



Briefing report

Education Review Office (ERO): Vote Education Review Office Budget 2023 document submission

Date	6 April 2023
Security Level	N/A
ERO Priority	High
ERO Reference	M23-14
Date requested	ERO initiated
Date due	ERO initiated
Proactive release	Post Budget Day on 18 May 2023

Addressee	Action sought	Deadline
Minister of Education	It is recommended that you:	
CC: Minister for Social Development and Employment	<p>a) Agree to sign and forward the attached letters (attachments 5 and 6) and estimates documents (attachments 1 and 2) to the Minister of Finance.</p> <p>b) Note that this briefing is recommended for proactive release post Budget Day announcements on 18 May 2023.</p>	1pm, Wednesday 12 April 2023



Attachments:

Education Review Office (ERO):

Attachment 1 The Supplementary Estimates of Appropriations 2022/23; Attachment 2 The Estimates of Appropriations 2023/24; Attachment 3 and 4 Letters from the CE to the Minister of Education; Attachment 5 and 6 Templates for letters from the Minister of Education to the Minister of Finance



Comments:

Minister's Office to complete

Noted

Seen

Approved

Referred to:

Date signed by Minister:



EDUCATION REVIEW OFFICE

Te Tari Arotake Mātauranga

M23-14

6 April 2023

Hon Jan Tinetti
Minister of Education

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Vote Education Review Office Budget 2023 document submission

Purpose of the report

1. The purpose of this paper is to update you on the Vote Education Review Budget 2023 documents and seek approval of:
 - a. The 2022/23 Supplementary Estimates (the Supps).
 - b. 2023/24 Estimates of Appropriation (the Estimates).

Background

2. As part of Budget 2022 ERO produces two documents for Vote Education Review Office (Vote ERO):
 - a. 2022/23 Supplementary Estimates (the Supps) (Attachment 1).
 - b. 2023/24 Estimates of Appropriation (the Estimates) (Attachment 2).
3. The budget documents provide information to Parliament on Vote ERO's appropriations and what ERO and Aroturuki Tamariki – Independent Children's Monitor (Aroturuki Tamariki) will deliver for their appropriations.

Budget document process

4. The Treasury on behalf of the Minister of Finance sets the timeline and requirements of the submission for the budget documents from agencies. This includes the letters Chief Executives and Ministers are required to submit as noted in 5 and 6 below.
5. Chief Executives are required to provide Ministers with attestations of the quality of the Budget documents. Attached are two letters which provide my confirmation that the Supps and Estimates meet those attestations and are fit for publication (Attachment 3 and 4 respectively).
6. Responsible Ministers are required to submit the draft documents, along with two letters to confirm that the Supps and Estimates are accurate and suitable for publication, to the Minister of Finance (Attachment 5 and 6 respectively). The deadline for this submission is Tuesday 12 April 2023.

Consultation

- 7. In preparing these documents the Education Review Office has consulted with:
 - a. Aroturuki Tamariki on the content that relates to them, and
 - b. The Treasury for the format, narrative and the initiatives included within the Budget 2023 documents.

- 8. Draft performance measures were shared with the Minister for Social Development and Employment and yourself, and no feedback received.

Recommendations

- 9. It is recommended that you:
 - a) **Agree** to sign and forward the attached letters (attachments 5 and 6) and estimates documents (attachments 1 and 2) to the Minister of Finance. **Agreed/Disagreed**

 - b) **Note** that this briefing is recommended for proactive release post Budget Day announcements on 18 May 2023. **Noted**



Nicholas Pole
Chief Executive

NOTED/APPROVED



Jan Tinetti
Minister of Education
10 /04 /2023

cc: Minister for Social Development and Employment

Vote Education Review Office

Estimates Production Process Notes

- The CFISnet version of this document is the one that will be printed to form the Estimates of Appropriations
- Any changes made to this document will ultimately need to also be made in the CFISnet version to be included in the Estimates of Appropriations
- Final formatting including page breaks and page numbering for printing will be done when all Vote chapters are consolidated.
- It is important to refer to your most recent **Audit Management Letter** and address any concerns identified around the quality of Supporting Information, and in particular any performance measures.

APPROPRIATION MINISTER(S): Minister of Education (M26), Minister for Social Development and Employment (M63)

DEPARTMENT ADMINISTERING THE VOTE: Education Review Office (A8)

RESPONSIBLE MINISTER FOR EDUCATION REVIEW OFFICE: Minister of Education

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Establishing the Independent Children's Monitor (M26) (A8) This appropriation is limited to establishing the Independent Children's Monitor as a departmental agency hosted by the Education Review Office.	-	1,850	1,850
Evaluations of the Quality of Education (M26) (A8) This appropriation is limited to evaluations of national and local education programmes and providers and to evaluation services provided to third parties under contract.	37,795	281	38,076
Independent Monitoring and Assurance of the Oranga Tamariki System (M63) (A8) This appropriation is limited to independent monitoring of compliance with, and delivery of, the Oranga Tamariki system and related regulations and standards.	-	2,800	2,800
Total Departmental Output Expenses	37,795	4,931	42,726
Departmental Capital Expenditure			
Education Review Office - Capital Expenditure PLA (M26) (A8) This appropriation is limited to the purchase or development of assets by and for the use of the Education Review Office, as authorised by section 24(1) of the Public Finance Act 1989.	1,000	(124)	876
Total Departmental Capital Expenditure	1,000	(124)	876
Total Annual Appropriations and Forecast Permanent Appropriations	38,795	4,807	43,602

Capital Injection Authorisations

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Education Review Office - Capital Injection (M26) (A8)	-	6,798	6,798

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2022/23				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	37,795	4,931	-	4,931	42,726
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	1,000	(124)	-	(124)	876
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	38,795	4,807	-	4,807	43,602
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Establishing the Independent Children's Monitor (M26) (A8)

Scope of Appropriation

This appropriation is limited to establishing the Independent Children's Monitor as a departmental agency hosted by the Education Review Office.

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,850	1,850
Revenue from the Crown	-	1,850	1,850
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the establishment of the Aroturuki Tamariki - Independent Children's Monitor (Aroturuki Tamariki) as a departmental agency hosted by the Education Review Office (ERO). ERO's activities include project implementation and oversight and setting up systems and processes to support the ongoing hosting arrangements for Aroturuki Tamariki so that it can deliver on its legislative purpose.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
ERO will manage the establishment of the ICM within ERO within the agreed budget	New Measure	Achieved	Achieved

Note 1: This is a new performance measure in 2022/23 to reflect ERO's support in the establishment of the Aroturuki Tamariki - Independent Children's Monitor occurring in late 2022/23. This indicator is time limited to the period of establishment.

End of Year Performance Reporting

Performance information for this appropriation will be reported by ERO in its Annual Report to be tabled in the House.

Reasons for Change in Appropriation

This is a new appropriation for 2022/23 with funding of \$1.850 million. This relates to a \$2 million fiscally neutral transfer from Vote Social Development for activities required by ERO to establish Aroturuki

Tamariki, partially offset by a one-off transfer from 2022/23 to 2023/24 of \$150,000 for the completion of the establishment activities.

Evaluations of the Quality of Education (M26) (A8)

Scope of Appropriation

This appropriation is limited to evaluations of national and local education programmes and providers and to evaluation services provided to third parties under contract.

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	37,795	281	38,076
Revenue from the Crown	36,795	31	36,826
Revenue from Others	1,000	250	1,250

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Influence			
Percentage of early childhood learning services that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes	>85%	>80%	>80%
Percentage of schools that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes	>85%	>80%	>80%

The budget standards were changed in 2022/23 from >85% to >80% to reflect a more realistic and relevant rate of activity.

Reasons for Change in Appropriation

This appropriation increased by \$281,000 to \$38.076 million for 2022/23 due to:

- a one-off transfer from 2021/22 to 2022/23 of \$1 million from the disruption to ERO's work programme caused by COVID 19 in 2021/22, and
- increased departmental revenue of \$250,000 for contractual services provided by ERO to align with increased demand from other agencies.

This increase was partially offset by:

- a one-off transfer 2022/23 to 2023/24 of \$939,000 from the deferral of planned activities in 2022/23 due to the transition Aroturuki Tamariki into ERO on 1 May 2023, and

- \$30,000 in capital charge expenditure returned following the capital to operating swap of \$600,000 in 2021/22 relating to software as a service.

Independent Monitoring and Assurance of the Oranga Tamariki System (M63) (A8)

Scope of Appropriation

This appropriation is limited to independent monitoring of compliance with, and delivery of, the Oranga Tamariki system and related regulations and standards.

Expenses and Revenue

	2022/23		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	-	2,800	2,800
Revenue from the Crown	-	2,800	2,800
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve a strengthened independent monitoring and assurance function to provide oversight of the Oranga Tamariki system.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Reports on the Monitor's findings in relation to compliance with the Oranga Tamariki (National Care Standards and Related Matters) Regulations will be provided to the Minister for Children within timeframes agreed with the Minister	New measure	Achieved	Achieved
Complete visits to at least three regions each year to understand how the Oranga Tamariki system is experienced (see Note 1)	New measure	Achieved	Achieved

Aroturuki Tamariki was established as a departmental agency, hosted by ERO on 1 May 2023. The new measures in 2022/23 reflect the activities of Aroturuki Tamariki in 2022/23 when it was in an establishment phase of its agency and operations. Further measures will be added in 2023/24.

Note 1: Arotutuki Tamariki will visit its ten regions every three years to inform the functions of Aroturuki Tamariki as set out in the Oversight of the Oranga Tamariki System Act 2022.

End of Year Performance Reporting

Performance information for this appropriation will be reported by ERO in its Annual Report to be tabled in the House.

Reasons for Change in Appropriation

This is a new appropriation for 2022/23 with funding of \$2.8 million. This relates to a \$3.3 million fiscally neutral transfer from Vote Social Development for the operation of Aroturuki Tamariki from 1 May to 30 June 2023. This was partially offset by a one-off transfer from 2022/23 to 2023/24 of \$500,000 to complete activities associated with the establishment of the department agency and its processes required to meet its obligations under the Oversight of the Oranga Tamariki System Act 2022.

2.3 - Departmental Capital Expenditure and Capital Injections

Education Review Office - Capital Expenditure PLA (M26) (A8)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Education Review Office, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2022/23		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	650	226	876
Intangibles	350	(350)	-
Other	-	-	-
Total Appropriation	1,000	(124)	876

Reasons for Change in Appropriation

This appropriation decreased by \$124,000 to \$876,000 for 2022/23 due to the change in accounting treatment for software which is now operating.

Capital Injections and Movements in Departmental Net Assets

Education Review Office

Details of Net Asset Schedule	2022/23 Main Estimates Projections \$000	2022/23 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2022/23
Opening Balance	3,307	3,307	Supplementary Estimates opening balance reflects the audited results as at 30 June 2022.
Capital Injections	-	6,798	Transfer of capital from Ministry of Social Development for Aroturuki Tamariki (\$6.663 million) to ERO and funding from the state sector decarbonisation for five electric vehicles and chargers (\$135,000).
Capital Withdrawals	-	(3,143)	Return of capital not required by Aroturuki Tamariki (\$3 million) and transfer of net assets from the Ministry of Social Development to ERO for Aroturuki Tamariki (\$143,000).
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	3,307	6,962	

Vote Education Review Office

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APPROPRIATION MINISTER(S): Minister of Education (M26), Minister for Social Development and Employment (M63)

DEPARTMENT ADMINISTERING THE VOTE: Education Review Office (A8)

RESPONSIBLE MINISTER FOR EDUCATION REVIEW OFFICE: Minister of Education

Overview of the Vote

The Minister of Education is responsible for appropriations in Vote Education Review Office for the 2023/24 financial year covering the following:

- a total of just over \$39 million for evaluations of national and local education programmes and providers and to evaluation services provided to third parties under contracts
- a total of just over \$1 million in departmental capital expenditure mainly for the purchase by the Education Review Office (ERO) of vehicles, leasehold, and technology assets, and
- a total of \$150,000 to complete the establishment of the Aroturuki Tamariki - Independent Children's Monitor (Aroturuki Tamariki) as a departmental agency hosted by ERO.

The Minister for Social Development and Employment is responsible for appropriations in Vote Education Review Office for the 2023/24 financial year covering a total of nearly \$12 million for Aroturuki Tamariki to provide an independent monitoring and assurance function of the Oranga Tamariki system.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Establishing the Independent Children's Monitor (M26) (A8) This appropriation is limited to establishing the Independent Children's Monitor as a departmental agency hosted by the Education Review Office.	1,850	1,850	150
Evaluations of the Quality of Education (M26) (A8) This appropriation is limited to evaluations of national and local education programmes and providers and to evaluation services provided to third parties under contract.	38,076	38,076	39,458
Independent Monitoring and Assurance of the Oranga Tamariki System (M63) (A8) This appropriation is limited to independent monitoring of compliance with, and delivery of, the Oranga Tamariki system and related regulations and standards.	2,800	2,800	11,568
Total Departmental Output Expenses	42,726	42,726	51,176
Departmental Capital Expenditure			
Education Review Office - Capital Expenditure PLA (M26) (A8) This appropriation is limited to the purchase or development of assets by and for the use of the Education Review Office, as authorised by section 24(1) of the Public Finance Act 1989.	876	876	1,177
Total Departmental Capital Expenditure	876	876	1,177
Total Annual Appropriations and Forecast Permanent Appropriations	43,602	43,602	52,353

Capital Injection Authorisations

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Education Review Office - Capital Injection (M26) (A8)	6,798	6,798	-

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Aroturuki Tamariki - Independent Children's Monitor Operations Cost Pressures	Independent Monitoring and Assurance of the Oranga Tamariki System Departmental Output Expense	-	700	700	700	700
Education Review Office Operations Cost Pressures	Evaluations of the Quality of Education Departmental Output Expense	-	754	754	754	754
Total initiatives		-	1,454	1,454	1,454	1,454

1.2 - Trends in the Vote

Summary of Financial Activity

	2018/19	2019/20	2020/21	2021/22	2022/23		2023/24		2024/25	2025/26	2026/27	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	29,210	30,636	34,621	34,514	42,726	42,726	51,176	-	51,176	49,587	49,587	49,587
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	672	2,257	887	129	876	876	1,177	-	1,177	3,000	1,094	444
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	29,882	32,893	35,508	34,643	43,602	43,602	52,353	-	52,353	52,587	50,681	50,031
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

1.3 - Analysis of Significant Trends

Departmental Expenditure

Education Review Office

One-off funding of \$2 million was provided across the 2022/23 and 2023/24 years for ERO to complete activities required to establish Aroturuki Tamariki as a departmental agency hosted by ERO.

Significant changes in departmental output expenses relating to ERO's evaluations of education programmes and providers between 2018/19 and 2026/27 include:

- additional investment in education evaluations for accountability and improvement
- initiatives for the evaluation and monitoring of te reo Māori outcomes within English medium schools from 2022/23 onwards,
- funding from 2023/24 to address operational cost pressures within ERO including increased information technology and property costs, and
- varying levels of contractual evaluation services provided by ERO which is driven by demand mainly from other government agencies.

Aroturuki Tamariki - Independent Children's Monitor

Significant changes in departmental output expenses relating to Aroturuki Tamariki's oversight of the Oranga Tamariki System between 2018/19 and 2026/27 include:

- the transfer of funding from Vote Social Development for the period from 1 May 2023 onwards to deliver the functions of Aroturuki Tamariki as set out in the Oversight of the Oranga Tamariki System Act 2022, and
- funding from 2023/24 onwards to cover the increased costs of Aroturuki Tamariki operating as a departmental agency rather than a business unit.

Capital Expenditure

There are no significant trends in capital expenditure appropriation levels other than the five yearly replacement of ERO's vehicles, next forecast for 2025.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Establishing the Independent Children's Monitor (M26) (A8)

Scope of Appropriation

This appropriation is limited to establishing the Independent Children's Monitor as a departmental agency hosted by the Education Review Office.

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,850	1,850	150
Revenue from the Crown	1,850	1,850	150
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the establishment of the Aroturuki Tamariki - Independent Children's Monitor (Aroturuki Tamariki) as a departmental agency hosted by the Education Review Office (ERO). ERO's activities include project implementation and oversight and setting up systems and processes to support the ongoing hosting arrangements for Aroturuki Tamariki so that it can deliver on its legislative purpose.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
ERO will manage the establishment of Aroturuki Tamariki - Independent Children's Monitor within ERO within the agreed budget (see Note 1)	Achieved	Achieved	Achieved

Note 1: This was a new performance measure in 2022/23 to reflect ERO's support in the establishment of the Aroturuki Tamariki - Independent Children's Monitor occurring in late 2022/23. This indicator is time limited to the period of establishment.

End of Year Performance Reporting

Performance information for this appropriation will be reported by ERO in its Annual Report to be tabled in the House.

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is due to this appropriation being time limited to the establishment of the Aroturuki Tamariki as a Departmental Agency hosted by ERO in May 2023.

Evaluations of the Quality of Education (M26) (A8)

Scope of Appropriation

This appropriation is limited to evaluations of national and local education programmes and providers and to evaluation services provided to third parties under contract.

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	38,076	38,076	39,458
Revenue from the Crown	36,826	36,826	38,458
Revenue from Others	1,250	1,250	1,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve improvements in teaching and learning practices by assisting early childhood learning services, schools, and other education service providers to improve their capacity in internal evaluation, governance, and leadership through ERO's independent evaluations. It also includes influencing and informing on the development and implementation of education policy and practices through ERO's system-wide evaluations and through the provision of other services.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Monitor and Evaluate			
Percentage of schools/kura that have been assessed for compliance with legal and regularity requirements	>33%	>33%	>33%
Progress of bringing schools onto the new schooling review approach	>80%	>80%	>100%
Review resources are applied in accordance with the priority framework	Baseline year	Baseline year	Maintain and improve
Influence			
Percentage of early childhood learning service respondents that indicate that their ERO evaluation had helped to identify or confirm opportunities for more effective practice and building capacity	>80%	>80%	>80%
<ul style="list-style-type: none"> Governing organisations (see Note 1) 	New measure	New measure	>80%
<ul style="list-style-type: none"> Individual Services 	>80%	>80%	>80%
Percentage of early childhood learning services that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes			
<ul style="list-style-type: none"> Governing organisations (see Note 1) 	New measure	New measure	>80%
<ul style="list-style-type: none"> Individual Services 	>80%	>80%	>80%

Assessment of Performance	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of schools that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes	>80%	>80%	>80%
Percentage of school respondents that indicate that their ERO evaluation had helped to identify or confirm opportunities for more effective practice and building capacity	>80%	>80%	>80%
Key audiences report that ERO's national evaluations are informative and useful for identifying or planning improvement within the system or its component parts (see Note 2)	>80%	>80%	>80%
Percentage of school respondents that the Poutama Reo improvement framework has been used to inform their strategy for the planning, monitoring and delivering of te reo Māori (see Note 3)	New measure	New measure	Baseline year

Note 1: The Governing Organisation methodology is a new approach for early childhood education provider that has oversight of 15 or more services. A new indicator has been added to reflect the new approach in 2023/24.

Note 2: ERO is not primarily a provider of policy advice. From our regular presence in schools and early childhood learning services ERO is, however, in a position to make a useful contribution to assist the policy agencies such as the Ministry of Education and the sector.

Note 3: The Poutama Reo improvement framework is a new tool for English-medium schools to review and improve their provision of Māori language in New Zealand. A new indicator has been added to reflect the new tool in 2023/24.

End of Year Performance Reporting

Performance information for this appropriation will be reported by ERO in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Education Review Office Operations Cost Pressures	2023/24	-	754	754	754	754
Funding to Support Māori Language Education Provision and Growth	2022/23	2,000	2,000	2,000	2,000	2,000
Improving the Quality of the Education System	2019/20	5,584	5,584	5,584	5,584	5,584

Reasons for Change in Appropriation

The increase in this appropriation for 2023/24 year is due to:

- a one-off transfer from 2022/23 to 2023/24 of \$939,000 for ERO to complete activities planned in 2022/23 but deferred due to the transition Aroturuki Tamariki into ERO on 1 May 2023, and

- funding of \$754,000 for ERO's operational cost pressures, including increased information technology and property costs.

Partially offset by:

- a decrease of \$1 million due to an expense transfer relating to disruption to ERO's work programme from COVID-19 for 2022/23 only, and
- decreased forecast departmental revenue of \$250,000 for contractual services provided by ERO.

Independent Monitoring and Assurance of the Oranga Tamariki System (M63) (A8)

Scope of Appropriation

This appropriation is limited to independent monitoring of compliance with, and delivery of, the Oranga Tamariki system and related regulations and standards.

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,800	2,800	11,568
Revenue from the Crown	2,800	2,800	11,568
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve a strengthened independent monitoring and assurance function to provide oversight of the Oranga Tamariki system.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Prepare and provide final reports as defined in the Oversight of Oranga Tamariki System Act 2022	New measure	New measure	100%
Complete visits to at least three regions each year to understand how the Oranga Tamariki system is experienced (see Note 1)	Achieved	Achieved	Achieved
Oranga Tamariki oversight system partners are satisfied with and use Aroturuki Tamariki reports to support them in their functions and duties (see Note 2)	New measure	New measure	Baseline
All agencies who are the subject of a final report make commitments to implement changes based on our report findings	New measure	New measure	100%
The Māori Advisory group is satisfied that Aroturuki Tamariki have regard to their views when developing priorities, work programmes and monitoring approaches	New measure	New measure	Baseline
Regional visits reflect the tikanga of the community within which we are operating including us sharing with the community what we have heard (see Note 3)	New measure	New measure	90%

Aroturuki Tamariki was established as a departmental agency, hosted by ERO on 1 May 2023. The new measures in 2023/24 reflect the objectives and functions of Aroturuki Tamariki as set out in the Oversight of the Oranga Tamariki System Act 2022.

Note 1: Aroturuki Tamariki will visit its ten regions every three years to inform the functions of Aroturuki Tamariki as set out in the Oversight of the Oranga Tamariki System Act 2022.

Note 2: Oversight system partners are the Ombudsman and the Children's and Young Person's Commission.

Note 3: Aroturuki Tamariki's practice reflects a te ao Māori approach, and monitoring activities are tailored to reflect the tikanga of each community and those engaged with. The share-back process involves Aroturuki Tamariki sharing what was heard with the community and ensures meaningful engagement remains a priority.

End of Year Performance Reporting

Performance information for this appropriation will be reported by ERO in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Aroturuki Tamariki - Independent Children's Monitor Operations Cost Pressures	2023/24	-	700	700	700	700

Reasons for Change in Appropriation

The increase in this appropriation for 2023/24 is due to:

- the transfer from Vote Social Development of \$3.3 million in 2022/23 was 1 May to 30 June 2023 operating as a departmental agency compared with the \$10.368 million in 2023/24 which reflects a full year of operations, and
- an increase of \$700,000 for the Aroturuki Tamariki-Independent Children's Monitor Other Operating Cost Pressure initiative, and
- a one-off transfer of \$500,000 from 2022/23 to 2023/24 to complete activities associated with the establishment of the department agency and its processes required to meet its obligations under the Oversight of the Oranga Tamariki System Act 2022.

2.3 - Departmental Capital Expenditure and Capital Injections

Education Review Office - Capital Expenditure PLA (M26) (A8)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Education Review Office, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	876	876	1,177
Intangibles	-	-	-
Other	-	-	-
Total Appropriation	876	876	1,177

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the renewal and replacement of ERO's assets that support the delivery of its services.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Expenditure is in accordance with ERO's capital expenditure plan	75%-100%	75%-100%	75%-100%

ERO and Aroturuki Tamariki are not capital-intensive departments. Assets are purchased according to a planned assets replacement programme to maintain and upgrade capability essential to the operation of the departments. The major areas of capital investment for the departments are vehicles, leasehold, and technology assets.

End of Year Performance Reporting

Performance information for this appropriation will be reported by ERO in its Annual Report to be tabled in the House.

Reasons for Change in Appropriation

The increase in this appropriation for 2023/24 is mainly due to the timing of ERO's capital expenditure programme.

Capital Injections and Movements in Departmental Net Assets

Education Review Office

Details of Net Asset Schedule	2022/23 Estimated Actual \$000	2023/24 Projected \$000	Explanation of Projected Movements in 2023/24
Opening Balance	3,307	6,962	
Capital Injections	6,798	-	
Capital Withdrawals	(3,143)	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	6,962	6,962	

Auto-populated Data



EDUCATION REVIEW OFFICE

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Our ref: M24-14 Appendix 3

6 April 2023

Hon Jan Tinetti
Minister of Education

2022/23 Supplementary Estimates Documents for Vote Education Review Office

Action Required

Attached, for your approval are:

- the documentation for the 2022/23 Supplementary Estimates and Supporting Information for Vote Education Review Office, and
- a draft letter to the Minister of Finance.

Background

The Budget 2023 process requires that:

- the Supplementary Estimates documentation for Vote Education Review Office is completed by 12 April 2023, and
- one of the appropriation Ministers responsible for appropriations in the Vote, on behalf of all appropriation Ministers with appropriations in the Vote, confirm to the Minister of Finance that this material is correct and in a form suitable for publication.

The Supplementary Estimates and Supporting Information Documents

I confirm that the information provided for your approval:

- is consistent with the policies and performance expectations of the Government, and has been prepared in accordance with the Public Finance Act 1989.
- is consistent with the proposed appropriations to be set out in the Appropriation (2022/23 Supplementary Estimates) Bill, as entered by the Education Review Office into the Treasury's CFISnet system.
- is consistent with existing appropriations, financial authorities, and Cabinet decisions up to 11 April 2023.
- has been prepared in the required format, and in accordance with the guidance that has been issued by the Treasury.
- has been appropriately reviewed by the Education Review Office senior management team – with a particular focus on areas where new strategic information, such as statements about what an appropriation is intended to achieve, is now required, and
- has been through an appropriate quality assurance process and is free of material errors and omissions.

As detailed below there are several appropriation Ministers associated with Vote Education Review Office:

- Minister of Social Development and Employment:
 - Independent Monitoring and Assurance of the Oranga Tamariki System

- Minister of Education:
 - Evaluations of the Quality of Education
 - Establishing the Independent Children's Monitor
 - Education Review Office - Capital Expenditure PLA

The Budget process requires that all appropriation Ministers review the Estimates documentation relating to the appropriations for which each is responsible. One appropriation Minister, on behalf of all appropriation Ministers associated with the Vote, should then confirm to the Minister of Finance that the Estimates documentation for the Vote is fit for publication.

I understand the Ministers responsible for appropriations in Vote Education Review Office have agreed that the Minister of Education will sign the attached letter to the Minister of Finance, on behalf of all appropriation Ministers. Accordingly, I recommend that once appropriation Ministers are comfortable with the material for the appropriations that they are responsible for, the Minister of Education sign the attached letter to the Minister of Finance.

Recommendation

I recommend that you **sign** the attached letter to the Minister of Finance On behalf of all Ministers responsible for appropriations in Vote Education Review Office.



Nicholas Pole
Chief Executive

NOTED/APPROVED



Hon Jan Tinetti
Minister of Education

___ / ___ / ___



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Our ref: M24-14 Appendix 4

6 April 2023

Hon Jan Tinetti
Minister of Education

2023/24 Estimates Documents for Vote Education Review Office

Action Required

Attached, for your approval are:

- the documentation for the 2023/24 Estimates and Supporting Information for Vote Education Review Office, and
- a draft letter to the Minister of Finance.

Background

The Budget 2023 process requires that:

- the Estimates documentation for Vote Education Review Office is completed by 12 April 2023, and
- one of the appropriation Ministers responsible for appropriations in the Vote, on behalf of all appropriation Ministers with appropriations in the Vote, confirm to the Minister of Finance that this material is correct and in a form suitable for publication.

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Nicholas Pole
Chief Executive

NOTED/APPROVED



Hon Jan Tinetti
Minister of Education

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