pāngarau. The shift to holding multiple large-scale digital external assessment events each year has required significant changes to our systems and processes, and we acknowledge the achievement that this represents.

However, disruptions to NZQA's digital assessment platform in October and November 2023 impacted secondary school students around the country. Steps were taken to resolve the technical issues as quickly as possible, but we acknowledge the impact the disruption had on students and schools.

Together with the vendor of the assessment platform, NZQA is making improvements to systems and processes in line with the findings of an independent external review. This helped to ensure that almost 75,000 students were able to undertake digital literacy and numeracy assessments in May 2024 without these issues recurring.

We continue to strengthen relationships worldwide to ensure our qualifications system remains fit for purpose. By developing these relationships, we position New Zealand as a reliable and attractive destination for international learners and workers.

The 2024/25 financial year ahead will be one of consolidation as NZQA focuses on performing our core activities well, delivering the work funded through Budget 2024 and implementing the recommendations of the external review into the digital assessment platform.

Across all of NZQA's work, we are grateful for the support and encouragement of Ngā Kaitūhono and the NZQA Taupulega, external advisory groups who provide us with insights from te ao Māori and Pacific perspectives.

Finally, the Board would like to recognise the service of Hon. Tracey Martin as Board Chair until May 2024 and of Pania Gray as Acting Board Chair until late July 2024. We are pleased that Pania remained as a member of the Board to provide continuity until September 2024.



**Kevin Jenkins**

Board Chair | Upoko Rūnanga



**Lyn Provost**

Risk and Assurance Committee Chair |  
Upoko Komiti Tūraru me te Whakaū Kounga



## Foreword of the Chief Executive

### He kupu takamua a te Pouwhakahaere Matua

NZQA is tasked with delivering two key outcomes – relevant qualifications and credentials, and trusted assessment and quality assurance.

In 2023/24, we have continued to achieve these through activities that include maintaining the New Zealand Qualifications and Credentials Framework (NZQCF), undertaking a tested and rigorous approach to developing and administering senior secondary school assessments and applying internationally recognised quality assurance frameworks to ensure qualifications are credible and robust.

Additionally, NZQA has a legislated role as administrator of the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code) and acts as New Zealand’s National Education Information Centre under international agreements.

In 2023, we supported over 175,000 Year 11-13 students entered for NCEA achievement standards and more than 10,000 students entered for New Zealand Scholarship. In addition to the regular annual assessments, 2023 also saw a full suite of Level 1 subject pilots, which involved 33 New Zealand Curriculum subjects and nine Te Marautanga o Aotearoa wāhanga ako (learning areas) at 180 schools and kura across the country.

The centrepiece of NZQA’s work to ensure qualifications are credible and robust is the quality assurance of secondary assessment and non-university tertiary providers. One area where we focus is the consistency and accuracy of internal assessment in schools, where we provide professional development tools for teachers and moderation of assessment judgements.

NZQA’s quality assurance and international roles continue to see us engaged across the Pacific in partnership with the Pacific Community’s Educational Quality and Assessment Programme, supporting the work of education and quality assurance agencies in nine Pacific countries. The focus of this work – funded by the New Zealand Ministry of Foreign Affairs and Trade – is on strengthening qualifications frameworks and quality assurance practice in the region to enable future recognition of Pacific qualifications.

We completed upgrades to a number of critical technology systems and platforms in 2023/24, mitigating risks and improving services to customers. In addition to the planned costs this work has incurred, NZQA has experienced inflationary impacts, particularly in IT and personnel costs. The culmination of these factors saw NZQA deliver a higher than anticipated deficit for 2023/24. We are implementing a plan that focuses on balancing reduced expenditure and increased revenue to prevent a return to deficits.

The poor performance of the digital assessment platform impacted students and schools participating in the Literacy and Numeracy | Te Reo Matatini me te Pāngarau co-requisite external assessments and NCEA Level 1 English examination in late 2023. In this report, we elaborate on this issue and what we are doing to ensure students have a seamless experience when sitting digital external assessments going forward.

Students and learners are at the heart of everything we do. This year marked NZQA's first attendance at Te Huinga Taurira, the largest Māori tertiary conference in New Zealand, to promote the Code. NZQA further supported the National Disabled Student's Association research project, *Let's Get Accessible*, which highlights the experiences of disabled students in navigating the tertiary education system.

We extend our gratitude to our learner voice groups and are proud to showcase the talent of secondary students throughout this Annual Report by featuring their artwork.

I acknowledge the work of NZQA's staff, including over 10,000 contracted specialist workforce who help NZQA to deliver examinations. Through what has been at times a challenging year, the dedication and professionalism of our people has helped us continue to support secondary students and tertiary learners, schools, tertiary providers, employers, whānau, iwi and other stakeholders.



**Dr Grant Klinkum**

Chief Executive | Pouwhakahaere Matua

# 2023/24 by the numbers

## 2023/24 e ai ki te tatauranga

### TRUSTED ASSESSMENT and QUALITY ASSURANCE HE AROMATAWAI HĀNGAI, HE WHAKAŪ



Approximately **9,600** teachers and assessors (increased **59%** from 2022/23) have registered on Pūtake, our learning management system



**143** Managing National Assessment reviews were undertaken during 2023 (increased **12%** from 2022)



Over **62,500** students completed one or more of their 2023 end-of-year examinations on our digital platform (increased **39.4%** from 2022)



Over **6,000** parents, families and whānau engaged in our Māori and Pacific NCEA Workshops, with **99.2%** of responses received saying they were more confident to support their children, and we engaged with more than **12,000** people through community events such as Polyfest and student career expos



**105** External Evaluation and Reviews were completed (increased **8%** from 2022/23)



Over **128,000** students participated in the 2023 external examinations for 129 subjects (increased **5%** from 2022)



Over **66,730** students participated in the 2023 Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments (increased **123%** from 2022)



Nearly **19,500** students accessed Special Assessment Conditions entitlements to help remove barriers to fair assessment for their qualifications



**14** Code 101 workshops and 6 Code self-review and attestation workshops were held



We ran **11** Assuring Consistency workshops for the sector



We assured the consistency of graduate outcomes for **80** New Zealand qualifications



## RELEVANT QUALIFICATIONS and CREDENTIALS HE WHAI TAKE NGĀ TOHU MĀTAURANGA ME NGĀ TOHU MOROITI

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**150** new micro-credentials were approved



**22,993** overseas qualification applications were evaluated



**97%** of overseas qualification applications were evaluated within **35** working days



**45%** of qualification recognition applications received were for teaching



**82** new and **90** reviewed qualifications were approved

## ORGANISATIONAL CAPABILITY ĀHEINGA O TE WHARE

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**99.2%** of papers to the Minister met agreed deadlines



**68%** of customers surveyed say information they received from NZQA met their needs



Credit: Grace O'Sullivan (Ngāpuhi), Otūmoetai College, 'Being Māori but not knowing enough', 2024 Top Art Tour

## Part one: Our role and direction

### Te wāhanga tuatahi: Ā mātou mahi me tā mātou aronga

#### Our functions

##### Ā mātou tūmahi

NZQA is a Crown entity under the Crown Entities Act 2004. We are governed by a Board appointed by the Minister of Education. Our primary role as a regulator is to ensure New Zealand qualifications are accepted and recognised as credible and relevant, both nationally and internationally. We achieve this by working alongside sector agencies, education organisations, learners, teachers and whānau.

Our responsibilities include:

- stewardship of the NZQCF
- managing the qualifications system
- quality assuring tertiary education organisations (except universities)
- quality assuring assessment in schools and kura
- supporting providers to effectively implement the Code and monitoring their compliance with Code outcomes
- delivering robust senior-secondary-school external assessment.

#### Our vision

##### Te whakakitenga

Our vision – Qualify for the future world | Kia noho takatū ki tō āmua ao – describes our role and ambition for learners and for New Zealand. We play a key role in ensuring New Zealand’s education system is world leading and accessible to all learners.

#### Our contribution to the education system

##### Ta mātou tāpaetanga ki te pūnaha mātauranga

NZQA works closely with other education agencies to:

- ensure high-quality education across New Zealand
- maintain NCEA as a robust and credible qualification, trusted both internationally and domestically
- share information to support each other’s work and streamline processes
- maintain accurate and current records of each learner’s educational achievement
- deliver on our mandate in a cost-effective manner without reducing the quality of our work
- reflect broader government expectations of the public service.

We continue to work closely with the Ministry of Education to provide policy and operational advice to the Minister of Education and the Minister for Tertiary Education and Skills. Additionally, we are supporting the implementation of the new NCEA Level 1, including the strengthened literacy and numeracy requirements and the broader education changes in schooling.

## Our operating context Tā mātou horopaki whakahaere

In 2023/24, a change of government followed the general election in October. NZQA was primarily affected through the incoming Government’s policy decision to rephase the roll-out of the NCEA Change Programme. This meant NZQA will not be required to undertake work related to new Level 2 and 3 achievement standards over the next two years, with programme-related revenue declining alongside the decreased work.

This shift, along with an increased focus on structural efficiency and financial sustainability, led to an organisational change process. Read more about the organisational change process in Part three: Our organisational capability and our financial sustainability in Part four: Our service performance.

NZQA is also affected by the implementation of the Government’s policy to disestablish Te Pūkenga, although the impact was relatively small in 2023/24. As NZQA quality assures Te Pūkenga business units, we will need to adjust our processes to align with their different organisational structure and operating model.

## Overview of our Outcomes Framework Te anga o te Mahere Putanga

Our Outcomes Framework, illustrated on page 13, outlines how we intend to create long-term value so all New Zealanders have the opportunity to Qualify for the future world | Kia noho takatū ki tō āmua ao.

Our two key outcomes describe the long-term results we are working towards:

- 1.0 Relevant qualifications and credentials | He whai take ngā tohu mātauranga me ngā tohu moroiti
- 2.0 Trusted assessment and quality assurance | He aromatawai hāngai, he whakaū

The following six intermediate outcomes describe the difference we seek to make:

- 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 | He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākongā anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu
- 1.2 Barriers to qualification recognition and mobility are reduced | Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga
- 2.1 Credible assessment and aromatawai practices support high-quality learning and achievement | Kia tautokona te akoranga kounga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai



- 2.2 Assessment and aromatawai practices adapt to the changing needs of learners, community and industry | [He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākongā, o te hapori, o ngā ahumahi hoki](#)
- 2.3 Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment | [Kia tautokona ngā akoranga kounga me te aromatawai, he hāngai te whakaū kounga](#)
- 2.4 Quality assurance adapts to the changing needs of learners, community and industry | [He urutau te whakaū kounga ki ngā hiahiatanga o ngā ākongā, o te hapori, o ngā ahumahi hoki](#)

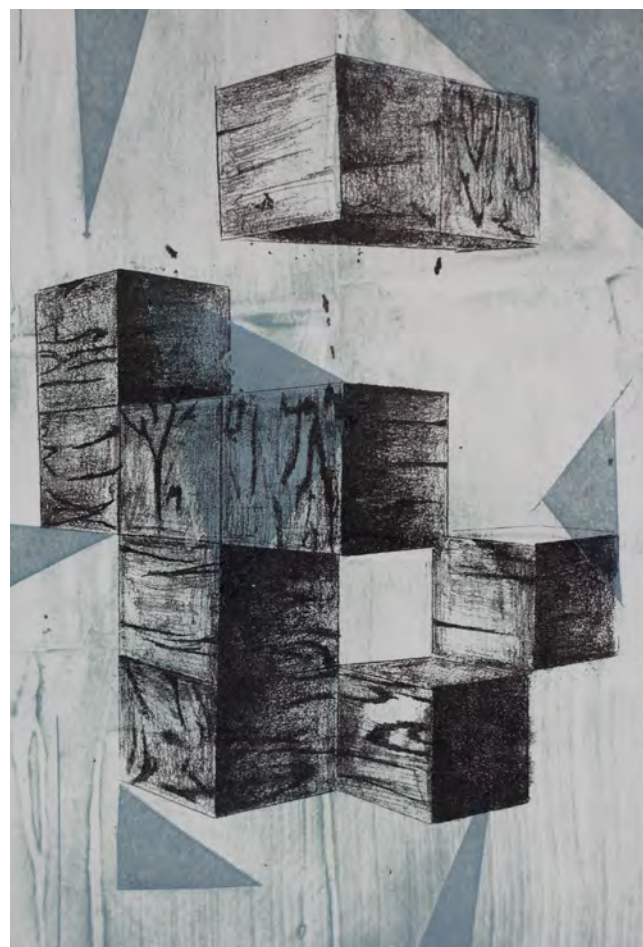
We are committed to giving effect to Te Tiriti obligations as described in the Education and Training Act 2020 through an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relationships. We do this by ensuring qualifications and quality assurance approaches are able to include the use of te reo Māori and mātauranga Māori as may be appropriate to context and need.

We also embed equity in the way we design and deliver against our Outcomes Framework. We recognise that the education system is not yet delivering equitable outcomes for

all learners. Research shows some learners including Māori, Pacific and disabled learners as well as learners with additional learning needs and those who experience socio-economic disadvantages, face higher levels of inequity.

To ensure NZQA's products and services meet and deliver on the needs of all learners, we are committed to working with learners and their whānau, iwi, communities, schools and providers and government agencies.

At NZQA, our team of around 480 individuals is dedicated to enabling quality education for all New Zealanders. We strive to create an environment where our people can excel and contribute effectively to our vision.



Credit: Tasmia Mahomed, Southern Cross Campus, *To Occupy Space*, 2024 Top Art Tour





Credit: Diljeet Kaur, Whanganui Girls' College, *Solitude vs Loneliness*, 2024 Top Art Tour



## NZQA gives effect to Te Tiriti o Waitangi

### Our vision: Quality 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

## 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 rongō 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



Credit: Leitu Taulisi, Sancta Maria College, *Home in Holonga*, 2024 Top Art Tour

## Part two: Our progress over 2023/24

### Te wāhanga tuarua: Ngā whanaketanga i te tau 2023/24

#### Measuring our performance Te paearu o ngā mahi

NZQA's performance is important for making New Zealand's education system world class and accessible to all learners. Having high-quality performance information helps us to assess and improve the impact and effectiveness of our activities and decide where to focus our efforts. It also enables us to be transparent and accountable of our resources and to show the value of our work.

NZQA has followed a continuous improvement approach to performance measurement, striving to understand the direct impact of our services on learners, other stakeholders and New Zealand as a whole. We aim to shift from qualitative measures to more quantitative indicators over time and provide disaggregated data for our priority learners and learner groups. Over time, we seek to improve our ability to understand the impact our performance has on these groups, and the education system as a whole.

Part two should be considered alongside Part four: Our service performance. Part four contains information relating to our non-financial performance, by providing our end of year results for our 2023/24 Statement of Performance Expectations. These are grouped by the intermediate outcome and business activity and they relate to financial performance, across our estimates of appropriations categories.

Our service performance reporting aligns with the Public Benefit Entity Financial Reporting Standard (PBE FRS) 48,<sup>1</sup> which outlines how to select and present service performance information that is meaningful and useful for accountability and decision-making.

The following pages provide a short overview of our achievements across our qualifications, assessment and quality assurance work over 2023/24. This is followed by a narrative on our progress towards each intermediate outcome covering:

- why this is important
- key achievements over 2023/24
- key indicators.

<sup>1</sup> <https://www.xrb.govt.nz/standards/accounting-standards/public-sector-standards/standards-list/pbe-frs-48/>



## Outcome 1.0 Relevant qualifications and credentials

### Putanga 1.0 He whai take ngā tohu mātauranga me ngā tohu moroiti

A key outcome for NZQA is ensuring New Zealand’s qualifications and credentials are relevant, credible and portable within New Zealand and internationally.

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

This includes removing barriers that have historically contributed to inequitable outcomes and ensuring that all learners can achieve education success through pathways relevant to their world view, context, practices and the communities they live in.

INTERMEDIATE OUTCOME	PUTANGA PAETATA
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	He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākonga anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu
1.2 Barriers to qualification recognition and mobility are reduced	Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga

#### 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

**Putanga paetata 1.1** He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākonga anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu

#### Why is this important?

##### He aha tēnei i hirahira ai?

The qualifications system needs to adapt to the evolving expectations of stakeholders, changes in work and society and the growing need for lifelong learning. This is important in a world increasingly shaped by digitalisation and other socio-economic forces.

NZQA’s aim is to provide confidence to employers and other end users that a qualification or credential provides a graduate with a consistent set of relevant skills and attributes. We also strive to ensure that qualifications serve as portable building blocks, enabling learners to continue their education seamlessly when transitioning between learning modes, environments and regions. Enabling the inclusion of mātauranga Māori in qualifications and credentials, where industry and communities consider it appropriate, ensures they reflect uniqueness in New Zealand’s knowledge systems. This approach supports an inclusive society where learners can achieve educational success through pathways relevant to their world.

## Key achievements

### Ngā paetae matua

#### *Simplifying qualifications design for vocational education*

NZQA continues to support the six Workforce Development Councils (WDCs) to develop and maintain qualifications, micro-credentials, skill standards and New Zealand programmes. Our key initiatives for 2023/24 included:

- preparing guidance for two WDC-led initiatives to develop New Zealand programmes, which provide a common pathway to achieving a New Zealand qualification and support consistent graduate outcomes
- reviewing WDC performance as standard setting bodies for 2022/23 and confirming with WDCs the process and performance measures for their standard setting and quality assurance functions in 2023/24 and 2024/25
- focusing on eliminating process overlap and minimising compliance costs for tertiary education providers engaging with WDCs and NZQA.

In 2024, as WDCs reviewed and developed new qualifications and micro-credentials, we saw the first skill standards submitted and approved. Through teaching and assessing learners in programmes based on skill standards, employers, communities and other end users can have greater confidence that graduates have achieved outcomes to a nationally consistent standard.

#### *Enabling mātauranga Māori into the qualification system*

The NZQCF recognises that mātauranga Māori, te ao Māori and te reo Māori can be included in qualifications and credentials, supporting Māori students to achieve education success as Māori.

We met with some tertiary education organisations (TEOs) to see how they have been able to embed mātauranga Māori into their programmes, which are not exclusively mātauranga Māori qualifications. Our intent is to develop a community within which TEOs can confidently reflect on how they might improve their practice to effectively meet the needs of their ākonga Māori.

We have produced a video and paper that tells the journey of SAE Creative Media Institute, a private training establishment in the creative media industries.


The elements of mātauranga Māori that SAE have started with include reflecting te reo Māori and te ao Māori values on their campus and in their approach to study, and in more fluid relationships between kaiako and ākonga.

This project is part of a wider insights programme of work<sup>2</sup> focused on equity issues, good practice and bringing to life administrative data that will support education system improvement.

2 <https://www2.nzqa.govt.nz/about-us/publications/insights-papers/>

**Tracking progress**

**He ara kokenga**

Measure	Baseline	Target	Result 2023/24
<p><b>Impact measure I 1.1</b> The percentage of stakeholders (employers and communities) who agree or strongly agree that graduates of vocational qualifications have relevant skills and knowledge.</p>	<p>N/A New measure for 2023/24</p>	70%	76% 
<p><b>Impact measure I 1.2</b> Increased use of mātauranga Māori in qualifications.</p>	<p>N/A New measure for 2023/24 Baseline to be set in 2023/24</p>	Increase	<p>Informed by narrative. Refer commentary pages 16-18.</p>

**Intermediate outcome 1.2** Barriers to qualification recognition and mobility are reduced

**Putanga paetata 1.2** Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga

**Why is this important?**

**He aha tēnei i hirahira ai?**

Reducing barriers to qualification recognition offers significant benefits for immigration, professional recognition, employment, further study and the economy. Recognising qualifications both within New Zealand and internationally attracts international students and allows New Zealanders to use their qualifications abroad.

For example, when NZQA recognises an overseas qualification, immigrants can be confident that it aligns with the NZQCF. This also provides employers with confidence in the international credentials of current and prospective employees.

NZQA’s international functions are outlined in the Education and Training Act 2020 (the Act). Key features of our international work include:

- supporting qualifications recognition
- furthering the reputation of New Zealand qualifications overseas
- supporting labour and student mobility
- assisting other countries in relation to qualifications and quality assurance.

NZQA also upholds New Zealand’s international obligations under UNESCO conventions and bilateral and multilateral free trade agreements, promoting fair, transparent and non-discriminatory recognition of qualifications. New Zealand is a signatory to the Lisbon



Convention<sup>3</sup> and the Tokyo Convention<sup>4</sup>, both of which help support global mobility for workers and learners. As NZQA is the designated National Education Information Centre and competent recognition authority<sup>5</sup> under these conventions, NZQA collaborates with education providers, employers, agencies and other countries to meet global standards for qualification recognition. New Zealand (represented by NZQA) was elected as President of the Tokyo Convention and Asia-Pacific Network of National Information Centres for 2024 and 2025.

To meet our international responsibilities, NZQA developed an International Strategic Action Plan (ISAP) in 2023. The ISAP outlines three priorities that are also underpinned by our Outcomes Framework:

- New Zealand qualifications are recognised internationally, and international qualifications are effectively recognised in New Zealand to support study and labour mobility
- New Zealand's qualifications and quality assurance systems and those of our partners are significantly strengthened through NZQA's international work
- NZQA supports the delivery of high-quality New Zealand education for international learners that improves education and employment outcomes.

## Key achievements

### Ngā paetae matua

#### *Engaging in international forums and networks*

NZQA has undertaken a range of activities to help strengthen other countries/regions' qualifications frameworks and assessment practices. We have done this by collaborating directly, or indirectly through government-to-government relationship arrangements, with countries and global organisations.

For example:

- NZQA continues to work closely with Ministry of Education and Ministry of Foreign Affairs and Trade to establish or improve NCEA delivery to the Realm of New Zealand countries.
- NZQA continues to work with the Chinese Service Centre for Scholarly Exchange (CSCSE) on qualifications' recognition. NZQA and CSCSE co-drafted the Arrangement on Mutual Recognition of Academic Qualifications in Higher Education, signed by both country's Ministers of Education in 2023. Both parties are currently working on the recognition of distance learning qualifications.
- NZQA and the Philippines Commission of Higher Education's joint project to recognise each other's bachelor's degrees is nearing completion, and NZQA and Quality and Qualifications Ireland signed an updated memorandum of cooperation in 2023.

<sup>3</sup> UNESCO Convention on the Recognition of Qualifications Concerning Higher Education in the European Region.

<sup>4</sup> UNESCO Asia-Pacific Regional Convention on the Recognition of Qualifications in Higher Education.

<sup>5</sup> The National Education Information Centre is a key entity established in each country to provide reliable information about the country's higher education system and qualifications. These centres offer advice on recognising and assessing qualifications according to national laws. NZQA ensures that qualifications are recognised appropriately, which is crucial for migrants with international education.

- NZQA is a member of the Australasian Curriculum and Certification Authorities and the Australasian Conference of Tertiary Admission Centres (ACTAC), allowing us to exchange insights on secondary assessment at regular meetings. NZQA uses approved ACTAC methodology to calculate Australian Tertiary Admission Rank scores for New Zealand students wishing to further their study in Australia.
- NZQA has continued to participate in forums organised by global organisations to gain and share insights on other countries’ quality assurance approaches to tertiary education, and to inform our quality assurance and international projects. Examples include the International Network for Quality Assurance Agencies in Higher Education and the Global Academic Integrity Network.

### *Pacific Qualifications Recognition Project*

In 2023/24, NZQA and the South Pacific Community’s (SPC) Educational Quality and Assessment Programme launched the implementation phase of the Pacific Qualifications Recognition Project following establishment work led by NZQA. Recognition of qualifications is an issue of significant interest in the Pacific region as it is an enabler of further study and skilled employment opportunities for Pacific people.

This long-term development project, funded by the New Zealand Ministry of Foreign Affairs and Trade, aims to support strengthened qualifications frameworks, improved quality assurance practices and recognition of qualifications across the Pacific region, with a particular focus on the use and strengthening of the Pacific Qualifications Framework (PQF).<sup>6</sup>

The majority of the project work is carried out through ongoing virtual capacity-building activities with all Pacific partners, supplemented by in-person workshops. Key achievements for 2023/24 included:

- agreeing on the implementation approach and partnership values with all partners – a significant achievement in a regional development project involving diverse partners
- hosting a series of virtual and in-person events for all project partners to initiate implementation phase activities and to establish a foundation for a Pacific-led community of practice for quality assurance in the region
- supporting SPC’s Pacific Qualifications Advisory Board in overseeing national referencing work to the PQF
- providing policy advice to support relevant regional work that could be supported by improved Pacific qualification recognition.

For more information about the project, visit our website.<sup>7</sup>

6 The PQF – supported by the SPC Educational Quality and Assessment Programme – is a regional qualifications framework that aims to support improved understanding of Pacific qualifications while also increasing trust in the consistency of quality assurance of education in the Pacific region.

7 <https://www2.nzqa.govt.nz/pasifika/how-new-zealand-supports-qualification-recognition-in-the-pacific/>

### *Recognition of overseas qualifications*

Since New Zealand's borders reopened in 2022, there has been a notable increase in applications for overseas qualifications to be recognised, with changes in immigration settings driving demand. In response, NZQA has undertaken the following:

- Increased its capacity and made system improvements, such as the creation and refinement of multilingual and multi-format resources for applications to submit correct information to NZQA the first time. These improvements have resulted in shorter evaluation timeframes and a steady reduction in the application backlog since August 2023.
- Supported the New Zealand Government's teacher supply initiative by reducing the evaluation timeframe for the 1,200 Ministry of Education-funded Teaching International Qualifications Assessment to approximately 10 working days.

NZQA collaborates with Immigration New Zealand, the Ministry of Business, Innovation and Employment, the Teaching Council of Aotearoa New Zealand, education providers and the Ministry of Education to ensure recognition outcomes are understood and continue to be fit for purpose.

During 2023/24, NZQA evaluated 22,993 overseas qualification applications, representing a 19.6% increase compared to the previous financial year. We are managing the current caseload and aiming for further improvements.

## Outcome 2.0 Trusted assessment and quality assurance

### Putanga 2.0 He aromatawai hāngai, he whakaū kounga

Our contribution to New Zealand’s reputation for providing robust, valid and fair education is through our assessment and quality assurance systems. We deliver fair, valid and consistent aromatawai and assessment that enable learners to achieve credible qualifications. In the secondary education sector, we regulate school and kura assessment and quality assurance practices to support the credibility of national qualifications and awards. We also monitor their support for international students in accordance with the Code. In the tertiary education sector (excluding universities), we evaluate the quality of education delivered by providers, including their quality assurance practices and support for all learners as part of the Code.

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.

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

INTERMEDIATE OUTCOME	PUTANGA PAETATA
2.1 Credible assessment and aromatawai practices support high-quality learning and achievement	Kia tautokona te akoranga kounga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai
2.2 Assessment and aromatawai practices adapt to the changing needs of learners, community and industry	He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki
2.3 Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment	Kia tautokona ngā akoranga kounga me te aromatawai, he hāngai te whakaū kounga
2.4 Quality assurance adapts to the changing needs of learners, community and industry	He urutau te whakaū kounga ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki

**Intermediate outcome 2.1** Credible assessment and aromatawai practices support high-quality learning and achievement

**Putanga waenga 2.1** Kia tautokona te akoranga kounga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai

### Why is this important?

#### He aha tēnei i hirahira ai?

NZQA is responsible for the management of external assessment for secondary school students in New Zealand. Our work involves a number of key processes, including the development of assessment materials and marking of assessments.

Credible and accessible assessment and aromatawai are key enablers for student attainment. We want assessment to be a positive and seamless experience for students that is aligned with their learning. It is important that methods of assessment give students opportunities to demonstrate what they know and can do. We work closely with subject experts, teachers and other stakeholders to ensure that our external assessments are accessible, and we actively share best practice with teachers and assessors.

### Key achievements

#### Ngā paetae matua

##### *Managing the external assessment cycle*

The 2023 end-of-year NCEA and New Zealand Scholarship examinations were held from Monday 6 November 2023 to Thursday 30 November 2023. What this involved was:

**128,291**

students/ākonga

**129**

examination sessions for NCEA and New Zealand Scholarship

**68**

online examinations for NCEA and New Zealand Scholarship

**1.7 million** printed examination booklets

**7,548**

examination centre staff

**71**

examination centres with **70%** or higher ākonga Māori

**1,881** markers

### 2023 NCEA results release day

NCEA results as well as results from the Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments were released on 17 January 2024. NCEA results release day is the largest annual event for NZQA and is the culmination of developing, delivering and marking efforts.

**50,000** students/ākonga accessed their results on the NZQA website using the new secure learner portal

**9,500** interactions with our Contact Centre, **79%** (7,461) of which were through our chatbot (Awhina)

**99.98%** of the 870,000 results were released without any issues, and over 75% of the results that took longer to release were resolved by 4pm on release day

### 2023 NCEA results

The final statistics for the 2023 NCEA results were released in April 2024. Overall, national attainment for NCEA and University Entrance decreased in 2023 compared to 2022.

This decline may be attributed to the ongoing impact of COVID-19, particularly for Year 12 students at NCEA Level 2, which saw its lowest achievement rate in the past decade. The decrease in attainment was anticipated as no changes (i.e. Learner Recognition Credits and adjustments to Certificate Endorsement and University Entrance) were made to the qualification rules for NCEA and University Entrance in 2023.

In recent years, fewer Year 11 students have been completing NCEA Level 1. In 2023, only 75% of the cohort were entered for 80 or more Level 1 credits. More schools are choosing not to offer a full Level 1 programme. Instead, they provide a variety of Year 11 courses, which may include some NCEA assessments, particularly for the NCEA co-requisite requirements. Some schools focus on a two-year Level 2 programme, aiming for students to achieve NCEA Level 2 by the end of Year 12, or they offer alternative qualifications like the International Baccalaureate<sup>8</sup> or Cambridge International<sup>9</sup> examinations.

For more information about the 2023 NCEA, University Entrance and New Zealand Scholarship data and statistics, a report has been published on the NZQA website.<sup>10</sup>

8 <https://www.ibo.org/>

9 <https://www.cambridgeinternational.org/>

10 <https://www2.nzqa.govt.nz/ncea/understanding-secondary-quals/secondary-school-stats/2023/>



### *Reconsiderations and reviews – 2023 end-of-year examinations*

Students can request a reconsideration (re-mark) or review (confirmation of grade) of their examination results after receiving their marked answer booklets or portfolios. In 2023, NZQA received over 12,000 applications out of the 775,000 externally assessed results. Proportionally, this is a slight increase (0.4%) from 2022, with over 9,000 applications out of 745,000 results.

Our Secondary Qualifications Advisory Group suggested several potential drivers for this increase:

- Some students did not attempt all the external assessments they entered and therefore looked to maximise the grade of the external assessments they did attempt.
- Some students struggled to adjust to the removal of the COVID-19 mitigations in place in previous years such as Learning Recognition Credits and therefore were short on credits to achieve their NCEA.
- Pressure or expectations on students to achieve Excellence or a higher grade in their external assessments, resulting in them seeking reconsiderations for a higher grade.

The success rate of reconsideration or review for 2023 was 19%, which is slightly lower than 21% in 2022. Each year, we publish the success rate in the annual NCEA, University Entrance and New Zealand Scholarship data and statistics report.<sup>11</sup> We closely monitor fluctuations in these rates as they can indicate potential issues with the marking process.

### *New Zealand Scholarship*

The 2023 New Zealand Scholarship examinations results were released on 8 February. Notable student achievements included:

- 2,071 students earned one or more scholarships of the 37 New Zealand Scholarship subjects offered
- 10 students gained Premier Awards
- 60 students gained Outstanding Scholar Awards
- 35 students achieved the 37 Top Subject Scholarship awards
- one inaugural recipient of the Te Ao Haka Scholarship award.

Recipients were honoured at the Top Scholar Awards ceremony at Parliament on 8 May.

### *Art exhibitions celebrating excellence*

#### **Ringa Toi student exhibition**

The annual exhibition Ringa Toi showcases artwork from secondary school students focusing on Toi Māori. Each year, over 80 artworks are submitted from ākonga Māori around New Zealand. This year, alongside our usual categories, we introduced Pacific art for the first time. We also awarded the Pacific Art Excellence Award – Te Moana nui a Kiwa Measina Award (measina means treasure in Samoan), which recognises excellence in Pasifika Arts.

<sup>11</sup> <https://www2.nzqa.govt.nz/assets/NCEA/Secondary-school-and-NCEA/Annual-Reports-NCEA-Scholarship-Data/2023-Annual-Report-NCEA-UE-and-NZ-Scholarship-Data-and-Statistics.pdf>


### Top Art exhibition

Top Art is an annual touring exhibition showcasing a selection of NCEA Level 3 portfolios that achieved Excellence in Visual Arts in the previous year. The portfolios cover five fields of Visual Arts: design, painting, photography, printmaking and sculpture. Top Art provides secondary students and

teachers with insights into the standards required to achieve Excellence at Level 3. It also offers the public an opportunity to appreciate high-quality art produced in schools. The exhibition will travel across the country until October 2024, with tour schedules available on the NZQA website.

### Tracking progress

#### He ara kokenga

Measure	Baseline	Target	Result 2023/24
<b>Impact measure I 2.1</b> <i>Appropriation measure.</i> The percentage of all National Certificate of Educational Achievement marker judgements unaltered following Review or Reconsideration of External Assessment Results processes.	99.7%	Maintain	99.7% 

### Intermediate outcome 2.2 Assessment and aromatawai practices adapt to the changing needs of learners, community and industry

#### Putanga paetata 2.2 He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki

#### Why is this important?

#### He aha tēnei i hirahira ai?

Our vision – Qualify for the future world | Kia noho takatū ki tō āmua ao – 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 excellent and equitable outcomes and be relevant for a digital age.

We recognise some learners do not have equal access to qualifications – they may face barriers to access and/or require additional support. We are committed to reducing assessment barriers and providing targeted support for NCEA students who need assistance. Assistive technologies and assessments incorporating Universal Design for Learning principles are tools we use to remove barriers and proactively meet the needs of all learners, particularly disabled learners, and ensure they have the opportunity to demonstrate their knowledge, skills and understanding.

Digital technologies provide opportunities for new types of support and services that can significantly reduce barriers for disadvantaged learners. In addition to functionality benefits, digital external assessment can also lead to greater efficiency and enhanced quality assurance processes.

### Key achievements

#### Ngā paetae matua

#### *Special Assessment Conditions (SAC)*

Every student has the right to express their knowledge, skills and understanding without being unfairly disadvantaged. SAC are available

to meet a range of physical, emotional, sensory, medical, and learning needs in NCEA and New Zealand Scholarship assessments. They help remove barriers and provide flexibility in how learners can access assessments and demonstrate their learning without providing an unfair advantage over other students.

In 2023, 19,497 students accessed SAC entitlements. The table below shows the breakdown of 2023 SAC entitlements of students and the level of socio-economic barriers faced by the school.

**Table: Breakdown of 2023 SAC entitlements by school level**

	Level of socio-economic barriers faced by the school <sup>12</sup>		
	Fewer	Moderate	More
Percentage of students who accessed SAC entitlements	31%	49.6%	8.7%

A majority (57.8%) of applications were submitted under the Learning category, which requires the student to be assessed by a registered psychologist or a New Zealand Council of Educational Research approved Level C assessor.

In 2023, NZQA began trialling a new optional process for schools and kura called the Notifications Gateway. This allows schools and kura to notify us about SAC provisions for NCEA Level 1 learners without requiring NZQA approval or the provision of supporting evidence. NZQA held online SAC Q&A sessions, including one in te reo Māori, to help schools and kura understand this process.

<sup>12</sup> Levels are consistent with those in the Equity Index used by the Ministry of Education. For further information of the Equity Index, visit <https://www.education.govt.nz/our-work/changes-in-education/equity-index/>

### *Supporting the NCEA Change Programme*

The implementation of the new NCEA Level 1 achievement standards in 2024 continued as planned. In December 2023, the new Level 1 New Zealand Curriculum and Te Marautanga o Aotearoa achievement standards were listed on the Directory of Assessment and Skill Standards. The assessment specifications<sup>13</sup> for 2024's externally assessed standards were also published.

During September 2023, NZQA surveyed schools and kura to understand whether they will offer NCEA Level 1 in 2024. Of the 92% who responded, 73% indicated that achieving NCEA Level 1 was the desired academic outcome for most of their Year 11 students. The survey also helped NZQA and the Ministry of Education to identify the level of support required for implementing the new achievement standards.

In April 2024, the Government announced changes to the NCEA Change Programme, including delaying the implementation of new level 2 and 3 achievement standards by two years. These changes also impact the University Entrance review, now set to be completed in 2028, with the new NCEA Level 3 implemented in 2029.

### *Level 1 achievement standards requiring revision and maintenance*

In February 2024, NZQA and the Ministry of Education revised two externally assessed standards to address issues found during 2023 pilot assessments. These revised standards were published in March 2024. We will continue working with the Ministry of Education on its Review and Maintenance Programme for Level 1 standards needing changes post-2023 piloting.

### *New Zealand Curriculum and Te Marautanga o Aotearoa assessment support materials*

Assessment exemplars and sample assessment items (based on 2023 assessments) for most internal and external standards are on the NZQA website. These exemplars, sample assessment items and guidance for Kete Manarua<sup>14</sup> will support teachers and students with the implementation of Level 1 standards in 2024. We will produce exemplars for the outstanding standards once suitable material is available from 2024 assessments.

Subject associations were commissioned by the Ministry of Education to develop 'Subject Learning Outcomes' for each Level 1 subject. NZQA was requested by the Ministry of Education to undertake an independent review of these Subject Learning Outcomes to ensure they provide detailed information to support teachers in planning their teaching and learning programmes for assessment against each of the new achievement standards for their subject.

### *Meeting the unique needs of kura*

We have been working with schools and kura, where 70% or more of students are ākongā Māori to ensure their ākongā can be externally assessed in a familiar setting where possible. From a total of 101 schools and kura with a population of 70% or more ākongā Māori, 71 schools or kura were examination centres for the 2023 end-of-year examinations.

<sup>13</sup> <https://www2.nzqa.govt.nz/about-us/publications/newsletters-circulars/assessment-matters/a202318/>

<sup>14</sup> Kete Manarua are similar to a portfolio.

NZQA is also evolving the Managing National Assessment (MNA) review process to integrate a more culturally inclusive way of conducting MNA reviews in kura and kura auraki (mainstream schools). These reviews are a partnership between a school and NZQA and tailored to meet their customs and tikanga with engagement in te reo Māori. They verify a school's processes and systems for managing fair, valid and nationally consistent assessment and confirm that the school is maintaining the requirements for consent to assess. A trial is under way with kura which are due to have an MNA review.

#### *NCEA workshops for Māori and Pacific whānau*

Our two NCEA workshops – NCEA me te Whānau and NCEA ma le Pasifika – continue to be in high demand from schools, kura and community groups across the country. These workshops play a pivotal role in the Ministry of Education's communication strategy concerning the NCEA changes that were set to take effect in 2024. To date, we have engaged with over 6,000 Māori and Pacific participants in these workshops. They provide essential information about NCEA requirements along with tailored information and resources to help ākonga Māori, Pacific learners, whānau and communities to understand and engage with NCEA with more confidence and success.

We continue to grow our reach through in-person and online workshops, social media, and community events. In 2023/24, over 100 workshops were delivered and more than 70,000 social media connections made. We have also engaged with thousands of ākonga and whānau at events such as Polyfest and other local and regional Māori and Pacific festivals.

#### *Digital external assessment*

In 2023, 62,516 students completed their end-of-year examination assessments on our digital platform, a significant increase (39.4%) from 44,854 students in 2022. Participation in digital assessment for digitally available external standards has increased from 34.3% in 2022 to 46.7% in 2023. There were a further 65,893 out of 66,737 students who participated in the digital assessments for the Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite standards in 2023.

The 'digital first' approach to assessment for the 2024 external Level 1 achievement standards is resulting in another significant increase in participation. We have continued to increase our support to schools and kura through a series of webinars for teachers and school leaders on the administration and delivery of digital external assessments.

We also provided customised support to 40 schools and kura that had little or no previous experience in managing digital assessment. The focus of this support was on assisting these schools and kura to prepare for the first Literacy and Numeracy | Te Reo Matatini me te Pāngarau co-requisite assessment event.

#### *Digital assessment platform disruption*

During the second assessment event for Literacy and Numeracy | Te Reo Matatini me te Pāngarau and the NCEA Level 1 English external examination in October and November 2023, the digital assessment platform experienced performance and capacity issues. NZQA had previously been assured by our technology vendor, through its testing, that the digital platform could support more than 30,000 students on the platform at the same time.

NZQA commissioned internal and external reviews of the issues that arose. The internal review examined IT-related technical aspects and NZQA’s responses, while the external review focused on the wider organisational issues and impacts of the events on stakeholders. The main findings and recommendations were that:

- NZQA and the platform vendors need to align testing protocols, and NZQA should review the contracts with vendors, along with its oversight of these contracts
- NZQA’s structure should be reviewed with a focus on supporting end-to-end assessment processes, so that specialist skills are located in the right places in the organisation
- scenario planning should be used to prepare for potential challenges to digital assessment, mitigate these risks and develop contingency plans
- NZQA should work with schools (especially Principals’ Nominees) to communicate the strategy and challenges around digital assessment, and capture school and student feedback around service delivery and technology design.

A number of the recommendations from both reviews have already been addressed with changes incorporated into our 2024 external assessment planning. The action plan we prepared to address the recommendations from the external review is published on our website.<sup>15</sup> Following these improvements to increase the capacity of the digital assessment platform, 73,126 students successfully sat their Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments in May and June 2024.

### *Digital practice assessments*

Over 12,393 students from 175 schools and kura participated in the final round of digital practice examinations between 4–22 September 2023 for Level 1 English, Te Reo Māori and Te Reo Rangatira. This provided schools, kura and students an opportunity to familiarise themselves with the digital assessment platform. NZQA will continue to offer the sector opportunities for students to practise assessment in a digital environment, such as through examples of past external examinations and online familiarisation activities.

### *Implementing the Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisites assessments*

In 2023, 66,737 students participated in the Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments. This is an increase of 122.6% on the number of students who participated in 2022 (29,987). Overall, for 2023, 49,772 Year 10 students sat one or more of the assessments, nearly 84% of the enrolled Year 10 cohort.

Polly (a text-to-speech tool available through NZQA’s assessment platform) was available for all students to use in the Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments. Polly enables equitable access to the writing and numeracy assessments for students with disabilities and learning support needs. Students were also able to use their own text-to-speech assistive technology, approved by NZQA, in the writing and numeracy assessments.

<sup>15</sup> <https://www2.nzqa.govt.nz/ncea/external-review-of-the-digital-platform/>


2024 assessment specifications and guidance materials were released to schools and kura in March 2024. Schools, kura and students can now also access 2023 and previous years' assessment materials on NZQA's website.<sup>16</sup>

Approximately 86,000 students were entered into the first Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessment event in May and June 2024. Results from these assessments will be released in late July and early August. Schools and kura have until 26 August to submit entries for the second Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessment event in September 2024.

Marking of text responses for large cohorts is becoming a challenge in terms of scale, availability of markers, quality assurance and timeliness. During the first 2024 Literacy and Numeracy | Te Reo Matatini me te Pāngarau assessment event, Automated text scoring (ATS) solutions were trialled on a small portion of completed Literacy (Writing) assessments that were already marked. ATS uses machine learning to recognise the characteristics of a piece of text so it can mark other similar responses. A pilot is planned for the second Literacy and Numeracy | Te Reo Matatini me te Pāngarau assessment event to understand how the tool works with a larger number of students.

## Tracking progress

### He ara kokenga

Measure	Baseline	Target	Result 2023/24
<b>Impact measure I 2.2</b> The percentage of external assessment materials that have been designed according to Universal Design for Learning principles.	N/A New measure for 2023/24	50%	70.2% 

<sup>16</sup> [https://www2.nzqa.govt.nz/ncea/subjects/litnum/#e23331\\_heading1](https://www2.nzqa.govt.nz/ncea/subjects/litnum/#e23331_heading1)



**Intermediate outcome 2.3** Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment

**Putanga paetata 2.3** Kia tautokona ngā akoranga kounga me te aromatawai, he hāngai te whakaū kounga

**Why is this important?**

**He aha tēnei i hirahira ai?**

Our contribution to New Zealand’s reputation for providing relevant quality education is through our fair, valid and consistent assessment practice and robust quality assurance. We use a range of tools to ensure that education providers deliver high-quality education and training that meets the needs of learners and employers. There are four core regulatory activities within our overarching regulatory framework that all inform each other: entry processes, monitoring, review and managing risk. We actively share assessment best practice and guidance with teachers and assessors.

**Key achievements**

**Ngā paetae matua**

*Quality assurance in senior secondary schools*

NZQA uses evidence-based MNA reviews and quality assurance check-ins to measure the effectiveness of each school’s systems to ensure credible internal and external assessment.

NZQA conducts a MNA review with a school every one to five years, depending on the outcome of the previous MNA review and annual risk profiling – 143 MNA reviews were conducted in the 2023 calendar year.

*Sector engagement*

NZQA holds Leading National Assessment seminars for schools and kura annually to support them to implement policies and processes for credible assessment for senior secondary qualifications. In 2024, the seminars focused on the implementation of the NCEA Review changes for schools and associated changes to NZQA processes. In-person seminars were run in 27 locations around New Zealand, and online seminars were also available. Three seminars were delivered in te reo Māori specifically for kura. Overall, there were 659 attendees from 436 schools and kura.

We also ran 14 online seminars for new Principal’s Nominees. The seminars covered role and responsibilities, the management of data files and student assessment entries, mark book maintenance, the moderation process and requirements, and the availability of further support.

*Adverse Events Framework*

In August 2023, NZQA released an Adverse Events Framework to recognise the impact of disruptive events on teaching, learning and assessment. This framework builds on the experience gained through COVID-19 and other adverse events, putting in place a permanent approach from 2023. In most cases, schools and kura can manage adverse events using the flexibility built into NCEA. The framework outlines additional support for situations where disruption is longer than 20 school days.

### Artificial intelligence

Consolidated advice and guidance on the acceptable use of artificial intelligence for secondary schools<sup>17</sup> and tertiary providers<sup>18</sup> has been published on our website. It includes a link to the Ministry of Education's guidance for teaching and learning. We will continue to develop our understanding of the opportunities and risks that could arise from the further development of artificial intelligence across both the secondary and tertiary sectors.

Following feedback from the sector, we developed an online learning module, *Tāku Reo, Tāku Mahi – My Voice, My Work*, for teachers on academic integrity and the acceptable use of artificial intelligence. Participants provided positive feedback on this module which is available on Pūtake, our learning management system.

### Redesigning our tertiary quality assurance approach

We are redesigning the quality assurance framework to enable us to deliver our strategic outcomes, respond to changes in vocational education and move towards being a more modern regulator of tertiary education organisations (excluding universities).

In 2023/24, we held targeted engagements with learners, employers, providers, Workforce Development Councils, government agencies and groups able to give Māori, Pacific and disabled learner perspectives to inform the proposed redesigned framework. The proposed framework has a focus on education organisations taking responsibility for their own quality and improvement and NZQA developing an integrated approach to its quality assurance activities that support and add value

to education organisations and the system as a whole.

We are driving for a framework that can be tailored to the context and performance of every tertiary education organisation while still ensuring that learner, employer and community interests are protected.

Consultation on the high-level design for a redesigned framework is expected later this year. Our quality assurance business model will be updated to reflect the new approach in 2025/26.

### Assessor support

Our learning management system Pūtake is available to teachers and assessors. The system offers modules, short courses and online programmes about assessment in subjects and specific standards or broader assessment practices. The number of registered users increased by approximately 3,600 users in 2023/24 to over 9,600 users, with 40% engaging with our online learning modules between April and June 2024.

In 2024, we launched a new Assessor Practice Tool, following a 12-week pilot in 2023. The tool enables teachers and assessors to practise their marking on a sample of student work for a particular standard. Teachers and assessors can then see the appropriate grade with detailed commentary from a panel of moderators.

We also published short webcasts to assist teachers in planning and implementing the assessment of the new Level 1 achievement standards. We continue to provide online webinars on demand.

<sup>17</sup> <https://www2.nzqa.govt.nz/ncea/ncea-for-teachers-and-schools/managing-national-assessment-in-schools/ai-guidance/>

<sup>18</sup> <https://www2.nzqa.govt.nz/tertiary/assessment-and-moderation-of-standards/academic-integrity-and-artificial-intelligence/>

*External moderation of internally assessed moderator judgements*

In 2024, we made three changes to our external moderation process to support the new NCEA Level 1 achievement standards and focus on assessor support:

- Schools and kura can now submit samples of marked student work after completing their internal moderation process instead of at a fixed date
- The submission period was reduced from 10 months to seven months to allow for us to moderate and provide feedback on assessments in the current year
- The volume of external moderation was reduced from 100,000 samples per annum to between 30,000 and 50,000 samples per



annum.<sup>19</sup> This volume still provides NZQA with confidence about the national consistency of assessor judgements. In 2023/24, we externally moderated 36,117 samples of student work.

*Improving marker judgements for internally assessed standards*

Each year, NZQA produces reports for schools and kura that compare the external and internal results for individual schools and with schools with similar socio-economic barriers. Schools and kura that show marked differences in their results are followed up to ensure their assessment results are credible and to help support improvements to quality assurance processes as required.

**Tracking progress**

**He ara kokenga**

Measure	Baseline	Target	Result 2023/24	
<p><b>Impact measure I 2.3</b></p> <p>The percentage of tertiary education organisations that agree or strongly agree that NZQA’s quality assurance practices support them to improve their performance.</p>	N/A New measure for 2023/24	70%	71%	
<p><b>Impact measure I 2.4</b></p> <p>The percentage of kura and schools that agree or strongly agree that NZQA’s quality assurance practices support them to improve their aromatawai and assessment practices.</p>	N/A New measure for 2023/24	75%	96.4%	

<sup>19</sup> The volume of externally moderated samples of school-based assessments and the amendments of the selection criteria to optimise coverage and impact was agreed in 2021 to allow moderators to increase their focus on supporting schools/kura and teachers. These changes were made in support of the implementation of the new achievement standards from 2023.

**Intermediate outcome 2.4** Quality assurance adapts to the changing needs of learners, community, and industry

**Putanga paetata 2.4** He urutau te whakaū kounga ki ngā hiahiatanga o ngā ākongā, o te hapori, o ngā ahumahi hoki

#### Why is this important

##### He aha tēnei i hirahira ai?

Having access to new tools and analytics is important to ensure we remain responsive and deliver learning outcomes that meet future societal and employment needs. By leveraging insights from data and engaging with learners and stakeholders, we can effectively adapt our quality assurance to remain fit for purpose. NZQA continues to publish evidence and best practices through online insight papers, making it accessible for providers, government agencies and communities to read and benefit from these findings.

Quality assurance that focuses on student safety and wellbeing assists in removing barriers to learning and brings greater confidence in New Zealand's education system. The Code plays a vital role by placing requirements on education providers to ensure domestic tertiary learners and all international learners enrolled with New Zealand education providers are safe and supported. As Code administrator, we monitor and support providers to ensure they comply with the Code. This is important as we want learners to feel safe and empowered to qualify for their future pathways.

#### Key achievements

##### Ngā paetae matua

##### *Embedding the Code*

In 2023/24, our focus has been on promoting the Code, building capability and using insights for targeted monitoring. NZQA has:

- developed and published the 2024/25 Code Administrator Plan<sup>20</sup>, which outlines our approach, priorities, and activities
- facilitated 20 workshops with schools, tertiary providers and learners about the Code
- supported tertiary providers by running workshops on the self-review and attestation processes that are required of a Code signatory
- collaborated with Education New Zealand and presented a workshop for international education agents on the Code, helping them better explain the protections it offers to international students
- reviewed a sample of self-review reports completed by tertiary education providers to inform future capability-building activities for providers
- completed an analysis of NZQA's student accommodation monitoring activities to help NZQA and tertiary education providers understand the student accommodation landscape in New Zealand, and the key practices in place at tertiary education providers (excluding universities).

The feedback NZQA provided to tertiary providers where improvements were needed will be a focus in the 2025/26 Code Administration Plan.

20 <https://www2.nzqa.govt.nz/assets/Tertiary/The-Code/2024-Code-Administrator-Plan-NZQAs-approach-priorities-and-activities.pdf>

*Providing insights to support education system improvement*

During 2023/24, NZQA continued to draw on our data and information to provide insights into qualifications, assessment and quality assurance matters. This included publishing a range of insights papers and bringing to life data to support education system improvement.

Over the last year we published three insights papers:<sup>21</sup>

Paper name	Paper overview
Poipoia kia puāwai – How schools support ākonga Māori and Pacific students to attain University Entrance	Examines key aspects and the approaches that schools have adopted to support ākonga Māori and Pacific students to attain University Entrance (UE).
He Muka Herenga Tangata – Embedding mātauranga Māori within programmes	Tells the journey of SAE Creative Media Institute as it works to embed mātauranga Māori. This is part of a wider project to develop a community within which TEOs can confidently reflect on how they might improve their practice to effectively meet the needs of their ākonga Māori.
Ngā whai painga o Te Ao Haka: The positive impacts of Te Ao Haka for ākonga, whānau, and kaiako	Discusses what happens when a subject like Te Ao Haka is given mana ōrite (equal status) in Aotearoa’s school system and the positive impacts of Te Ao Haka for ākonga, whānau and kaiako.

**Budget significant initiatives**  
**Te take o te whakaritenga**

This section provides information about significant Budget decisions.

This is a new reporting requirement for Annual Reports, which responds to interest by Parliament, the Auditor-General and the public in being able to trace funding announced through to what has been delivered and achieved. As the information is required for the last three Budgets (Budget 2023, Budget 2022, Budget 2021), it covers funding decisions made by the previous Government. Where an initiative has been stopped, scaled or significantly altered, this is noted.

21 All insights papers and reports are available on our website: <https://www2.nzqa.govt.nz/about-us/publications/insights-papers/>

Initiative name	Budget year	Funding commitment (\$000)	Responsible business area	Relevant section of this report
<b>Maintaining pay rates for NZQA's specialist workforce</b>	2021/22	5,000	Assessment	N/A
	2022/23	5,000	delivery	
	2023/24	6,000		
<p>The specialist workforce is essential for developing and delivering external assessment and the moderation of internal assessments.</p> <p>This is a biennial Budget bid related to cost pressures in maintaining the specialist workforce, and as an operation expense, there are no specific performance measures attached to this initiative.</p>				
<b>Reform of Vocational Education – Transition and Integration phase</b>	2021/22	2,000	Quality	Pages 16-17,
	2022/23	2,000	Assurance	and 32-34
	2023/24	2,000		
<p>This initiative ensures that the design of vocational qualifications and the quality assurance framework support the goals of learner mobility and increased relevance of vocational education and training to meet the needs of industry, employers, iwi, Māori and communities.</p> <p>Four key workstreams underpin the qualifications and quality assurance system changes:</p> <ol style="list-style-type: none"> <li>1. Simplifying qualifications design for vocational education</li> <li>2. Redesigning the quality assurance framework for tertiary education organisations (excluding universities)</li> <li>3. Support the functions of Workforce Development Councils and Te Pūkenga</li> <li>4. Business and information system changes.</li> </ol>				



Initiative name	Budget year	Funding commitment (\$000)	Responsible business area	Relevant section of this report
<b>NCEA Online: Transforming assessment for learners</b>	2021/22	14,846	Assessment	Pages 26-31
	2022/23	14,285	delivery	
<b>Replacement of unsupported payroll with new human resources information system for NZQA</b>	2022/23	3,000	Corporate	Pages 9-14
	2023/24	500	Services	

Digital technologies provide opportunities for new types of support and services that have the potential to reduce barriers for learners. We focused on transforming assessment to respond to the different contexts and changing needs of learners, communities and employers. During 2023/24, we continued to strengthen participation in digital external assessment in partnership with the secondary education sector, the Ministry of Education and the Network for Learning. Accessibility improvements to our digital platform for learners with particular learning needs, including making enhancements to further support assistive technologies, has been a priority.

The replacement human resources information system, which is partly funded by the Crown and partly from accumulated funds, is used to administer both our permanent workforce and specialist workforce, which develops and delivers assessments. This initiative was required due to the previous vendor unexpectedly exercising a sunset clause and ceasing the provision of service. As an operation expense, there are no specific performance measures attached to this initiative.

<b>Initiative name</b>	<b>Budget year</b>	<b>Funding commitment (\$000)</b>	<b>Responsible business area</b>	<b>Relevant section of this report</b>
<b>Extending time-limited funding for critical teacher supply initiatives</b>	2023/24	1,447	Quality Assurance	Pages 18-21
	The teacher supply initiative is designed to support more overseas teachers with international qualifications who want to teach in New Zealand.			
<b>Pastoral care of domestic tertiary students – funding for Code administration and disputes resolution scheme</b>	2021/22	1,251	Quality Assurance	Pages 35-36
	2022/23	1,251	Assurance	
The Code sets out the requirements that education providers must meet for the wellbeing and safety of learners. As the Code Administrator, NZQA provides advice and guidance to providers and learners, approves applications to become a Code signatory, and monitors compliance with the Code including investigate complaints. This additional funding was provided when the Code and Code Administrator role expanded to include domestic tertiary learners.				



Credit: Malia Sela-Rose Brown (*Samoa*), Marist College, Year 13, *Leiloa (lost)*, Ringa Toi 2023

## Part three: Our organisational capability

### Te wāhanga tuatoru: Te āheinga o te whare

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.

### Our people and culture

#### Ō mātou tāngata, tō mātou ahurea

#### Our values

#### Ngā mātāpono

Our values 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
Ngaiotanga	Doing our job in the best possible way

## Organisational change He whakahoutanga ā rōpū whakahaere

In quarter four, NZQA underwent an organisational change due to:

- a Government policy shift to rephrase the roll-out of the NCEA Change Programme, which meant we were no longer required to undertake work related to new NCEA Levels 2 and 3 standards over the next two years
- a need to ensure our financial sustainability
- an increased focus on efficiency and effectiveness.

As a result, 66 positions were disestablished (14 were already vacant) and 32 new roles were established.

The implementation of this change is scheduled to be completed in the first quarter of 2024/25.

## Diversity and inclusion Te kanorau me te kauawhi

NZQA is committed to ongoing work to develop the organisation as 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 New Zealand, where success is built upon the variety of perspectives, backgrounds, experience and knowledge of all our people.

This is achieved through focusing on the priority areas of:

- inclusive leadership
- cultural competency
- addressing bias
- building relationships
- employee-led networks.

This is consistent with the Papa Pounamu Public Service work programme<sup>22</sup> committed to by public service chief executives, including Crown Entities, to meet the diversity and inclusion obligations in the Public Service Act 2020.

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



## Closing gender, Māori, Pacific and ethnic pay gaps

### Te whakatōrikiriki i ngā mokotawhā utu ā-ira, ā Māori, ā tangata Moana, ā mātāwaka

Work is continuing on assessing gender, Māori, Pacific, and ethnic pay gaps at NZQA. These gaps are being addressed through our Kia Toipoto Action Plan<sup>23</sup>, which is aligned with the overarching Kia Toipoto Public Service Pay Gaps Action Plan 2021–24.

At 30 June 2024, the average gender pay gap was 6.4% (compared to 7.1% last year) and the median gender pay gap was 2.9% (compared to 2.3% last year).

As with gender, representation is the primary reason for NZQA's ethnicity pay gaps. A large proportion of Māori, Pacific and Asian people are in lower paid roles, and a smaller proportion are in higher paid roles. Based on ethnicity within roles, like-for-like pay differences are minimal. The median ethnic pay gap and the average ethnic pay gap from 2022/23 and 2023/24 are shown in the table below.<sup>24</sup> Further details regarding pay gaps will be included in the Kia Toipoto Action Plan due to be published in December 2024.

Workforce by ethnic group	Median pay gap		Average pay gap	
	2023/24	2022/23	2023/24	2022/23
Asian	7.6%	8.4%	10.0%	5.9%
Māori	1.0%	-1.1%	1.5%	1.1%
MELAA <sup>25</sup> and other	-0.2%	-9.6%	-0.6%	-0.7%
Pasifika	14%	11.4%	13.5%	13.4%

<sup>23</sup> <https://www2.nzqa.govt.nz/about-us/our-approach/diversity-inclusion-equity/>

<sup>24</sup> The average / *mean* is the sum of all the numbers in the set divided by the amount of numbers in the set. The *median* is the middle point of a number set. Median and Average pay gaps are calculated across all NZQA roles.

<sup>25</sup> Middle Eastern/Latin American/African.

## Disability Action Plan Mahere mō te hunga hauā

This year, we refreshed our Disability Action Plan (DAP). The DAP draws together work from across the organisation and looks at how we can:

- improve our services for disabled learners
- support our disabled kaimahi to thrive.

The refresh assigns accountabilities across key NZQA divisions and project owners to allow us to better track and implement the changes.

The DAP covers three financial years from 2024/25 to 2026/27 and has four outcome statements on the changes we want to see.

Our aim is that considerations about disability and impairments are built into the design of our work at its inception and embedded in the way we operate.

<b>DAP outcome statements</b>	<b>An example of what we doing to achieve this outcome</b>
<b>Disabled learners experience barrier-free external and internal NCEA assessments</b>	We are increasing assistive technologies and assessments incorporating Universal Design for Learning principles to remove barriers and proactively meet the needs of all learners, including disabled learners, so that they have the opportunity to demonstrate their knowledge, skills and understanding.
<b>Disabled learners experience barrier-free tertiary education</b>	We are looking at how our refreshed quality assurance framework reviews the provision of education and support by providers under the Code for diverse learners, including disabled learners.
<b>NZQA’s products and services meet disabled customers’ needs</b>	We are continuing to meet web accessibility standards, and implement improvements as required so it is easier for disabled customers to contact us.
<b>NZQA is a disability confident employer</b>	We will roll out disability-confident training to key kaimahi groups.

## Our workforce Tō mātou ohu mahi

In June 2024, we had a workforce of 486.5 full-time equivalent (FTE) employees compared to 531.2 FTEs in June 2023. Our core workforce composition as at 30 June 2024 is shown in the table below:

Workforce by gender	% of total workforce	
	2023/24	2022/23
Female	53.8%	46.5%
Male	34.1%	28.5%
Gender diverse	0%	0.2%
Undeclared	12.1%	24.8%

Workforce by ethnic group <sup>26</sup>		
	2023/24	2022/23
Asian	15.3%	10.5%
European	45.2%	32.5%
Māori	11.3%	10.3%
Pacific	8.5%	6.1%
MELAA and other	6.7%	3.9%
Undeclared	23.2%	40.4%

We continue to work towards increasing the percentage of kaimahi and people leaders who identify as Māori and Pacific to better reflect New Zealand's student/ākonga population (21.5% and 10.9% respectively).

## NZQA People Strategy – Rautaki Whakawhanake Tāngata

### Te Rautaki Whakawhanake Tāngata o NZQA

Our NZQA People Strategy – Rautaki Whakawhanake Tāngata 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:

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

<sup>26</sup> Staff are counted in each ethnic group they identified themselves with.

## **Working as a te reo Māori learning organisation**

### **He whare ako i te reo Māori**

We have an enduring commitment to being a te reo Māori learning organisation, which is one of the ways NZQA honours Te Tiriti o Waitangi. This supports our intention to having a workforce who can appropriately engage with and respond to students and their whānau, stakeholders and customers.

Our internally delivered te reo Māori initiatives, including in-house te reo classes, aim to increase staff confidence 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 contexts.

Employee demand for te reo Māori development has continued to increase during 2023/24, with 17 kaimahi completing Te Reo Māori me ōna Tikanga (beginner level 1) and 11 completing Level 1, 14 completing Level 2, 11 completing Level 3 and 4 of Te Ataarangi (te reo Māori capability development).

## **Strengthening our Pacific cultural capability**

### **Te whakapakari āheinga ahurea Moananui**

Developing our people and strengthening our cultural practice across our work is a key focus in our commitment to Pacific learner success. NZQA continues to actively support our 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 2023/24, 22 staff attended Pacific cultural intelligence workshops. A further 99 staff have registered their interest to attend an upcoming Pacific cultural intelligence workshop.

## **Protecting the health, safety and wellbeing of our people**

### **Te tiaki hauora, tiaki haumarū, tiaki oranga tangata**

NZQA has a strong commitment to the health and safety of its people. We have put in place mechanisms to proactively monitor and address safety concerns for all NZQA employees. During 2023/24, our Health and Safety Charter was updated and replaced with the Hauora Commitment which outlines NZQA's commitment to the wellbeing of our staff. It draws from Te Whare Tapa Whā model and the Fonofale model of health.

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 and anti-bullying.

## Our relationships Ō mātou hononga

### Māori-Crown relations

#### Ngā take Māori me te Karauna

The Board adopted a Te Tiriti o Waitangi statement in 2023 to shape the way NZQA actively advances the interests of Māori. This is part of how NZQA recognises and respects our responsibility under the Education and Training Act 2020 to give effect to Te Tiriti o Waitangi.

Our commitment to honouring and giving effect to Te Tiriti o Waitangi is integral to how we work. This includes embedding Te Tiriti o Waitangi in our work processes and engaging effectively with Māori stakeholders:

- Where possible, we engage in co-design with iwi, hapū and Māori. This provides opportunities for NZQA to advance Māori interests and to support Māori to achieve education success as Māori.
- Every few years, NZQA performs a self-review against the Te Arawhiti engagement framework.<sup>27</sup> The reviews identify areas for growth and development.
- We also have a small number of tailored achievement data-sharing arrangements in place with iwi organisations.

The NZQA Board continues to be supported by Ngā Kaitūhono,<sup>28</sup> an external expert advisory group. Ngā Kaitūhono provide strategic thought leadership to guide NZQA regarding te ao Māori.

### Working with stakeholders

#### Te mahi tahi me ngā kiripānga

NZQA supports a wide cross-section of New Zealanders. We work in collaboration with education agencies and the wider government sector, education organisations, teachers, whānau, hapū and iwi to deliver the best outcomes for students and perform our regulatory functions.

We meet regularly with peak bodies, including those for students, secondary and tertiary educators, education providers, employers and iwi. This allows us to keep communication channels open and better understand needs and informs how we respond to and address any issues.

We continue to work with agencies on changes to the education system 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 students, iwi, communities and employers.

<sup>27</sup> <https://www.tearawhiti.govt.nz/te-kahui-hikina-maori-crown-relations/engagement/>

<sup>28</sup> <https://www2.nzqa.govt.nz/maori/focus-maori/nga-kaituhono/>



## Understanding our customers and meeting their needs

### Te mārama me te whakatutuki i ngā matea o ā mātou kiritaki

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. NZQA's customers are diverse and include 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 learners and administration staff.

NZQA has been transforming digital channels and services to provide targeted personalised services for customers through our website and secure portals for learners, schools and tertiary education providers. Our efforts this year included:

- continuing to make the public-facing website simpler, more accessible and easier to interact with for all customers
- launching new learner and school portals that allow NZQA to be responsive to customer needs and also allow customers to engage with NZQA more easily
- 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 – an example is our chatbot, which now handles over 250,000 interactions per year

- expanding the use of a customer relationship management system to consistently track customer interactions so that NZQA increases its responsiveness to customers while also improving the quality of support to customers
- automating the end-to-end process for managing digital submissions by creating a seamless workflow between NZQA's learner and school portal and connecting it to NZQA's online marking platform
- carrying out co-design and customer insight workshops with schools, kura and learners for various initiatives such as redesigning the end-to-end experience for managing derived grades applications for NCEA assessments for schools, kura and learners
- continuing to engage with student representatives from various tertiary national student associations as part of a memorandum of understanding
- continuing to improve the digital experience for international customers applying for International Qualification Assessments<sup>29</sup> by providing user-friendly guidance and online tools to make their application processes simpler and more streamlined
- understanding the views and perspectives of our tertiary sector customers<sup>30</sup> to ensure their needs are met in the redesigned quality assurance framework.

NZQA is committed to providing a service to our customers that is appropriate to their needs 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.

29 <https://www2.nzqa.govt.nz/international/recognise-overseas-qual/apply-iqa/>

30 Tertiary sector customers include PTEs, Te Pūkenga, Wānanga, Government Training Establishments, Māori providers, learners, employers and industry representatives, other government agencies, and standard setting bodies or WDCs.

Contact Centre survey feedback has consistently been high. Out of 5,000 customer responses to post-call surveys over the last year, 91% of customers rated their experience as either satisfactory or excellent.

We will continue to apply a customer-centred approach to improving customer experience, enhancing customer interactions and making other customer service improvements.

## Our sustainability Toitūtanga

### Reducing our carbon footprint

#### Te whakahekeheke i tō mātou tapuwae waro

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. In 2021, NZQA became a certified Toitū carbon reduce organisation under the Toitū Envirocare programme.<sup>31</sup> At the time of this report, the emissions data is subject to audit.

Our direct impact on the environment is driven by air travel, printing and distribution and general waste. In 2023/24, air travel accounted for 54% (2022/23: 86%) of our total emissions, with printing and distribution and general waste generating 41% (2022/23: 14%).<sup>32</sup>

Our people and contracted specialist workforce travel nationally to undertake assessment and quality assurance functions and to collaborate and engage with stakeholders.

As in previous years, we have taken steps to reduce our travel emissions by utilising online technology. Overseas air travel to fulfil our international role is being minimised.

In 2023/24, we have been able to get more comprehensive data from our provider of printing and distribution services, which included the assignment of emissions from its freighting services and related activities. Consequently, we have recorded an increase in emissions for category 4, compared to the previous methodology of calculating emission from this category. Following advice from Toitū Envirocare, we have recalculated the emissions for Category 4 in our 2021 base year on a consistent basis using the same methodology as the current year. This has resulted in a restatement of our base year total emission to 1,005.46 tCO<sub>2</sub>e (previously 822.37 tCO<sub>2</sub>e).

In 2023/24, NZQA had a 4.7% decrease in its total CO<sub>2</sub> emissions (2022/23: decrease of 14% restated) compared to the restated emissions of the 2021 base year. This decrease can be primarily attributed to category 4 – emissions from printing and distribution, where assessments have progressively transitioned to being online. There has also been a reduction in our energy use compared to the base year. Some of these gains have been offset by a 7% increase in emissions from Category 3 relating to transportation. However, it was pleasing to note that emissions from travel activities in 2023/24 reduced by 27% compared to the previous year.

Looking ahead, NZQA will continue to aim for a reducing level of residual net emissions.

<sup>31</sup> <https://www.toitu.co.nz/what-we-offer/carbon-management#certification-programmes>

<sup>32</sup> NZQA is a certified Toitū carbon reduce organisation. Reported emissions results are yet to be audited. A full verified greenhouse gas inventory and supporting information will be submitted to the Programme Lead (Ministry for the Environment) by 1 December of each year.

<b>Emissions for 2023/24</b>	<b>(tCO<sub>2</sub>e)</b>
<b>Total annual emissions</b>	958.15
<b>Emissions profile broken down by emissions source/scopes</b>	
Category 1 – direct emissions	4.72
Category 2 – indirect emissions from imported energy	41.82
Category 3 – indirect emissions from transportation	520.16
Category 4 – indirect emissions from products used by organisation	391.46
Base year period 2021 – restated	1,005.46
Full-time equivalent of staff in the reporting period 2024	486.5

### Enhancing our systems and infrastructure

#### Te whakangako i ā mātou pūnaha, ā mātou tūāhanga

In 2023/24, we continued 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. The NZQA Board has established an Information Systems sub-committee to oversee the enterprise-level digital investment and the Information Systems Strategic Plan.

NZQA has established a cloud-based data warehouse to enhance our business intelligence and data maturity. Utilising this data warehouse, we have successfully completed several new assessment, marking and reporting tools to support digital NCEA assessment.

We have successfully launched a new web entry interface and an application interface for student management systems. These interfaces enable schools to submit and verify student data to NZQA using modern approaches/ technologies, avoiding legacy batch files and manual processing.

NZQA is in the process of developing a business case for the replacement of our legacy regulatory IT system and to internal capability to support current and future operational requirements. This core system underpins NZQA’s delivery of NCEA and quality assurance services to the sector.

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 focused on making security awareness training for all users mandatory.

## Managing our risks

### He whakamarumarū i ngā tūraru

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.<sup>33</sup> This provides a sound foundation for a consistent approach to identifying, assessing, and monitoring risks.

In 2023/24, we further strengthened our application of risk appetite across the organisation and aligned our organisational risk reporting to the Board with a set of risk appetite levels.<sup>34</sup>

## Being prepared for disruptions

### Kia takatū ki ngā whakapōreareatanga

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

We continue to build our business continuity preparedness as an integrated part of our activities to ensure we can effectively respond to and recover from such events in a timely and flexible way.



Credit: Bridie Pugh, Whangamata Area School Year 13, *The Koru at my home, Ringa Toi 2023*

<sup>33</sup> <https://project.lsst.org/riskmanagement/31000-2009.pdf>

<sup>34</sup> Risk appetite helps organisations find balance between uncontrolled innovation and excessive caution. Having a broadly defined risk appetite framework helps us approach risk consistently as an organisation.





Credit: Trinity Tusa Nua (Samoa), Tawa College, Year 12, Teine Samoa, Ringa Toi 2023



## Part four: Our service performance

### Te wāhanga tuawhā: Te whai hua o ā mātou mahi

#### Our performance story

#### Tō mātou kōrero tutukitanga

In this section we describe our non-financial and financial performance, through the results of the measures in our 2023/24 Statement of Performance Expectations (SPE) and in the expenditure against outputs specified in Vote Education.

#### Non-financial performance

#### Tutukitanga ahumoni kore

This Annual Report includes end-of-year results for impact measures (mentioned in Part two) and SPE measures (mentioned in this section). In total, NZQA achieved 5 out of 5 of its quantitative impact measures, and 18 out of 28 of its quantitative SPE measures. NZQA also reported on a further four qualitative measures.

Measure type	Count	Quantitative		Qualitative
		Met	Not met	Narrative
Impact measures	6	5	0	1
SPE measures	31	18	10	3

We recognise that the results for our SPE measures allow room for improvement. Our intention is to strengthen and refine our performance approach through our work to produce our 2025/26 – 2028/29 Statement of Intention.

## Financial performance

### Tutukitanga ahumoni

In 2023/24, NZQA had a higher than anticipated deficit. The context for this covers a period that is longer than a single financial year.

From 2021/22, NZQA:

- was deliberately and progressively investing in programmes to enhance our capability and the services we provide to students and regulated entities from a healthy balance sheet
- was continuing to invest in managing risks posed by our primary legacy technology system
- partially funded (along with the Crown) a replacement payroll application due to the vendor exercising a sunset clause to cease the use of the application.

Coming out of this scheduled and planned investment programme, NZQA was also impacted by strong inflationary pressures.

Once the higher deficit was forecasted mid-year, we closely managed our expenditure for the remainder of the 2023/24 year. NZQA's financial position at 30 June 2024 was stable.

We achieved this by:

- re-prioritising some work and undertaking some work differently
- vacancy management, reducing the use of contractors and consultants, and making efficiency savings across the business by reducing operational expenditure in areas such as meetings and travel.

Changes to government policy to rephase the roll out of the NCEA Change Programme reduced NZQA's 2024/25 revenue by \$5.5 million. This significantly contributed to the urgency in NZQA returning to a balanced budget.

## Our Statement of Performance

### Expectations 2023/24 results

### Ngā tukunga iho o tā mātou kīanga kawatau ā-paearu mahi 2023/24




This section provides the performance results for the measures in NZQA's 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 2023/24. Where the result is provided against a qualitative standard, the page reference is given for the relevant section of Part two: Our progress over 2023/24.





Information has been included to indicate:

- performance measures that are also contained in the Estimates of Appropriations 2023/24
- results for 2021/22 and 2022/23 for any new measures where available, in accordance with PBE FRS 48.


For information on why NZQA considers each of the measures below to be important, refer to the 2023/24 Statement of Performance Expectations, pages 11 – 44.

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24	
<b>Outcome 1.0 – Relevant qualifications and credentials</b>					
 <b>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</b>					
<b>Key activity 1.1a – Approve qualifications, credentials and their components</b>					
<b>SPE measure 1.1a(i)</b> The percentage of Workforce Development Councils that are satisfied or very satisfied with the support NZQA has provided to help them develop new education products.	N/A	N/A	100%	16.7%	
New measure for 2023/24					
 <b>Commentary for SPE measure 1.1a(i)</b>					
In a survey, we asked WDCs “Are you satisfied with the support NZQA has provided to help WDCs develop new education products?” with the following response choices: ‘not satisfied’; ‘somewhat satisfied’; ‘satisfied’; ‘very satisfied’.					
Results:					
<ul style="list-style-type: none"> <li>• One WDC responded that it was ‘satisfied’. All other respondents were ‘somewhat satisfied’.</li> <li>• When asked “How can we improve?”, respondents particularly wanted NZQA to develop new systems faster.</li> <li>• Respondents commented positively about NZQA’s willingness to engage with WDCs on developing and documenting processes and ways to improve systems and on the relationship with NZQA generally.</li> </ul>					
<b>Key activity 1.1b – Weave mātauranga Māori into the qualifications system</b>					
<b>SPE measure 1.1b(i)</b> Adjustments are made to qualifications system settings and quality assurance practices that support the inclusion of mātauranga Māori into qualifications (where appropriate).	N/A	N/A	Informed by a narrative	Refer commentary pages 16-18	N/A
New measure for 2023/24					



Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24	
 <b>Intermediate outcome 1.2 – Barriers to qualification recognition and mobility are reduced</b>					
<b>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 forums</b>					
<b>SPE measure 1.2a(i)</b> Increased understanding and portability of New Zealand qualifications and credentials.	N/A New measure for 2023/24	N/A New measure for 2023/24	Informed by a narrative	Refer commentary pages 18-21	N/A
<b>Key activity 1.2b – Timely access to and transparent recognition of overseas qualifications in New Zealand</b>					
<b>SPE measure 1.2b(i)</b> The percentage of overseas qualifications evaluated that can be recognised.	N/A New measure for 2022/23	97%	90%	96%	
<b>SPE measure 1.2b(ii)</b> The percentage of overseas qualifications evaluated within 35 working days.	N/A New measure for 2023/24	N/A	70%	97%	

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24	
<b>Outcome 2.0 – Trusted assessment and quality assurance</b>					
 <b>Intermediate outcome 2.1 – Credible assessment and aromatawai practices support high-quality learning and achievement</b>					
<b>Key activity 2.1a – External Assessment Cycle Management</b>					
<b>SPE measure 2.1a(i)</b> The percentage all New Zealand Scholarship marker judgements unaltered following Review or Reconsideration of External Assessment processes.	100%	99.9%	99.7%	99.96%	
<b>SPE measure 2.1a(ii)</b> The percentage of validated NCEA results provided to learners no later than the end of the third full week of January.	100%	99.99%	99%	99.98%	
<b>SPE measure 2.1a(iii)</b> The percentage of validated New Zealand Scholarship results provided to learners no later than the end of the second full week of February.	100%	100%	99%	100%	



Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24
 <b>Intermediate outcome 2.2 – Assessment and aromatawai practices adapt to the changing needs of learners, community and industry</b>				


### Key activity 2.2a – Special Assessment Conditions

<b>SPE measure 2.2a(i) Appropriation measure</b> The percentage growth in Special Assessment Conditions applications for Māori students exceeds the percentage growth in applications for students of other ethnicities. <sup>35</sup>	N/A	Achieved	Achieved	Achieved	
	New measure for 2022/23	Māori: 11.8%		Māori: 11.5%	
		Other: 11.5%		Other: 8.6%	
<b>SPE measure 2.2a(ii) Appropriation measure</b> The percentage growth in Special Assessment Conditions applications for Pacific students exceeds the percentage growth in applications for students of other ethnicities.	N/A	Achieved	Achieved	Not achieved	
	New measure for 2022/23	Pacific: 11.7%		Pacific: 3.8%	
		Other: 11.5%		Other: 8.6%	

 **Commentary for SPE measure 2.2a(ii)**

There was a greater increase in the number of students who identified as other ethnicities accessing SAC - 15,165 in 2023 (up from 13,965 in 2022). This is compared to 1,350 Pacific students in 2023 (up from 1,300 in 2022).

### Key activity 2.2b – Digital Assessment Service

<b>SPE measure 2.2b(i)</b> The percentage of students in digital external assessment for digitally available assessments.	N/A	34.3%	50% or greater	48.7%	
	New measure for 2022/23				


 **Commentary for SPE measure 2.2b(i)**

The number of students sitting a digital external assessment has increased across all NCEA levels. In 2023, NZQA supported schools to participate in digital assessment through workshops and one-to-one support.

Results show over 62,000 students out of approximately 128,300 students sat one or more of their assessments digitally. This measure excludes the Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments where over 66,500 students completed these assessments digitally in 2023.

The number of students sitting a digital examination assessment has increased across all NCEA levels. This 2023/24 result was impacted by issues with the digital assessment platform in late 2023. Read more on pages 29-30.


35 Where ethnicity is a factor in determining an outcome, students who have identified multiple ethnicities will be counted in each ethnicity they report.

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24		
<b>SPE measure 2.2b(ii)</b> The rate of ākonga Māori and Pacific students participating in digital external assessment is similar or higher than their peers.	Upwards trend achieved	Not achieved	Upwards trend	Not achieved		
	<b>Māori:</b>	<b>Māori:</b>		<b>Māori:</b>		
	<b>L1</b> 18.2% (-3.5 pp)	<b>L1</b> 29.5% (-9.0 pp)		<b>L1</b> 46.3% (-4.2pp)		
	<b>L2</b> 18.8% (-2.0 pp)	<b>L2</b> 33.7% (-6.6 pp)		<b>L2</b> 45.6% (-8.7pp)		
	<b>L3</b> 16.1% (-0.7 pp)	<b>L3</b> 32.8% (-7.4 pp)		<b>L3</b> 40.8% (-7.2pp)		
	<b>Pacific:</b>	<b>Pacific:</b>		<b>Pacific:</b>		
	<b>L1</b> 12.2% (-9.5 pp)	<b>L1</b> 24.7% (-13.8 pp)		<b>L1</b> 42.7% (-7.8pp)		
	<b>L2</b> 12.9% (-7.9 pp)	<b>L2</b> 29.2% (-11.1 pp)		<b>L2</b> 40.0% (-14.2pp)		
	<b>L3</b> 10.5% (-6.3 pp)	<b>L3</b> 28.9% (-11.3 pp)		<b>L3</b> 34.3% (-13.7pp)		
	compared to					
	<b>Other:</b>	<b>Other:</b>		<b>Other:</b>		
	<b>L1</b> 21.7%	<b>L1</b> 38.5%		<b>L1</b> 50.5%		
	<b>L2</b> 20.8%	<b>L2</b> 40.3%		<b>L2</b> 54.3%		
<b>L3</b> 16.8%	<b>L3</b> 40.2%		<b>L3</b> 48.0%			

 **Commentary for SPE measure 2.2b(ii)**


Analysis shows year-on-year increases in the number of Māori and Pacific students participating in one or more digital assessment. However, the proportion of students who are non-Māori or Pacific participating also increased, extending the gap between groups at some levels.


Note: This measure excludes students participating in externally assessed Literacy and Numeracy | Te Reo Matatini me te Pāngarau NCEA co-requisite assessments.

<b>SPE measure 2.2b(iii)</b> The percentage of students with Special Assessment Condition entitlements participating in digital external assessments in comparison to the percentage of other students participating.	N/A	N/A	To be set in 2023/24	SAC students 49.5%	
	New measure for 2023/24			Total students 48.7%	

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24
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**Key activity 2.2c – Meeting the unique needs of kura**


<b>SPE measure 2.2c(i)</b> Upward trend in the number of kura whose students are externally assessed in a familiar setting.	N/A New measure for 2022/23	77	Upward trend	Downward trend 71	
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 **Commentary for SPE measure 2.2c(i)**

The number of schools and kura changes each year depending on whether they meet the 70% threshold of Year 11–13 students who identify as Māori. In 2023, there were 101 schools and kura with 70% or more Māori students. Of these, 71 were examination centres. Of the six additional schools and kura reported in 2022, four dropped below the 70% threshold and remained examination centres while two kura had no ākongā sitting external examinations.


**Key activity 2.2d – NCEA workshops for Māori and Pacific whānau**

<b>SPE measure 2.2d(i)</b> 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.	98%	95%	90%	99.2%	
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<b>SPE measure 2.2d(ii)</b> The percentage of Pacific parents and families who attended NCEA ma le Pasifika workshops who report increased knowledge of NCEA and more confidence to support their children.	98%	98%	90%	100%	
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Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24	
 <b>Intermediate outcome 2.3 – Credible quality assurance supports high quality teaching, learning, aromatawai and assessment</b>					
<b>Key activity 2.3a – Quality assure education organisations and the quality of teaching, learning and assessment</b>					
<b>SPE measure 2.3a(i) Appropriation measure</b> Percentage of schools who progress from a one to two-year Managing National Assessment (MNA) cycle based on evidence that the school has made the specified improvements.	N/A	20%	60%	50%	
	New measure for 2022/23				
 <b>Commentary for SPE measure 2.3a(i)</b> Out of the 143 schools reviewed in 2023, there were three schools on a one year cycle and one school on a two-year cycle. Of these four schools: <ul style="list-style-type: none"> <li>• two progressed to a three to five year cycle</li> <li>• one had its MNA deferred to 2024</li> <li>• one had its consent to assess removed, as it did not address any of the issues raised in their previous MNA review, and entered into a subcontracting arrangement with a nearby school to ensure its students could continue to be assessed towards NCEA qualifications.</li> </ul> The number of schools with significant issues is expected to increase across the calendar years 2023 and 2024 as we catch up with schools that were not reviewed during 2020-2022 as a result of COVID-19.					
<b>SPE measure 2.3a(ii) Appropriation measure</b> The proportion of New Zealand qualifications (which have graduates) that undergo a Consistency Review in any one financial year.	20.4%	18%	15%	17%	
<b>SPE measure 2.3a(iii) Appropriation measure</b> The percentage of non-university tertiary education organisations which had an External Evaluation and Review completed.	21%	23%	20%	27%	
<b>SPE measure 2.3a(iv) Appropriation measure</b> The percentage of investigations where identified risks or quality concerns have been managed appropriately through intervention or corrective action. <sup>36</sup>	N/A	100%	100%	100%	
	New measure for 2022/23				

36 In the 2023/24 Vote Education appropriations a note for this measure (#14, page 74) was incorrect and should be as follows: "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."

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24	
<b>SPE measure 2.3a(v) Appropriation measure<sup>37</sup></b> The percentage of non-university sub-degree tertiary programmes monitored that continue to meet the programme approval and accreditation criteria.	N/A	N/A	65%	69%	
	New measure for 2023/24				

**Key activity 2.3b – Revise NZQA’s quality assurance frameworks**

<b>SPE measure 2.3b(i)</b> 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	Informed by a narrative	Refer commentary pages 32-36	N/A
	New measure for 2023/24				
<b>SPE measure 2.3b(ii)</b> The percentage of applications (which meet the criteria to be approved) that are quality assured using Te Hono o Te Kahurangi.	5%	5.3%	≥3%	7%	

**Key activity 2.3c – Assessor support**






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

**N/A Commentary for SPE measure 2.3c(i) (removed)**

This measure was replaced when the 2022/23 end-of-year result was not able to be measured. This occurred after the 2023/24 Statement of Performance Expectations had already been published.

The following note was reported in the 2022/23 Annual Report: “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.”

37 The wording and standard for this measure was updated through the 2023/24 Supplementary Estimates of Appropriations process. This replaced the previous version “The percentage of non-university tertiary programmes monitored that continue to meet the programme approval and accreditation criteria” (with a standard of 70%).

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24	
<b>SPE measure 2.3c(i) (new)</b> Percentage of respondents who agree that they gained a better understanding of culturally responsive assessment practice after they have completed the online learning module.	N/A	N/A	95%	Not able to be measured	
<p> <b>Commentary for SPE measure 2.3c(i) (new)</b></p> <p>The Culturally Responsive Assessment module was reset in January 2024 to allow for a better enrollment and engagement process. Five participants engaged with the module. However, none provided feedback despite a reminder email being sent.</p>					
<b>Key activity 2.3d – Maintaining currency of NZQA-owned standards</b>					
<b>SPE measure 2.3d(i)<sup>38</sup> Appropriation measure</b> The percentage of New Zealand Qualifications Authority owned standards maintained by their planned review dates.	100%	100%	95%	100%	
<b>Key activity 2.3e – External moderation of internally assessed achievement standard assessor judgements</b>					
<b>SPE measure 2.3e(i)</b> The percentage of successful appeals of external moderation judgements for internal assessments.	N/A	N/A	Less than 1%	0.39%	
<p> <b>Intermediate outcome 2.4 – Quality assurance adapts to the changing needs of learners, community and industry</b></p>					
<b>Key activity 2.4a – Tertiary education organisations and schools ensure the safety and wellbeing of learners</b>					
<b>SPE measure 2.4a(i) Appropriation measure</b> The percentage of schools with Code signatory status and tertiary providers that complete an annual attestation confirming that self-review of learner wellbeing and safety practices under the Code is taking place within one month after the due date. <sup>39</sup>	N/A	N/A	90%	92.9%	

38 This measure was mistakenly labelled 2.3d(i) in the 2023/24 Statement of Performance Expectations. The numbering 2.3e(i) is consistent with what is recorded in the 2022/23 Statement of Performance Expectations and the 2022/23 Annual Report.

39 This measure has been updated from the 2023 Estimates of Appropriations where it was written as “The percentage of tertiary providers and schools with international Code signatory status that complete an annual attestation confirming that self-review of learner wellbeing and safety practices under the Code is taking place within one month after the due date.”



Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24
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**Key activity 2.4b – Provide insights from quality assurance on system performance**


No measures.

**Organisational capability**

**Key activity area Oc1 – Support and understand our customers**

<b>SPE measure Oc1(i) Appropriation measure</b>	69%	69%	75%	68%	
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The proportion of survey respondents who agree/strongly agree that the information they received from the New Zealand Qualifications Authority met their needs.

 **Commentary for SPE measure Oc1(i)**

NZQA has been setting an aggressive customer satisfaction target for all customer experience measures. On a seven-point scale ranging from strongly disagree to strongly agree, NZQA only considers the top two ratings (strongly agree and agree) as positive, and the SPE target of 75% refers to these top two ratings. The overall result for the 1,456 respondents who answered this question was 68%. This is in line with previous years.

If respondents that somewhat agreed are included, the total positive agreement with the statement is equal to 79%, and the percentage of respondents who rated NZQA as strongly disagree, agree or somewhat disagree is 16%.


For customers who didn't find that NZQA gave them information that met their needs, their verbatim comments highlighted slow response times or a lack of response and inadequate answers.

We expect to see improvements against this measure as we operationalise a Customer Voice Action Plan.


**Key activity area Oc2 – Support our key stakeholders**

<b>SPE measure Oc2(ii) Appropriation measure</b>	8	8	8	4	
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The overall satisfaction rating given by the Minister of Education on the New Zealand Qualifications Authority.

 **Commentary on SPE measure Oc2(i)**


The Minister rated NZQA across a number of areas in a standard ministerial satisfaction survey sent out by the Ministry of Education. Overall, NZQA's result was 4.

<b>SPE measure Oc2(ii)<sup>40</sup> The percentage of Ministerial items that achieve the deadlines agreed with the Minister's office.</b>	99.3%	99.3%	99%	99.16%	
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40 This measure was incorrectly shown as an Appropriation measure in the 2023/24 Statement of Performance Expectations.

Measure	Result 2021/22	Result 2022/23	Standard 2023/24	Result 2023/24
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### Key activity area Oc3 – Deliver quality services to customers

<b>SPE measure Oc3(i)</b> The percentage of respondents who agree or strongly agree that the response time from NZQA met their expectations.	N/A	N/A	75%	66%	
	New measure for 2023/24				

#### **Commentary for SPE measure Oc3(i)**

NZQA has been setting an aggressive customer satisfaction target for all customer experience measures. On a seven-point scale ranging from strongly disagree to strongly agree, NZQA only considers the top two ratings (strongly agree and agree) as positive, and the SPE target of 75% refers to these top two ratings.

The overall result for the 1,449 respondents who answered this question was 66% against the target of 75%. This is the first year we have reported on this measure.

If respondents that somewhat agreed are included, the total positive agreement with the statement is equal to 78%, and the percentage of respondents who rated NZQA as strongly disagree, agree or somewhat disagree is 16%.

When reviewing comments for the customers who are dissatisfied with response times (strongly disagree, disagree), lack of response and slow response time remain the top issues. This relates to rising customer expectations relating to timeliness and keeping customers informed on the status of their queries. Issues with timeliness can also be due to events and high call volumes.

We expect to see improvements against this measure as we operationalise a Customer Voice Action Plan.

## Statement of service performance

### Te tauākī ratonga mahi

This section outlines our financial performance against the outputs that are specified in Vote Education – Main Estimates of Appropriations 2023/24 and, where updated, 2023/24 Vote Education – Supplementary Estimates of Appropriations. Non-financial performance information is included in the preceding performance tables on pages 53-65.

### Oversight and administration of the qualifications system

#### Te tirohanga whānui me te whakahaere pūnaha tohu mātauranga

#### Overarching purpose statement

##### Te tauākī aronga whānui

The purpose of this multi-category appropriation (MCA) is for NZQA to provide effective oversight and administration of the qualifications system to ensure that New Zealand’s qualifications system is valued as credible and robust and that it meets the needs of learners, employers and other stakeholders.

The MCA is funded through Vote Education, which is represented by two expense categories.



Credit: Nevaeh Leach, Whangamata Area School, Year 12, Maunga Ruawahine 2, Ringa Toi 2023

## Expense category 1: Secondary School Assessments Aromatawai Kura Tuarua

### Scope

This category is limited to the New Zealand Qualifications Authority delivering external assessment for national secondary school qualifications, including the National Certificate of Educational Achievement (NCEA) and Scholarship examinations, and moderating of internal school assessments.

### What is intended to be achieved

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

	2023/24 Actual (\$000)	2023/24 Budget (\$000)	Variance (\$000)	Variance %
<b>Revenue</b>				
Crown	62,512	60,189	2,323	4
Other	2,665	2,212	453	20
<b>Total revenue</b>	<b>65,177</b>	<b>62,401</b>	<b>2,776</b>	<b>4</b>
Expenses	75,170	68,902	(6,268)	(9)
<b>Deficit</b>	<b>(9,993)</b>	<b>(6,501)</b>	<b>(3,492)</b>	<b>(54)</b>

Approximately 96% of the total revenue for this category is provided by the Crown through the Vote Education: Non-Departmental Output Expenses – *Secondary Schools Assessments (M26)* appropriation.

Crown revenue is \$2.3 million over budget as a result of the reallocation of the funding for the New Zealand Public Service Association (PSA) salary increase, which was originally included at the full estimated amount of \$3.6 million in the budget for the Provision of Communication and Advice category. In the actual results for 2023/24, the amount of funding is allocated appropriately to each category.

Expenses are \$6.3 million above budget. This is largely driven by several factors that are personnel related, including the growth in staffing levels on higher salaries across NZQA caused by the rising cost of salaries in a tight labour market, and increasing wages for the workforce related to examination activities. Additionally, there have been further investments in the maintenance and development of core systems that provide services to students, regulated entities and other stakeholders that had not been previously planned. The cost of IT software licensing and systems support costs have also been increasing more than planned.

## Expense category 2: Standards and Qualification Support Te Taupua Paerewa, Taupua Tohu

### 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.

### What is intended to be achieved

This category is intended to provide New Zealand qualifications that are valued as credible and robust and meet the needs of learners, employers and other stakeholders, with supporting services to help them make informed decisions.

	2023/24 Actual (\$000)	2023/24 Budget (\$000)	Variance (\$000)	Variance %
<b>Revenue</b>				
Crown	19,479	22,231	(2,752)	(12)
Other	28,327	25,543	2,784	11
<b>Total revenue</b>	<b>47,806</b>	<b>47,774</b>	<b>32</b>	<b>0</b>
Expenses	48,283	44,842	(3,441)	(8)
<b>(Deficit)/surplus</b>	<b>(477)</b>	<b>2,932</b>	<b>(3,409)</b>	<b>(116)</b>

The table above is a consolidation of the following expense subcategories: Provision of Communication and Advice, Quality Assurance and Qualifications Support Services. Explanations of major variances are covered under each of the subcategories.

## Expense subcategory 2.1: Provision of Communication and Advice Ngā Ratonga Whakawhiti Kōrero, Ratonga Tohutohu

### Scope

This subcategory is limited to communication and advice related to education policies, programmes and services that are the responsibility of the NZQA.

### 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.

	2023/24 Actual (\$000)	2023/24 Budget (\$000)	Variance (\$000)	Variance %
<b>Revenue</b>				
Crown	3,997	7,377	(3,380)	(46)
Other	436	–	436	–
<b>Total revenue</b>	<b>4,433</b>	<b>7,377</b>	<b>(2,944)</b>	<b>(40)</b>
Expenses	4,392	8,031	3,639	45
<b>Surplus/(deficit)</b>	<b>41</b>	<b>(654)</b>	<b>695</b>	<b>106</b>

This category is substantially (90%) funded by the Crown through the Vote Education: Non-Departmental Output Expenses – *Provision of Communication and Advice (M26)* appropriation.

The actual Crown funding for the year is below budget by \$3.4 million because the budget included the full estimated amount of funding related to the PSA salary increase. This increase actually applies to all output categories. In the actual results for 2023/24, the amount of funding is allocated appropriately to each category.

The related expenditure has likewise been reduced by a similar amount (\$3.6 million) in line with the actual level of revenue received.



## Expense subcategory 2.2: Quality Assurance Whakaū Kounga

### Scope

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

### 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.

	2023/24 Actual (\$000)	2023/24 Budget (\$000)	Variance (\$000)	Variance %
<b>Revenue</b>				
Crown	9,182	8,805	377	4
Other	6,617	7,701	(1,084)	(14)
<b>Total revenue</b>	<b>15,799</b>	<b>16,506</b>	<b>(707)</b>	<b>(4)</b>
Expenses	17,554	15,672	(1,882)	(12)
<b>(Deficit)/surplus</b>	<b>(1,755)</b>	<b>834</b>	<b>(2,589)</b>	<b>(311)</b>

Approximately 58% of the total revenue for this category is provided by the Crown through the Vote Education: Non-Departmental Output Expenses – *Quality Assurance (M26)* appropriation.

Crown funding is \$0.4 million above budget because of the allocation of the PSA salary increase to actual results, which is not in the budget, as explained above.

Other revenue makes up the remaining 42% of total revenue and is \$1.1 million below budget. This reflects a reduction in revenue from a range of quality assurance services including external evaluation and review, accreditation and approval fees.

Expenses are \$1.9 million above budget in this subcategory. This has been the result of the increasing cost of operations in personnel, implementing system improvement programmes/projects and IT related costs, some of which had not been fully anticipated as previously outlined under Expense Category 1.

## Expense subcategory 2.3: Qualifications Support Structures

### Pūnaha Taupua Tohu

#### Scope

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

#### What is intended to be achieved

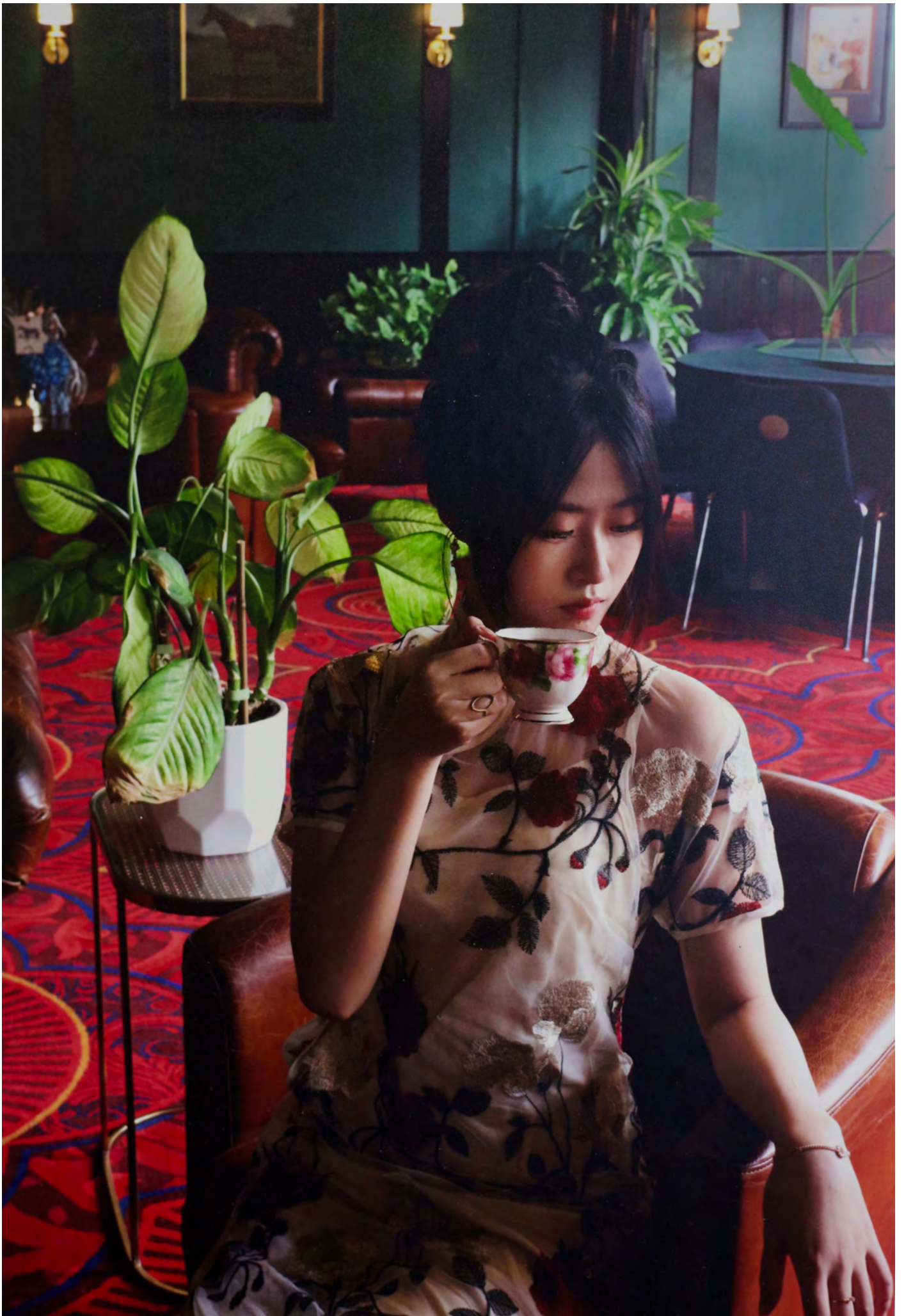
This category is intended to provide New Zealand qualifications that are valued as credible and robust and meet the needs of learners, employers and other stakeholders, with supporting services to help them make informed decisions.

	2023/24 Actual (\$000)	2023/24 Budget (\$000)	Variance (\$000)	Variance %
<b>Revenue</b>				
Crown	6,300	6,049	251	4
Other	21,274	17,842	3,432	19
<b>Total revenue</b>	<b>27,574</b>	<b>23,891</b>	<b>3,683</b>	<b>15</b>
Expenses	26,337	21,139	(5,198)	(25)
<b>Surplus</b>	<b>1,237</b>	<b>2,752</b>	<b>(1,515)</b>	<b>(55)</b>

Approximately 23% of the total revenue for this subcategory is provided by the Crown through the Vote Education: Non-Departmental Output Expenses – *Qualifications Support Structures (M26)* appropriation.

Other revenue makes up the majority (77%) of revenue for this subcategory. Other revenue is \$3.4 million above budget because of favourable immigration settings that have seen an increase in qualification assessment fees linked to the high demand for applications of overseas qualification assessments.

Expenses are \$5.2 million above budget due to cost pressures across all operational areas, including increasing personnel costs, the cost of implementing system improvement programmes/projects, and IT related costs, which had not been fully anticipated as outlined under Expense Category 1.



Credit: Yiting Chu, St Cuthbert's College, *Whispers in Time: Photography Chronicles of 1910s Shanghai*, 2024 Top Art Tour

## Part five: Statement of responsibility

### Te wāhanga tuarima: He tauāki haepapa

#### Statement of responsibility

##### He kīanga kawenga

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 2024.

Signed on behalf of the Board:



**Kevin Jenkins**

Board Chair | Upoko Rūnanga

24 September 2024



**Lyn Provost**

Risk and Assurance Committee Chair |

Upoko Komiti Tūraru me te Whakaū Kounga

24 September 2024



## Independent Auditor's Report

### To the readers of New Zealand Qualifications Authority's financial statements and performance information for the year ended 30 June 2024

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 79 to 108, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Authority on pages 26, 34, 53 to 71 and 111.

In our opinion:

- the financial statements of the Authority on pages 79 to 108:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2024; 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 26, 34, 53 to 71 and 111:
  - presents fairly, in all material respects, the Authority's performance for the year ended 30 June 2024, 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 24 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the 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 51 and 109 to 110 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*, including International Independence Standards (New Zealand) (PES 1), issued by the New Zealand Auditing and Assurance Standards Board.

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



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





Credit: Cris Moetu (*Ngāpuhi*), Te Kāreti o Wiremu Koroneho – William Colenso College, Year 12, *After the cyclone*, Ringa Toi 2023

## Part six: Financial statements

### Te wāhanga tuaono: Ngā pūrongo pūtea

#### Statement of comprehensive revenue and expense

#### Te āhua o te whiwhinga pūtea matawhānui, whakapaunga pūtea

(for the year ended 30 June 2024)

	Note	2024 Actual (\$000)	2024 Budget (\$000)	2023 Actual (\$000)
<b>REVENUE</b>				
Funding from the Crown		81,991	82,420	77,241
Other revenue		30,991	27,755	27,749
Interest revenue		1,554	800	1,313
<b>Total revenue</b>	3	<b>114,536</b>	<b>110,975</b>	<b>106,303</b>
<b>EXPENDITURE</b>				
Personnel and Board	4	73,628	68,572	66,276
Specialist workforce		12,005	12,698	10,151
Professional services	5	15,341	9,067	20,571
Publication, printing and distribution		4,172	4,251	3,976
Other operating costs	6	16,719	16,149	17,471
Depreciation and amortisation		2,115	2,792	2,887
Capital charge	7	1,026	1,015	1,026
<b>Total expenditure</b>		<b>125,006</b>	<b>114,544</b>	<b>122,358</b>
<b>NET DEFICIT</b>		<b>(10,470)</b>	<b>(3,569)</b>	<b>(16,055)</b>
Other comprehensive revenue and expense		–	–	–
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>(10,470)</b>	<b>(3,569)</b>	<b>(16,055)</b>

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

The accompanying notes form part of these financial statements.

## Statement of financial position Te āhua o te pūtea

(as at 30 June 2024)

	Note	2024 Actual (\$000)	2024 Budget (\$000)	2023 Actual (\$000)
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	8	7,735	3,058	2,972
Receivables	9	3,816	3,267	4,419
Prepayments		3,479	1,350	3,414
Investments	10	7,500	20,000	22,000
<b>Total current assets</b>		<b>22,530</b>	<b>27,675</b>	<b>32,805</b>
<b>Non-current assets</b>				
Property, plant and equipment	11	1,311	1,609	1,586
Intangible assets (including work in progress)	12	3,208	4,566	3,771
<b>Total non-current assets</b>		<b>4,519</b>	<b>6,175</b>	<b>5,357</b>
<b>TOTAL ASSETS</b>		<b>27,049</b>	<b>33,850</b>	<b>38,162</b>

	Note	2024 Actual (\$000)	2024 Budget (\$000)	2023 Actual (\$000)
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables and deferred revenue	13	7,002	7,497	8,740
Employee entitlements	15	5,637	4,764	5,282
Provisions	16	1,530	–	675
<b>Total current liabilities</b>		<b>14,169</b>	<b>12,261</b>	<b>14,697</b>
<b>Non-current liabilities</b>				
Employee entitlements	15	444	697	559
<b>Total non-current liabilities</b>		<b>444</b>	<b>697</b>	<b>559</b>
<b>TOTAL LIABILITIES</b>		<b>14,613</b>	<b>12,958</b>	<b>15,256</b>
<b>NET ASSETS</b>		<b>12,436</b>	<b>20,892</b>	<b>22,906</b>
<b>EQUITY</b>				
Contributed capital		20,528	20,528	20,528
Accumulated (deficit)/surplus		(8,092)	364	2,378
<b>TOTAL EQUITY</b>	20	<b>12,436</b>	<b>20,892</b>	<b>22,906</b>

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

The accompanying notes form part of these financial statements.



## Statement of changes in equity Te tauākī mō ngā panonitanga ā mana tautika

(for the year ended 30 June 2024)

	Note	2024 Actual (\$000)	2024 Budget (\$000)	2023 Actual (\$000)
Balance at start of the year		22,906	24,461	38,961
Total comprehensive revenue and expense for the year		(10,470)	(3,569)	(16,055)
<b>BALANCE AT END OF THE YEAR</b>	20	12,436	20,892	22,906

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

The accompanying notes form part of these financial statements.



Credit: Elisaia Eteuati (Samoa), Otago Boys' High School, Year 13, Grandparents, Ringa Toi 2023

## Statement of cash flows

### Te āhua o te kapewhiti

(for the year ended 30 June 2024)

	Note	2024 Actual (\$000)	2024 Budget (\$000)	2023 Actual (\$000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from the Crown		81,991	82,420	77,241
Receipts from other revenue		30,597	27,115	28,047
Interest received		1,554	1,030	1,149
Payments for employee and Board costs		(72,245)	(68,644)	(65,530)
Payments to other suppliers		(49,414)	(42,256)	(55,390)
Payments for capital charge		(1,026)	(1,015)	(1,026)
Goods and services tax (net)		425	–	(401)
<b>Net cash flows from operating activities</b>		<b>(8,118)</b>	<b>(1,350)</b>	<b>(15,910)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of property, plant and equipment		(393)	(750)	(643)
Purchases of intangible assets		(1,226)	(2,400)	(940)
Investments in term deposits		(28,000)	(25,000)	(47,500)
Receipts from maturity of term deposits		42,500	29,500	64,000
<b>Net cash flows from investing activities</b>		<b>12,881</b>	<b>1,350</b>	<b>14,917</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4,763</b>	<b>–</b>	<b>(993)</b>
Cash and cash equivalents at the beginning of the year		2,972	3,058	3,965
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	8	<b>7,735</b>	<b>3,058</b>	<b>2,972</b>

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

The accompanying notes form part of these financial statements.

## Statement of cash flows (continued)

### Te āhua o te kapewhiti

(for the year ended 30 June 2024)

#### Reconciliation of net deficit to net cash flow from operating activities

	2024 Actual (\$000)	2023 Actual (\$000)
<b>Net deficit</b>	<b>(10,470)</b>	<b>(16,055)</b>
<b>Add/(less) non-cash items</b>		
Depreciation and amortisation expense	2,115	2,887
Increase/(decrease) in rent accrual	–	122
Increase/(decrease) in allowance for credit losses on receivables	31	(69)
<b>Total non-cash items</b>	<b>2,146</b>	<b>2,940</b>
<b>Add/(less) items classified as investing or financing activities</b>		
Loss on disposal of property, plant and equipment	–	1
<b>Total items classified as investing or financing activities</b>	<b>–</b>	<b>1</b>
<b>Add/(less) movements in statement of financial position</b>		
(Increase)/decrease in receivables	376	(1,142)
(Increase)/decrease in prepayments	278	(2,382)
(Decrease) in payables and deferred revenue	(1,738)	(64)
Increase/(decrease) in employee entitlements	(240)	746
Increase/(decrease) in provisions	1,530	46
<b>Net movements in statement of financial position</b>	<b>206</b>	<b>(2,796)</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(8,118)</b>	<b>(15,910)</b>

The accompanying notes form part of these financial statements.

## Notes to the financial statements

### Ngā tuhipoka mō te tauākī kapewhiti

#### 1. Statement of accounting policies

##### 1. Te tauākī o ngā kaupapa here pūtea

###### Reporting entity

###### Te hinonga rīpoata

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. O ensures that New Zealand qualifications are valued as credible and robust both nationally and internationally. NZQA is accountable for managing the NZQCF, independent quality assurance of non-university education providers, qualification recognition and standard setting for some specified unit standards and administering the secondary school assessment system.

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 2024 and were approved by the Board on 24 September 2024.

###### Basis of preparation

###### Te take o te whakaritenga

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

There have been no changes to accounting policies. All accounting policies adopted in these financial statements are consistent with those of the previous financial year.

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

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

###### Te rāpopototanga o ngā kaupapa here kaute

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 or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

### *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 or deficit:

- 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**

### **2. Whakamārama mō ngā rerekētanga matua ki te pūtea**

#### **(i) Statement of comprehensive revenue and expense**

##### **(i) Te āhua o te whiwhinga pūtea matawhānui, whakapaunga pūtea**

The net deficit for the year ended 30 June 2024 of \$10.5 million compares against a budgeted net deficit of \$3.6 million. The original budget in the 2023/24 Statement of Performance Expectations did not include some project costs that were subsequently incurred and did not anticipate the rising labour market costs and IT related costs. Significant variances within individual line items are as follows:

- Other revenue of \$31.0 million is \$2.8 million above budget. This is largely driven by the increase in demand for qualifications recognition services (i.e. assessment of overseas qualifications against the NZQCF) as a result of immigration settings and more favourable travel and border conditions after the COVID-19 pandemic.
- Interest revenue of \$1.6 million is \$0.8 million ahead of budget due to investments in term deposits and higher interest rates than planned.
- Personnel and Board costs of \$73.6 million are \$5.0 million above budget largely reflecting the growth in staffing across all functional divisions of NZQA, and the impacts of the rising cost of salaries in a tight labour market. There were also increased wages related to examination-related activities. NZQA made a one-off provision of \$1.1 million for restructuring costs as a result of its organisational change plans.
- Professional services costs of \$15.3 million are \$6.1 million above budget. This is due to the specialist resources used for investments in programmes and projects to enhance NZQA's services to students and regulated entities. NZQA also continued work to develop its core systems and incurred some costs to manage and mitigate the risks related to functional systems that were not originally planned in the budget.
- Other operating costs of \$16.7 million are \$0.6 million above budget due to increased IT software licence and support costs, offset by savings against budget in travel and accommodation costs.

#### **(ii) Statement of financial position**

##### **(ii) Te āhua o te pūtea**

Net assets at 30 June 2024 were \$12.4 million compared to a budget of \$20.9 million, a reduction of \$8.5 million. The net deficit for the year of \$10.5 million, which was \$6.9 million higher than budget has adversely affected net assets. Within individual lines, the significant variances are as follows:

- Cash and investments of \$15.2 million have dropped by \$8.2 million compared to the budget of \$23.0 million.
- Receivables are higher than budget by \$0.5 million. Prepayments of \$3.5 million are \$2.2 million above budget due to higher



prepayments of software and licence costs, including payment for multi-year software contracts.

- Work in progress (WIP) of \$2.3 million, mainly reflects the reclassification to WIP of an internally generated software asset previously capitalised in 2022/23 that had not been used as further work on this development was required in 2023/24.
- Employee entitlements of \$5.6 million is above the budget of \$4.8 million mainly as the result of higher accumulated annual leave for staff.
- The increase in provisions is due to the restructuring costs of \$1.1 million mentioned above. The other component of provisions relates to payroll remediation, which has reduced by \$0.2 million from the previous year.

### Statement of cash flows

#### Te āhua o te kapewhiti

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

- Investments in term deposits and receipts from maturities of term deposits net to a reduction of \$14.5 million in investments. This compares to a budget net withdrawal of \$4.5 million. The net deficit from the operating results for the year explains the use of the cash.

## 3. Revenue

### 3. Pūtea whiwhi

#### Accounting policy

##### Kaupapa kaute

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 funder. 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.

**Qualification recognition service 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 (NZQA 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**

	2024 Actual (\$'000)	2023 Actual (\$'000)
<b>Crown funding for</b>		
Provision of communication and advice	3,997	6,309
Quality assurance	9,182	9,528
Qualifications support structures	6,300	6,049
Secondary school assessments	62,512	55,355
<b>Total funding from the Crown</b>	<b>81,991</b>	<b>77,241</b>
<b>Other revenue</b>		
Examination fee remissions*	1,288	1,288
Examination fees	1,260	1,008
NZQA fees and registration	11,236	11,489
Quality assurance services	7,476	6,656
Qualification recognition service fees**	9,296	7,003
Other income	435	305
<b>Total other revenue</b>	<b>30,991</b>	<b>27,749</b>
<b>Interest revenue</b>	<b>1,554</b>	<b>1,313</b>
<b>Total revenue</b>	<b>114,536</b>	<b>106,303</b>

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

\*\* Includes \$nil (2023: \$352,000) from Immigration New Zealand for quality assurance work on the list of qualifications exempt for assessment and \$nil (2023: \$1.6 million) from the Ministry of Education to support the free assessment to applicants of international teaching qualifications.

## 4. Personnel and Board

### 4. Ngā kaimahi me te Poari

#### Accounting policy

#### Kaupapa kaute

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

	2024 Actual (\$000)	2023 Actual (\$000)
Salaries and wages	71,254	63,525
Employer contributions to defined contribution plans	2,134	2,005
Increase in employee entitlements (note 15)	240	746
<b>Total personnel and Board costs</b>	<b>73,628</b>	<b>66,276</b>

## 5. Professional services

### 5. Ngā ratonga ngaio

#### Breakdown of professional services costs

	2024 Actual (\$000)	2023 Actual (\$000)
Fees to Auditors		
Fees to Audit New Zealand for audit of financial statements	152	131
Consultancy and contractor fees	14,678	19,937
Other costs	511	503
<b>Total professional services costs</b>	<b>15,341</b>	<b>20,571</b>

## 6. Other operating costs

### 6. Ētahi atu utu whakahaere

#### Accounting policy

##### Kaupapa kaute

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 or deficit 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

	2024 Actual (\$000)	2023 Actual (\$000)
Travel and accommodation	1,865	3,247
Office rental – operating lease expense	3,128	3,093
Hardware maintenance and support	1	98
Software licences and support	8,285	7,217
Information technology outsourcing	75	104
Telephony	427	489
Increase/(decrease) for credit losses on receivables	31	(69)
Bad debt write-off	48	3
Minor equipment purchases	77	208
Schools' administration fees	1,009	932
Insurance	507	423
Bank charges	134	142
Other	1,132	1,583
Net loss on disposal of property, plant and equipment	–	1
<b>Total other operating costs</b>	<b>16,719</b>	<b>17,471</b>

**Operating leases as lessees**  
**He rīhi whakahaere hei kaiuturīhi**

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

	2024 Actual (\$000)	2023 Actual (\$000)
Not later than one year	3,124	3,090
Later than one year and not later than five years	7,149	10,273
Later than five years	–	–
<b>Total non-cancellable operating leases</b>	<b>10,273</b>	<b>13,363</b>

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**  
**7. Te utu pūrawa**

**Accounting policy**  
**Kaupapa kaute**

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**  
**Kōrero anō mō te utu pūrawa**

NZQA pays a capital charge to the Crown on its equity as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2024 was 5% (2023: 5%).

## 8. Cash and cash equivalents

### 8. Ngā moni me ngā moni taurite

#### Accounting policy

#### Kaupapa kaute

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.

<b>Breakdown of cash and cash equivalents and further information</b>	2024 Actual (\$000)	2023 Actual (\$000)
Cash on hand and at bank	2,235	2,972
Term deposits with maturities less than three months	5,500	–
<b>Total cash and cash equivalents</b>	<b>7,735</b>	<b>2,972</b>

While cash and cash equivalents at 30 June 2024 are subject to the expected credit loss requirements of PBE IPSAS 41 Financial Instruments, no allowance for credit losses has been recognised since the estimated value is trivial.

## 9. Receivables

### 9. Ngā nama mai

#### Accounting policy

#### Kaupapa kaute

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.

<b>Breakdown of receivables and further information</b>	2024 Actual (\$000)	2023 Actual (\$000)
Receivables (gross)	3,847	4,442
Less: allowance for expected credit losses	(31)	(23)
<b>Total receivables</b>	<b>3,816</b>	<b>4,419</b>

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



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

	2024			2023		
	Gross (\$000)	Allowance for expected credit losses (\$000)	Net (\$000)	Gross (\$000)	Allowance for expected credit losses (\$000)	Net (\$000)
Not past due	3,543	–	3,543	4,347	(1)	4,346
Past due 1 – 30 days	223	(1)	222	51	(6)	45
Past due 31 – 60 days	24	(8)	16	(4)	–	(4)
Past due 61 – 90 days	–	(2)	(2)	18	(5)	13
Past due > 91 days	57	(20)	37	30	(11)	19
<b>Total</b>	<b>3,847</b>	<b>(31)</b>	<b>3,816</b>	<b>4,442</b>	<b>(23)</b>	<b>4,419</b>

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:

	2024 Actual (\$000)	2023 Actual (\$000)
Balance at start of the year	23	92
Increase/(Decrease) in loss allowance made during the year	56	(66)
Receivables written off during the year	(48)	(3)
<b>Balance at end of the year</b>	<b>31</b>	<b>23</b>

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

### 10. Ngā haumitanga

#### Accounting policy

##### Kaupapa kaute

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

	2024 Actual (\$000)	2023 Actual (\$000)
Term deposits – current	7,500	22,000
<b>Total investments</b>	<b>7,500</b>	<b>22,000</b>

While investments at 30 June 2024 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

### 11. Ngā rawa, te tari, ngā taputapu

#### Accounting policy

##### Kaupapa kaute

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.

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 or deficit 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 or deficit.

**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.

**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 or deficit. The reversal of an impairment loss is also recognised in the surplus or deficit.

### 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)
<b>Cost</b>						
At 30 June 2022	156	9,126	449	355	200	10,286
Additions	–	584	–	–	59	643
Disposals	–	(90)	–	(124)	–	(214)
At 30 June 2023	156	9,620	449	231	259	10,715
Additions	–	393	–	–	–	393
Disposals	–	–	–	–	–	–
<b>At 30 June 2024</b>	<b>156</b>	<b>10,013</b>	<b>449</b>	<b>231</b>	<b>259</b>	<b>11,108</b>
<b>Accumulated depreciation and impairment losses</b>						
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
Depreciation expense	–	655	6	–	6	667
Impairment losses	–	–	–	–	–	–
Eliminated on disposal	–	–	–	–	–	–
<b>At 30 June 2024</b>	<b>156</b>	<b>8,756</b>	<b>447</b>	<b>231</b>	<b>207</b>	<b>9,797</b>
<b>Carrying amounts</b>						
At 1 July 2022	–	1,662	15	–	–	1,677
At 30 June and 1 July 2023	–	1,520	8	–	58	1,586
<b>At 30 June 2024</b>	<b>–</b>	<b>1,257</b>	<b>2</b>	<b>–</b>	<b>52</b>	<b>1,311</b>

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 (2023: nil).

## 12. Intangible assets

### 12. Huarawa noa

#### Accounting policy

##### Kaupapa kaute

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 or deficit.

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

#### Pūmāramarama me ngā utunga ā tau mahi kaute

##### *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 or deficit, 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

#### Whakataunga mō te whakamahi kaupapa here mahi kaute

##### *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 or deficit 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)	Work in progress (\$000)	Total (\$000)
<b>Cost</b>				
At 30 June 2022	2,098	44,111	472	46,681
Additions	–	1,412	940	2,352
Disposals	(1,147)	(278)	–	(1,425)
Transfers to assets	–	–	(1,412)	(1,412)
At 30 June 2023	951	45,245	–	46,196
Additions	–	–	885	885
Transfer to work in progress	–	(1,412)	–	(1,412)
Transfers from assets	–	–	1,412	1,412
<b>At 30 June 2024</b>	<b>951</b>	<b>43,833</b>	<b>2,297</b>	<b>47,081</b>
<b>Accumulated amortisation and impairment losses</b>				
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
Amortisation expense	–	1,448	–	1,448
Disposals	–	–	–	–
Impairment losses	–	–	–	–
<b>At 30 June 2024</b>	<b>951</b>	<b>42,922</b>	<b>–</b>	<b>43,873</b>
<b>Carrying amounts</b>				
At 1 July 2022	–	4,513	–	4,513
At 30 June and 1 July 2023	–	3,771	–	3,771
<b>At 30 June 2024</b>	<b>–</b>	<b>911</b>	<b>2,297</b>	<b>3,208</b>

An internally generated software asset of \$1.4 million previously capitalised in May 2023 was reclassified as work in progress as further development work was required in 2023/24 for the software to be fully functional. Amortisation cost for one month of \$29,000 was reversed in the current year.

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 (2023: nil).

### 13. Payables and deferred revenue

#### 13. Ngā nama atu me ngā utu tārewa

##### Accounting policy

##### Kaupapa kaute

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

	2024 Actual (\$000)	2023 Actual (\$000)
<b>Payables and deferred revenue under exchange transactions</b>		
Creditors	407	455
Revenue in advance	1,049	2,015
Accruals	4,252	5,315
<b>Total payables under exchange transactions</b>	<b>5,708</b>	<b>7,785</b>
<b>Payables and deferred revenue under non-exchange transactions</b>		
Taxes payable (GST, PAYE)	1,294	955
<b>Total payables under non-exchange transactions</b>	<b>1,294</b>	<b>955</b>
<b>Total payables and deferred revenue</b>	<b>7,002</b>	<b>8,740</b>

## 14. Contingencies

### 14. Heipūtanga

#### Accounting policy

##### Kaupapa kaute

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

##### Taunaha heipūtanga

NZQA has the following contingent liabilities as at 30 June 2024. This is unchanged from the position at 30 June 2023.

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

##### Huarawa heipūtanga

NZQA has no contingent assets as at 30 June 2024 (2023: nil).

## 15. Employee entitlements

### 15. Āheinga kaimahi

#### Accounting policy

##### Kaupapa kaute

#### *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 recognised a liability for sick leave in the 2022/23 financial year to the extent that compensated absences in the coming year were expected to be greater than the sick leave entitlements earned in the coming year. The amount was calculated based on the unused sick leave entitlement that can be carried forward at balance date to the extent NZQA anticipated it would be used by staff to cover those future absences.

#### *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**

	2024 Actual (\$000)	2023 Actual (\$000)
<b>Current portion</b>		
Accrued salaries and wages	594	665
Annual leave	4,665	4,064
Sick leave	–	194
Retirement and long-service leave	378	359
<b>Total current portion</b>	<b>5,637</b>	<b>5,282</b>
<b>Non-current portion</b>		
Retirement and long-service leave	444	559
<b>Total non-current portion</b>	<b>444</b>	<b>559</b>
<b>Total employee entitlements</b>	<b>6,081</b>	<b>5,841</b>

### *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 5.14% (2023: 4.44%) and a weighted average salary inflation factor of 2.08% (2023: 1.99%) 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. The decline in the value for the liability this year is a result of a higher discount rate.

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 \$25,000 to \$27,000.

## 16. Provisions

### 16. Ngā pūtea penapena

#### Accounting policy

##### Kaupapa kaute

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

	2024 Actual (\$000)	2023 Actual (\$000)
Payroll remediation	458	675
Restructuring	1,072	–
<b>Total provisions</b>	<b>1,530</b>	<b>675</b>

Movements for each class of provision are as follows:

	Payroll remediation (\$000)	Restructuring (\$000)
Balance at start of the year	675	–
Amounts used	(217)	–
Additional provisions made during the year	–	1,072
<b>Balance at end of the year</b>	<b>458</b>	<b>1,072</b>

#### Payroll remediation

NZQA has identified some areas where there may have been non-compliance with the Holidays Act 2003 in particular around the payment of various leave provisions. A payroll remediation project is underway to address these issues that will identify any affected current and former employees, including formal quantification of any payments to be made. At 30 June 2024, 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.

#### Restructuring

NZQA has implemented a change to its organisational structure, which was confirmed on 13 June 2024 and implemented in August 2024. The provision represents NZQA's best estimate of the costs involved to complete the restructure although there is inherent uncertainty in determining this estimate and the timing in which the obligation will be settled.

## 17. Related-party transactions

### 17. Ngā hokohoko ā-rōpū

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

(for example Government departments and Crown entities) are not disclosed as related-party transactions when they are consistent with the normal operating arrangements between government agencies.

There are no related-party transactions with key management personnel other than compensation as noted below (2023: nil).

### Key management personnel compensation Paremata kaimahi rōpū whakahaere

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

	2024 Actual (\$000)	2023 Actual (\$000)
<b>Board members</b>		
Remuneration	263	243
Full-time equivalent members	1.33	1.42
<b>Strategic Leadership Team</b>		
Remuneration	1,904	1,764
Full-time equivalent members	6.00	5.57
<b>Total key management personnel remuneration</b>	<b>2,167</b>	<b>2,007</b>
<b>Total full-time equivalent personnel</b>	<b>7.33</b>	<b>6.99</b>

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

#### Whākinga tari minita

The Treasury has advised that the responsible Minister being the Hon Erica Stanford and the previous Minister being the Hon Jan Tinetti, have certified they had no related-party transactions for the year ended 30 June 2024 (2023: nil).



## 18. Events after the balance sheet date

### 18. Ngā kaupapa tōmuri i te rā whakataunga pūtea

There were no significant events after the balance sheet date.

## 19. Financial instruments

### 19. Nuka pūtea

#### Accounting policy

##### Kaupapa kaute

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.

#### Categories of financial instruments

##### Ngā wāhanga o ngā rauemi pūtea

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

	2024 Actual (\$000)	2023 Actual (\$000)
<b>Financial assets measured at amortised cost</b>		
Cash and cash equivalents	7,735	2,972
Receivables	3,816	4,419
Investments – term deposits	7,500	22,000
<b>Total financial assets measured at amortised cost</b>	<b>19,051</b>	<b>29,391</b>
<b>Financial liabilities measured at amortised cost</b>		
Payables (excluding revenue in advance and taxes payable)	4,659	5,770
<b>Total financial liabilities measured at amortised cost</b>	<b>4,658</b>	<b>5,770</b>

## Financial instrument risks

### Tūraru nuka pūtea

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 Global 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 \$7.7 million of cash and \$7.5 million of term deposits, both held with Bank of New Zealand which has a Standard and Poor Global credit rating of AA-.

There are no significant balances at 30 June 2024 with counterparties without credit ratings who have defaulted in the past (2023: 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**  
**20. Tūtanga**

**Accounting policy**

**Kaupapa kaute**

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

- contributed capital
- accumulated (deficit)/surplus.

**Breakdown of equity and further information**

	2024 Actual (\$000)	2023 Actual (\$000)
<b>Contributed capital</b>	20,528	20,528
<b>Accumulated (deficit)/surplus</b>		
Balance at start of the year	2,378	18,433
Net deficit for the year	(10,470)	(16,055)
<b>Balance at end of the year</b>	<b>(8,092)</b>	<b>2,378</b>
<b>Total equity</b>	<b>12,436</b>	<b>22,906</b>

**Capital management**

**Te whakahaere moni tōpū**

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.

## Appendix: Other disclosures

### Āpitianga: Ngā whākitanga anō

#### 1. Statutory remuneration disclosures

##### 1. Whākinga taiutu ā ture

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	
	2024 Actual	2023 Actual
\$440,000 – \$449,999	1	1
\$310,000 – \$319,999	–	1
\$300,000 – \$309,999	1	1
\$290,000 – \$299,999	2	–
\$270,000 – \$279,999	–	1
\$260,000 – \$269,999	–	–
\$250,000 – \$259,999	1	–
\$240,000 – \$249,999	2	1
\$230,000 – \$239,999	2	1
\$210,000 – \$219,999	–	1
\$200,000 – \$209,999	–	–
\$190,000 – \$199,999	2	2
\$180,000 – \$189,999	5	10
\$170,000 – \$179,999	8	6
\$160,000 – \$169,999	10	8
\$150,000 – \$159,999	4	6
\$140,000 – \$149,999	12	8
\$130,000 – \$139,999	28	26
\$120,000 – \$129,999	48	30
\$110,000 – \$119,999	78	60
\$100,000 – \$109,999	78	71
<b>Total employees</b>	<b>282</b>	<b>234</b>

During the year ended 30 June 2024, no employees received compensation or other benefits in relation to cessation (2023: one employee amounting to \$55,000).

**Member and committee member remuneration disclosures**

	2024 Actual (\$000)	2023 Actual (\$000)
Hon Tracey Martin (Board Chair)	39.6	43.2
Pania Gray (Deputy Board Chair)	30.4	27.0
Professor Cheryl de la Rey	22.7	21.6
Grant Cleland	22.7	21.6
Jeremy Baker	22.7	21.6
Aiolupotea Lili Tuioti	23.0	21.6
Lyn Provost	22.7	21.6
Roger Moses	22.7	21.6
Mary Chamberlain (to 29 June 2023)	–	21.6
Antony Royal (to 29 June 2023)	–	21.6
Siosaia Mataele (appointed 1 September 2023)	18.6	–
Professor Wiremu Doherty (appointed 1 September 2023)	18.6	–
<b>Total Board member remuneration</b>	<b>243.7</b>	<b>243.0</b>

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 (2023: nil).

NZQA has directors' and officers' liability and professional indemnity insurance cover for the financial year in respect of the liability or costs of Board members and employees.

## 2. Vote Education non-departmental output expenses

### 2. Ngā whakapaunga putanga ā tari kore Vote Education

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 Service Performance. A summary of appropriations funded through Vote Education is provided in the table below.

	What is intended to be achieved with this appropriation	2024 Actual Appropriation Estimates (\$000)	2023 Actual Appropriation Estimates (\$000)
<b>Total appropriation</b>			
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	71,789	71,418
<b>Non-departmental output expense</b>			
Secondary School Assessments		44,863	47,540
Standards and Qualifications Support		26,926	23,878
		<b>71,789</b>	<b>71,418</b>

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

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





Credit: Pia Rogers, Whangamata Area School, Year 12, *Rua Wahine*, Ringa Toi 2023

## Glossary

### Kuputaka

<b>Action Plan for Pacific Education 2020–2030</b>	The Government and Ministry of Education’s plan to ensure diverse Pacific learners and their families are safe, valued and equipped to achieve their education aspirations.
<b>Aromatawai</b>	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.
<b>Assessment</b>	Collecting and evaluating evidence to establish the level of an individual’s performance in relation to agreed outcomes.
<b>Assessment (secondary – external)</b>	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.
<b>Assessment (secondary – internal)</b>	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.
<b>Directory of Assessment and Skill Standards</b>	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.

<p><b>Education organisation</b></p>	<p>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.</p>
<p><b>Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code)</b></p>	<p>The Code supports the wellbeing of tertiary and international learners enrolled with New Zealand education providers.</p>
<p><b>Educational Quality and Assessment Programme (EQAP)</b></p>	<p>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.</p> <p>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 education ministries. NZQA is partnering with EQAP to deliver a five-year joint project to strengthen recognition of Pacific qualifications.</p>
<p><b>Evaluative quality assurance</b></p>	<p>This is the basis of NZQA’s quality assurance system. It uses:</p> <ul style="list-style-type: none"> <li>• evaluation theory and practice to reach well-informed, robust, consistent, and reliable evidence-based judgements about all aspects of organisational performance and capability</li> <li>• a practical focus on outcomes and key contributing processes</li> <li>• awareness and improvement through organisational self-assessment.</li> </ul>
<p><b>External evaluation and review (EER)</b></p>	<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>

<b>Ka Hikitia – Ka Hāpaitia</b>	The Ministry of Education’s cross-agency strategy for the education sector sets out how we will work with education services to achieve system shifts in education and support Māori learners and their whānau, hapū and iwi to achieve excellent and equitable outcomes and provides an organising framework for the actions we will take.
<b>Kura, kura kaupapa Māori</b>	Māori-language immersion schools in New Zealand.
<b>Learning Recognition Credits</b>	Credits that were put in place to recognise disruptions to learning and assessment caused by COVID-19. The credits were available during 2020, 2021 and 2022.
<b>Managing National Assessment review</b>	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.
<b>Mātauranga Māori</b>	Māori knowledge – the body of knowledge originating from Māori ancestors, including the Māori world view and perspectives, Māori creativity and cultural practices.
<b>Moderation</b>	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.
<b>National Certificate of Educational Achievement (NCEA)</b>	New Zealand’s national qualification for secondary school learners. Available at Levels 1–3, it is registered as part of the NZQCF.
<b>New Zealand Qualifications and Credentials Framework (NZQCF)</b>	The 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.
<b>New Zealand Scholarship</b>	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.

<b>New Zealand programme</b>	A national curriculum developed by an approved standard-setting body for the purposes of section 438A of the Education and Training Act 2020.
<b>Outputs</b>	The goods and services produced by an entity to support the achievement of its impacts and outcomes.
<b>Private training establishment (PTE)</b>	An establishment that provides post-school education and training and is registered by NZQA under Part 4 of the Education and Training Act 2020.
<b>Qualification</b>	A qualification listed on the NZQCF.
<b>(Secondary) school</b>	Any (secondary) school in New Zealand, Cook Islands, or Niue holding consent to assess for NCEA and/or that has learners who sit New Zealand Scholarship examinations.
<b>Self-assessment</b>	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.
<b>Skill standard</b>	The core building blocks of vocational qualifications and some other qualifications and credentials. Skill standards are listed at Levels 1–7 and are components of qualifications up to Level 7 diplomas.
<b>Special Assessment Conditions (SAC)</b>	SAC provides support to learners with sensory, physical, or medical conditions/impairments and/or specific learning disorders so they have a fair opportunity to demonstrate their skills and knowledge in internal and external assessment (in both NCEA and New Zealand Scholarship).
<b>Standards</b>	There are three types of standards in the Directory of Assessment and Skill Standards: achievement standards, unit standards and skill standards. 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. Credits from all achievement standards, unit standards and skill standards count towards NCEA.

<b>STEM</b>	The acronym of science, technology, engineering and mathematics.
<b>Te Hono o Te Kahurangi</b>	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.
<b>Tertiary education organisations</b>	Universities, wānanga, institutes of technology and polytechnics, private training establishments, government training establishments and other providers.
<b>Wānanga</b>	In the Education and Training Amendment Act 2023 section Part 4A, wānanga are institutions that Māori, primarily iwi, have been instrumental in establishing, and are concerned with a wide diversity of teaching and intellectual endeavour (including research) that is closely interdependent, and associated with higher learning, and are kaitiaki of mātauranga Māori, te reo Māori, and tikanga Māori within the tertiary education sector.
<b>Workforce Development Council (WDC)</b>	An industry focused body established under section 363 of the Education and Training Act 2020 that provides leadership, develops and sets standards and qualifications, endorses programmes and moderates assessments and provides an advisory and representative role for employers.





Credit: Elysie Calder, St Margarets' College, *Futurism In Space*, 2024 Top Art Tour





Mana Tohu Mātauranga o Aotearoa  
New Zealand Qualifications Authority