



Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

NZQA Performance Update

January – March 2025

Introduction

NZQA ensures that Aotearoa New Zealand qualifications and credentials are accepted nationally and internationally as credible and robust.

This is achieved through its stewardship of the New Zealand Qualifications and Credentials Framework, managing the qualifications system, regulating and quality assuring non-university tertiary education, delivering credible senior secondary school external assessment, quality assuring secondary school NCEA internal assessment, and administering the Education Code of Practice 2021.

Executive summary

This report summarises NZQA's performance in January – March 2025. It is designed to give readers a high-level picture of NZQA's performance at the time of writing so some items fall outside of this date range.

For the year-to-date NZQA has:

- Taken a series of statutory actions to address persistent non-compliance including cancelling the registration of one private training establishment (PTE) and placing conditions on a further three PTEs.
- Successfully completed the 2024 external examination cycle.
- Seen a record level of usage of the digital assessment platform with nearly 180,000 students (out of over 220,000) participating in external assessments (End-of-Year examinations and NCEA co-requisite assessments) using the platform to complete their assessment.
- Nearly completed changes to the NZQCF including revision of Rules that are now subject to Board and Ministerial sign-off.
- Compiled its 2025/26 budget on the basis of indicated budget bid outcomes. The budget indicates a small surplus however NZQA still has significant financial challenges beyond 2025/26.

Looking forward

Looking forward NZQA will:

- Continue working with the Ministry of Education (MOE) to strengthen the National Certificate of Educational Achievement (NCEA) including strengthening the quality assurance of school based assessment activities.
- Develop and deliver May 2025 co-requisite literacy and numeracy assessments with reduced marking timeframes. This is on track for successful delivery.
- Continue the detailed design of the integrated Quality Assurance Framework (iQAF). This includes piloting parts of the approach and ongoing provider engagement to ensure the approach works for all.
- Continue to develop its non financial performance reporting. We are developing a new SAC measure for the 2025/26 SPE and a measures improvement plan.
- Confirm its Budget 25 bids and finalise its 2025/26 budget.
- Finalise its work on detailed outyear budgets and scenarios to ensure it is well prepared for a range of financial scenarios beyond 2025/26.

Strategic priorities

NZQA's strategic priorities are:

- 1 Perform core functions well, supported by strong corporate infrastructure.
- 2 Utilise right touch, right size regulation that balances the needs of all stakeholders.
- 3 Improve stakeholder understanding of qualifications and credentials.
- 4 Leverage digital solutions to increase business efficiency and quality.

This section discusses work underway to achieve selected priorities.

Progress on selected strategic priorities

Improving financial management and sustainability

NZQA has a Financial Stabilisation Plan designed to ensure the organisation is operating at least to a breakeven position by financial year ending 30 June 2026.

Over the last three months:

- NZQA has progressed its three budget bids (for NCEA cost pressures, specialist workforce (SWF), and the Strategic Technology Enhancement Project (STEP) Establishment Phase).
- Treasury and MOE currently indicate NZQA can assume to receive partial funding for the NCEA and SWF bids, and full funding for STEP bid.
- Based on these budget outcome assumptions, NZQA aims to achieve a breakeven financial result for the 2025/26 budget. There are still significant financial sustainability challenges beyond 2025/26, which NZQA is working hard to mitigate.

The Plan has eleven complementary priority actions designed to work together to stabilise NZQA's financial position.

Looking forward, NZQA will:

- Continue to progress its Financial Stabilisation Plan actions as outlined in the six-monthly Minister's update.
- Retain its focus on increasing NZQA's non-government revenue via appropriate third-party charges.
- Confirm its budget bids and associated budget in its 2025/26 Statement of Performance Expectations.

Strengthening the performance of core functions

NZQA has a strategic objective to 'perform core functions well, supported by strong corporate infrastructure'.

Actions supporting this objective include 'reviewing the operating model and business processes of NZQA's core delivery functions'; and 'improving the maturity of our corporate functions'.

Over the last three months:

- NZQA has focused its 2025/26 business planning process on building a granular understanding of the productivity of its different functions. Initial data collection and analysis is complete. The analysis has supported NZQA's 2025/26 budget.
- Note - The majority of actions under this objective are discussed in other areas. For example the Quality Assurance Division operating model review is discussed as a part of the integrated Quality Assurance Framework.

Looking forward, NZQA will:

- Refine its productivity analysis to ensure its resources are in areas that create the greatest benefit.
- Continue to progress operating model changes in the Assessment and Quality Assurance Divisions as discussed in other areas of this report.

Secondary Assessment

NZQA administers, quality assures and reports on senior secondary credentials (including NCEA, New Zealand Scholarship and University Entrance). Responsibilities include:

- 1 Quality assuring senior secondary schools' assessment systems through Consent to Assess and Managing National Assessment Reviews.
- 2 Moderating internally assessed achievement standards and providing assessor support.
- 3 Delivering external NCEA and New Zealand Scholarship assessments.

This section discusses work underway to achieve selected priorities.

Ministerial priorities

External assessments

Marking for end-of-year examinations was completed by 24 December 2024. NCEA and New Zealand Scholarship results were released on 15 January and 11 February 2025 respectively.

Findings from the final 2024 attainment data:

- Results are slightly higher than 2023 for NCEA Level 2 and Level 3 and University Entrance.
- Year 11 NCEA Level 1 results show a 10-percentage point decline for participating students, driven by the tightened literacy and numeracy co-requisite requirements implemented in 2024 [OC01583 refers].

Following results release, students have four weeks to apply for a review or reconsideration. By 7 March we had received over 12,750 student review and reconsideration applications. More than 2,100 applications were successful and led to changed results. This represents 0.2% of all results from external assessments (over 740,000).

An internal and an external review were conducted following issues experienced in late 2024 with the Human Capital Management (HCM) system roll out for the contracted examination workforce. Work is underway to implement recommendations, and a follow up review is planned within 12 months.

Strengthening NCEA

NZQA continues to work with MOE to strengthen NCEA, by providing technical advice and advising on implementation challenges or opportunities.

We are strengthening quality assurance of school-based assessment as part of the \$10m Capability Investment Programme funded through Budget 24. Approximately 300 schools have been asked to submit materials for 850 internally assessed standards from 2024. Once our analysis is complete, we will provide feedback to schools and offered tailored support and interventions to improve assessment practice in 2025.

NZQA is developing an Intervention Framework to assist in identifying clear and strengthened escalation pathways aimed at improving assessment performance in schools.

The Framework applies currently used evidence such as:

- Managing National Assessment Report outcomes
- problematic external moderation agreement rates
- outlier reports
- targeted verification.

Ministerial priorities

NCEA co-requisite assessments

Work is underway to develop assessments for the May 2025 NCEA co-requisite assessment event. Assessments are being reviewed by the New Zealand Council for Educational Research to ensure they are valid and robust.

Te Reo Matatini me te Pāngarau was previously assessed through two Tūmahi Aromatawai Pātahi (TAPā)¹ and a Kete Manarua².

In 2025 changes were made to better support how students learn and to assist kaiako in their planning and delivery of teaching and learning for the two Te Reo Matatini standards.

- Te Reo Torohū (Listen and Reading) will be assessed exclusively through TAPā during the two assessment events in May and September.
- Te Reo Whakaputa (Speaking and Writing) will be assessed exclusively through Kete Manarua with two submission dates: 30 May 2025 and 29 October 2025.

Timeframes for the May 2025 co-requisite event results release have been shortened through process improvements and the implementation of Auto Text Scoring.

- Literacy (Reading) will be released in 3.5 weeks, prior to the school holidays (25 June). Previously this took 7 weeks.
- Literacy (Writing), Numeracy, Te Reo Matatini me te Pāngarau will be released in 6.5 weeks, in the first week back of Term 3 (14 July). Previously this took 9 weeks.

This will provide students who have not met the co-requisite requirements in May with more time to prepare for the next assessment event in September.

1. An external assessment similar to a Common Assessment Activity.
2. A digital submission of a student's evidence in the form of a portfolio.

Overview

Digital Assessment Platform

In 2024, nearly 180,000 students (out of over 220,000) participated in external assessments (End-of-Year examinations and NCEA co-requisite assessments), using the digital assessment platform to complete their assessment.

- The largest subject assessed digitally during the 2024 End-of-Year examinations, was NCEA Level 2 English, with nearly 33,000 students.
- At the peak, over 2,800 students were logging in per minute, well below the performance testing. This follows work with the vendor to ensure the platform is stable during periods of high user traffic.

We continue to work with our vendors to align functional and performance testing, ahead of the May 2025 NCEA co-requisite assessment event.

Quality Assurance

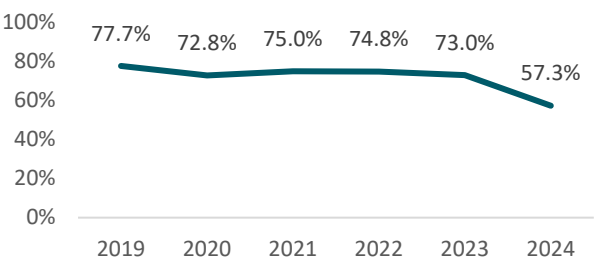
In 2025, we will undertake Managing National Assessment (MNA) reviews in 104 schools and 29 kura (Table One). These schools and kura were chosen through a thorough risk profiling process which includes analysis of moderation outcomes, leadership change (including Principals’ Nominees), achievement data, and ongoing interaction with the school and kura.

Table One: Schools and kura with a planned MNA review in 2025, by EQI Group

EQI Group	Number
Fewer	16
Moderate	46
More	59
Unassigned	12
Total	133

In 2024 schools and kura submitted samples of assessed work for 8,584 assessment standards. Our moderators agreed with 57.3% of all assessor judgements (Chart One). The drop in agreement was anticipated as it reflects the early stages of implementation of the new NCEA Level 1 achievement standards, with nearly 67% of all samples moderated being from NCEA Level 1. We expect the level of agreement to increase as schools become more familiar with the requirements of the new achievement standards. As part of our ongoing support for schools, we have published updated and new Level 1 exemplars of student work, added items to the Assessor Practice Tool and published new modules on Pūtake, our online Learning Management System.

Chart One: Percentage of overall assessor judgements agreed with by Moderators



Moderation of an additional 855 assessment standards is underway. These are a follow-up to outcomes from moderation undertaken in 2024.

Qualifications and TEO Quality Assurance

NZQA is responsible for:

- 1 Maintaining the New Zealand Qualifications and Credentials Framework (NZQCF).
- 2 Quality assurance of tertiary education organisations (excluding universities).
- 3 Setting Rules for and monitoring tertiary education organisations (TEOs).
- 4 Administering the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021.
- 5 Recognising international qualifications and supporting the international recognition of New Zealand qualifications.
- 6 Meeting New Zealand's education-related international obligations.

This section discusses work underway to achieve selected priorities.

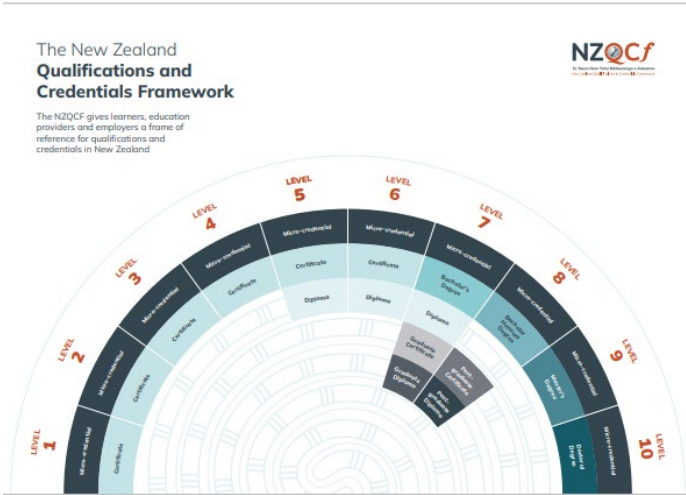
Ministerial priorities

Completing changes to the NZQCF

We have developed a new visual representation of the New Zealand Qualifications and Credentials Framework (NZQCF) and revised the relevant Rules for the NZQCF. We have also updated the booklet that sets out how the NZQCF works, including the level descriptors and qualification definitions.

As well as Rule changes to support the NZQCF, we have updated other rules to expand the English proficiency evidence that can be accepted and reduce PTE financial reporting requirements.

The revised Rules will be provided to the Minister to approve before they are published.



Integrated Quality Assurance Framework (iQAF)

The NZQA Board endorsed the high-level design for the iQAF in February 2025 following public consultation which indicated general support for the proposals.

Detailed design of the iQAF quality assurance levers is well advanced and we will be further engaging with providers on the levers and the operational implications and impacts for them.

The new self-review approach is being piloted this year with several providers who have volunteered to 'road test' the approach and action plans.

The iQAF is designed to increase risk-informed, targeted monitoring and to reduce the compliance burden on high-performing organisations. We are working with the TEC and Immigration New Zealand on risk profiling and sharing performance data.

We are now preparing more detailed change proposals for further public consultation later this year, including changes to NZQA Rules.



Overview

International engagement

Working with Japan



New Zealand and Japan are the current President, and Vice-President respectively of the UNESCO Tokyo Qualifications Recognition convention. This has enabled deeper collaboration with Japan in areas of mutual interest.

In January, NZQA presented to a Japanese working group on the benefits of a national qualifications framework for qualification recognition and labour and learner mobility.

Fulbright Scholar



In February, NZQA hosted Ben Wildavsky, currently a visiting fellow at the Harvard Graduate School of Education. The visit was funded by the Fulbright Scholar Award and was to research New Zealand's development of micro-credentials as part of the NZQCF.

NZQA plans to publish an insights paper in 2025 to evaluate the impact of micro-credentials in the qualifications system. This follows on from two insights papers on micro-credentials that we published in 2022.

We continue to identify opportunities to further increase the responsiveness and relevance of the education and training system to learners and employers through micro-credentials, and share our findings with overseas jurisdictions.

Supporting Niue



NZQA continues to support Niue in the delivery of NCEA and on the Pacific Qualifications Recognition project.

In March, NZQA hosted Niue's Minister of Social Services and Director of Education, to discuss future updates to the Memorandum of Understanding between the Niue Department of Education and NZQA.

Statutory actions

This quarter NZQA has taken statutory actions as a result of programme monitoring outcomes.

NZQA cancelled the registration of Aotearoa Career and Management Institute's registration as a private training establishment due to serious concerns about poor education and administrative practices.

We have placed conditions on the following three providers, requiring them to stop enrolling learners until they have improved their assessment practices.

- Bay of Plenty College of Natural Health and Homeopathy's accreditation to deliver the New Zealand Diploma in Acute Prescribing with Homeopathy (Level 5).
- CC Training Academy's accreditation to deliver the New Zealand Diploma in Construction with strands (Level 6).
- Queenstown Resort College's accreditation to deliver the QRC Diploma in Hospitality Management (Level 6).

Financial performance for the quarter ending 31 March 2025

NZQA is forecasting to achieve a year end surplus of \$1.0m which is a \$3.1m improvement on the original budgeted \$2.1m deficit.

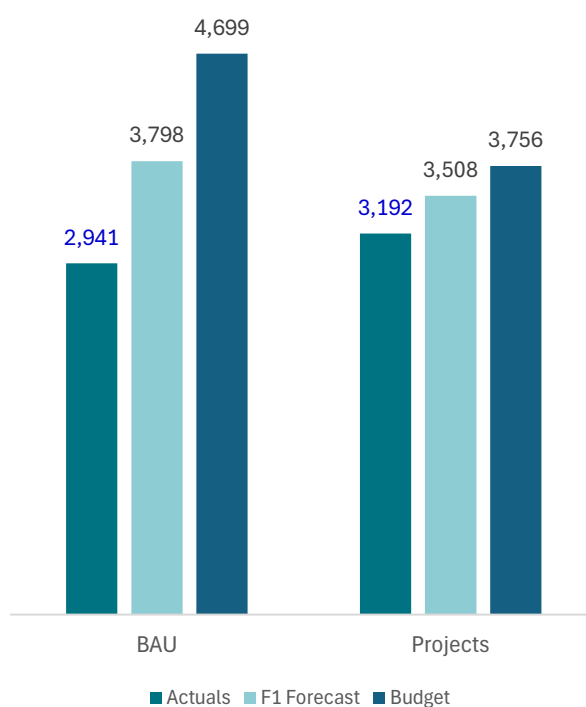
We are finalising our work on detailed outyear budgets and scenarios to ensure we are well prepared for a range of financial scenarios beyond 2025/26.

Financial performance

	March YTD			Full Year				
	Actual	Forecast	Variance Actual to Forecast	Budget	Variance Actual to Budget	Forecast	Budget	Variance Forecast to Budget
REVENUE								
Crown Revenue	64,081	64,081	-	64,081	-	79,575	79,575	
Total Fee & Charges	23,396	23,205	191	22,719	677	29,201	28,866	335
Other Income	1,978	1,672	305	413	1,565	2,087	550	1,537
Total Revenue	89,455	88,958	497	87,213	2,242	110,863	108,991	1,872
Personnel & Board	43,247	43,485	238	43,550	303	58,083	58,073	(10)
Examination Workforce	9,293	11,260	1,967	10,210	917	11,260	10,210	(1,050)
Specialist Workforce	10,068	12,146	2,078	11,031	963	13,466	12,170	(1,296)
Professional Services	3,756	4,625	869	5,514	1,758	5,901	6,726	825
Publication, print & distribution	3,462	3,534	73	3,731	270	3,803	4,000	197
Travel & Accommodation	745	1,250	505	1,618	873	1,643	1,940	297
IT costs	7,282	6,718	(564)	6,344	(938)	8,915	8,443	(472)
Other operating	6,624	5,387	(1,237)	5,762	(862)	7,011	7,392	381
Depreciation	1,192	1,528	336	2,124	932	2,097	2,832	735
Total Expenses	85,669	89,933	4,264	89,885	4,216	112,178	111,785	(393)
Net Operational Surplus	3,786	(975)	4,761	(2,672)	6,458	(1,316)	(2,794)	1,478
Projects								
Crown Funding	7,495	7,495	-	7,495	-	10,000	10,000	-
Expenses	5,467	5,393	(74)	7,037	1,570	7,734	9,335	1,600
Net investment in projects	2,028	2,102	(74)	458	1,570	2,266	665	1,600
Net surplus/(deficit)	5,814	1,127	4,687	(2,214)	8,028	950	(2,129)	3,079

- Total Revenue** for the full year is forecast to be \$1.9m above budget largely due to higher than planned interest income earned and Pasifika qualification recognition project funding not previously budgeted.
- Total Expenses** for the full year are forecast to be \$0.4m over budget due to higher examination and specialist workforce costs, which are partly offset by savings in other operational areas including Professional Services, and Travel & Accommodation.
- Contractors & Consultants** costs have been tightly managed with current year below forecast and budget.
- Net Project investment** is ahead of budget due to lags between \$10m CIP funding receipt and planned project expenditure. Some project costs are expected to be phased to 2025/26, with CIP funding being spent in full in the 2025/26 financial year.
- Net Surplus** is forecast to be \$3.1m better than budget turning around a net deficit to a net surplus position for the reasons noted above.

Contractors & Consultants Expense YTD



Financial performance (cont.)

The Balance Sheet as at 31 March 2025 remains sound with a working capital ratio of 1.8 and cash position of \$28.0m.

	31 March 2025	30 June 2025	30 June 2024
	Actual	Budget	Last year
Current Assets	34,210	21,239	22,530
Non-Current Assets	3,785	2,307	4,519
Total Assets	37,995	23,546	27,049
Current Liabilities	19,301	14,350	14,169
Non-Current Liabilities	444	550	444
Total Liabilities	19,745	14,900	14,613
Net Assets / Equity	18,250	8,646	12,436

Insights – Balance Sheet

- Total current assets** was high as at 31 March 2025, with \$28.0m in cash and short term deposits. Of this, \$7.6m was on account of Crown funding received in advance, which will be gradually applied over the remaining months of the financial year.
- Cash position** remained strong on the back of positive YTD financial results. Working capital ratio improved to 1.8. Cashflow are tightly managed to cover the balance of the year when the level of Crown funding gradually drops, and higher level of expenditure are planned.
- Net equity** as at 31 March 2025 was higher compared to original Budget 30 June 2025. Last financial year finished better than originally planned, and the financial results have been more favourable YTD.

Non-financial performance for the quarter ending 31 March 2025

12 of 19 SPE/Appropriations measures are reported at the end of Q3. Of these four continue to be reported quarterly, two met target while one was below target. Eight are only reported in Q3, all met target.

This report outlines progress on a selection of these measures based on relevance and information availability. Commentary is included where required.

NZQA continues to develop its non-financial performance reporting. We are developing a new SAC measure for the 2025/26 SPE, and a measures improvement plan.

Non-financial performance

NZQA’s 2024/25 Statement of Performance Expectations includes ten performance measures and 12* appropriations measures.

This report outlines progress on a selection of these measures based on relevance and information availability. Commentary is included where required.

Results reported only in Quarter 3

Of the eight measures reported only in Quarter 3, all met target.

Improving assessment practices			
The percentage of kura/schools that agree/strongly agree that NZQA’s quality assurance practices support them to improve their aromatawai and assessment practices.	Target 75%	YTD 76.9%	
Past results New measure in 2023/24	2023/24 97%		
Special Assessment Conditions			
The percentage growth in Special Assessment Conditions applications and notifications from schools with more socioeconomic barriers to achievement exceeds the percentage growth in applications and notifications from schools with fewer socio-economic barriers to achievement.	Target Achieved	YTD Achieved Growth for schools by level of socio economic barriers to achievement: <ul style="list-style-type: none">• more barriers: 34.6%• fewer barriers: 5.8%	
Past results New measure in 2023/24	2023/24 Not achieved		
Digital participation			
The percentage of students (in year 10 to 13) that participate in digital external assessment for digitally available assessment.	Target 50%	YTD 81.5% overall (Y10: 93.7%, Y11: 90.7% Y12: 67.4%, Y13: 65.4%)	
Past results New measure in 2023/24	2023/24 71.1% overall (Y10: 90.8%, Y11: 68.0%, Y12: 60.5%, Y13: 57.1%)		

* One measure was removed through the *Supplementary Estimates of Appropriations* process.

Non-financial performance (cont.)

Quarterly results

Of the four measures reported quarterly, two met target and two did not meet target.

Quality of information received from NZQA

The percentage of survey respondents who agree/ strongly agree that the information they received from the New Zealand Qualifications Authority met their needs.

Target
75%

YTD
63%



- The Quarter 3 result is 71%, this is an improved result from Quarter 2 YTD (62%).
- Delays in response time and lack of response were the main drivers for dissatisfaction.
- NZQA plans to implement a CRM solution in Q1 2025/26 to remediate this issue.

Past results

2021/22	2022/23	2023/24
69%	69%	68%

Sub-degree programme monitoring

The percentage of non-university sub-degree tertiary programmes monitored that continue to meet the programme approval and accreditation criteria.

Target
65%

YTD
62%



- Post monitoring support and guidance offered by NZQA had a high uptake with providers. As a result, 79% demonstrated sufficient improvement. The remainder were referred for risk management.
- Correction: The result for this measure was reported incorrectly in Quarter 2. The result reported was 67% (met) instead of 63% (not met). The error was identified through our standard mid-year self-review process and has been rectified.

Past results

New measure in 2023/24	2023/24
	69%

FTE Analysis

Division	Back Office	Front Office	Total
Assessment	6.0	173.3	179.3
Office of the Chief Executive	6.0	-	6.0
Office of the DCE Māori	8.0	-	8.0
Office of the DCE People and Pasifika	26.4	-	26.4
Quality Assurance	1.9	122.1	124.0
Strategy and Corporate	109.1	12.0	121.1
Total	157.4	307.4	464.8

As at 31 March 2025, NZQA has 464.8 FTEs in roles across the business. 307.4 (66%) of FTEs are in front office roles. This has reduced from the prior quarter as NZQA's FTE management strategies continue to take effect.

The remaining 157.4 (34%) are in back office roles. NZQA is actively managing vacancies and its front-office / back-office split as a part of its Financial Stabilisation Plan.