



Statement of Intent 2013–16



Ko te Tamaiti te Pūtake o te Kaupapa

The Child – the Heart of the Matter



Education Review Office
Te Tari Arotake Mātauranga

Statement of Intent 2013–2016

*Presented to the House of Representatives
pursuant to section 39 of the Public Finance Act 1989*

Contents

FOREWORD FROM THE MINISTER OF EDUCATION	1
INTRODUCTION FROM THE CHIEF REVIEW OFFICER	3
STATEMENT OF RESPONSIBILITY	4
NATURE AND SCOPE OF OUR FUNCTIONS	5
Role of the Education Review Office (ERO)	5
OPERATING ENVIRONMENT	6
STRATEGIC DIRECTION	7
Our Vision, Mission, and Whakatauki	7
Our Strategic Focus	7
ERO's Contribution to Government and Education Sector Outcomes	9
OPERATING INTENTIONS	12
Impact 1 – National Evaluations	12
Impact 2 – School and Early Childhood Service Reviews	15
ORGANISATIONAL HEALTH AND CAPABILITY	19
SUMMARY OF OUTPUT CLASSES AND EXPENSES	22
APPENDIX 1 – SCOPE OF POWERS AND ACTIVITIES	23

Foreword from the Minister of Education

Our nation's children are our future. A better future means ensuring that *all* of our children and students have the opportunity to reach their potential and are equipped with the knowledge, values, and skills they need. For this reason, our Government intends to provide our children with a successful education experience marked by attainment, enjoyment, a pathway to meaningful work, and the opportunity to contribute to the quality of life in Aotearoa New Zealand in the 21st century.

Our Government's goals are future-focused and centred firmly on children and young people. Working together, we must create a system shift that places children and their parents at the centre, and focuses on student outcomes. This requires strengthening a culture and system that develops the potential of our learners, grows our teachers and schools, and maximises the time and efforts of all who contribute to a better education system. It means raising the achievement for all students, in particular, those groups of students who have historically been underserved by our education system: Māori, Pasifika, low income, and those with special needs.

The shift that this Government seeks entails better education services, supporting our *better public service* goals for vulnerable children and educational achievement. This provides the foundation for five out of five learners who are on the pathway to positive economic and social participation.

The Education Review Office plays a critical role in helping Government to achieve this shift. By providing independent and timely information focused on our high priority areas, ERO can challenge the status quo, stimulate our thinking, and influence the debate about our future priorities for education. Through its evaluation processes, ERO can help lift the performance of the system by identifying the opportunities for our centres and schools, and for better policy and better targeted funding. Most of all, ERO's focus on capacity building and self-improvement sets the scene for the sector, creating a public service culture dedicated towards better future pathways for our students, our learning communities, and for our nation's future.

I look forward to the Education Review Office continuing to strengthen the capability of schools and early childhood services, targeting its review resources towards schools and kura that need additional support, and providing advice that will improve our education system. I am excited about the challenges the Office might pose through its collective insight that will influence those parts of our system that are working well to greater heights, and support improvement for those identified as requiring development.

PAGE 2

I am satisfied that the information on future operating intentions provided by my Department in this *Statement of Intent* is in accordance with sections 38, 40 and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.

Whaia te iti kahurangi!

A handwritten signature in black ink, reading "Hekia Parata". The signature is written in a cursive, flowing style.

Hon Hekia Parata
Minister of Education
May 2013

Introduction from the Chief Review Officer

The Government has a goal to raise achievement for all students so they develop the skills needed to contribute to New Zealand's economic and social success. In particular, there is a focus on groups of priority learners – Māori, Pacific, low income families, and children with special needs. The Education Review Office (ERO) has a key role to play in helping realise the goal of achievement for all students.

Our statutory role is clear. We evaluate and report on the performance of schools and early childhood services. Over time, ERO's influence has grown to the extent that we are now seen as leading change in the education sector through our work with schools and services.

The partnership approach that we take when we conduct reviews has changed the way we interact with schools and services, with an emphasis now on helping them build their self-review capacity. The goal is for continuous improvement, even in schools and services who are already high performers.

Through our institutional reviews and national evaluation reports, we not only contribute to the Government's education priorities, but also to the Better Public Service goals.

We have a strong commitment to Better Public Services and a focus on student outcomes. ERO's work programmes are geared to the goals of Better Public Services. As we are regularly out in the field, we recognise that achieving the Better Public Service goals requires more than just individual schools improving, but rather a system shift, together with education agencies working collaboratively.

With our increasing emphasis on building the self-review capacity of schools and early childhood services, we have applied the same self-review approach to ourselves within ERO. The Performance Improvement Framework (PIF) process that ERO experienced in late 2011 and early 2012 provided the opportunity to undertake a comprehensive self review which proved to be a very useful exercise. This has been followed up by the establishment of an internal evaluation group with oversight for a number of projects. We have also begun work on our operating model including our professional practice, which will guide our engagement with schools and services, the sector and communities. Together these initiatives are part of our commitment to ongoing improvement and increasing our organisation's positive impact on the education sector.

Central to everything we do is our whakataukī which embodies our work:
Ko te tamaiti te pūtake o te kaupapa – The child, the heart of the matter.



Graham Stoop
Chief Review Officer
Education Review Office
May 2013

Statement of Responsibility

In signing this statement, we acknowledge that we are responsible for the information contained in the *Statement of Intent* for the Education Review Office. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2012/13 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Graham Stoop
Chief Review Officer
Education Review Office
May 2013



James Kwing
Chief Financial Officer
Education Review Office
May 2013

Nature and Scope of Our Functions

ROLE OF THE EDUCATION REVIEW OFFICE (ERO)

ERO is the government department that evaluates the quality of education and care in schools and services, and the implementation of Government education priorities in these sectors. ERO's independence from schools and services, as well as from the agencies that set the policies and standards, enables us to provide assurance to the Government of the quality of education provided.

ERO plays a guardianship and improvement role for the sector. Our evaluation processes and reports lead to improvement at the institution and system levels. Our independence also provides an accountability lever, in that we can make authoritative judgements on the performance and actions taken by schools, services, and the Ministry of Education.

In addition to evaluating the progress of current Government priorities, ERO informs the development of future priorities and proactively notifies the Minister of emerging issues in the sector.

The scope of ERO's powers and activities are outlined in Appendix 1.

Operating Environment

ERO knows how important education is to New Zealand's future. To support the Government's push for economic and social development, education must ensure that our students are prepared for the 21st century. This places pressure on the education sector to improve the performance of the entire education system.

ERO recognises that to create confident learners, able to fully participate in society and the economy, all education agencies must work together to address the key issues in the system. The sector must look outwards and continue to develop partnerships and relationships with the community and business sectors to maximise the Government's investment in our children's future. We must connect with those around us and work together to ensure that our children remain the heart of the matter – throughout their entire journey through the education system. At the same time, the Government must focus on the needs of the individual learner.

ERO also knows that education is in the spotlight. The renewed interest in education, coupled with the recent growth in education performance data, means that the public and the Government will demand further improvements in educational achievement for all students, in particular for priority learners.

This makes ERO's role crucial. We promote improvement in addition to ensuring accountability in the system. We look for opportunities to generate positive change and to support leadership and capability building in school and early childhood sectors through high quality evaluation.

The Government's focus on addressing the needs of *all* priority learners is paramount to achieving improvement in system performance. ERO has well-articulated expectations of all those who work with priority learners, and has adjusted its business approach to ensure that greater attention and support is given to those schools and services who need to improve their performance.

At the same time, ERO must exercise fiscal restraint whilst dealing with additional pressures, such as the growth in early childhood services. The recent development of our early childhood methodology gives increased flexibility and provides a sound evaluation approach for promoting better outcomes for children in the early childhood sector.

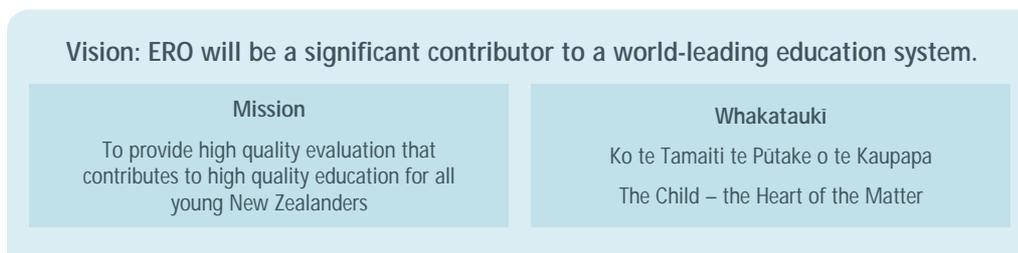
ERO will continue its programme of initiatives to transform our business and support change to the sector. This is essential at a time when both the Government and the public seek innovation from public services.

Strategic Direction

OUR VISION, MISSION, AND WHAKATAUKĪ

In the last five years, ERO has consulted widely with the community and with its education partners to develop a collective strategy to advance the Government's priorities. Children and young people are at the heart of this strategy. This is reflected in our whakatauki and is the foundation for our vision and mission statement (Figure 1):

Figure 1 – ERO's Vision, Mission, and Whakatauki



OUR STRATEGIC FOCUS

The core intent of the strategy is to utilise evaluation to *raise the capacity of the education sector, while continuing to assure the Government of the quality and effectiveness of schools, kura, early childhood services and kōhanga reo*. This means ensuring that our evaluations and work in the sector benefit the child, by improving the system's own capacity to deliver successful teaching and learning outcomes. It means working alongside communities, schools, early childhood services and our partners in the education sector so that collectively we understand what works well and where our future priorities lie. It means ongoing improvement of our own internal capacity so that we can continue to be courageous, to challenge, to influence system improvement, and to generate debate about the future of education.

Most of all, it means assuring the Government, parents, communities and the sector that our pre-tertiary education system is of a high quality and continues to provide world-leading teaching and learning outcomes for our students. To do this, we must ensure the information we produce is user-friendly, accessible, and centres on the needs of the learner.

Working within its baseline, ERO has specific initiatives in place to support the continuous improvement of its own methodologies, and of the evaluation capacity of the sector. These are:

- to maximise the benefits of our improved review methodologies for schools and early childhood services which give greater attention to self review and sustainability, and the use of differentiated evaluation to support improvement
- to focus on how effectively schools and early childhood services are promoting the participation and learning of all children and young people, and responding to priority groups (Māori students, Pacific students, children with special education needs, and children from low income families)

- to ensure our national evaluation programme is aligned to and influences the Government's education priorities.

These initiatives aim to improve capability, self review, and sustained good performance in schools and early childhood services, and help the Government assess the impact and outcomes of government education policy.

Our audiences and outcomes

ERO's strategy recognises that education involves many participants with each having a distinct role that is crucial to improving New Zealand's education system. The quality of the governance of schools and early childhood services, the quality of leadership and teaching, the role of parents and whānau in demanding high quality education services for their children, and appropriate and well-implemented education policy – all of these contribute to improved educational outcomes.

For this reason, ERO's work is coordinated with its target audiences to achieve the following outcomes:

	IMPACTS		TARGET AUDIENCES		ERO OUTCOMES
ERO DELIVERS...	<p><i>national evaluations that report the progress of Government priorities and influence the national debate about education (Impact 1)</i></p> <p><i>accountability reviews that focus on improving self-review capacity (Impact 2)</i></p>	SO THAT...	<p><i>government agencies</i></p> <p><i>schools and early childhood services</i></p>	CAN...	<p><i>put in place policies and strategies, and focus resources on areas of high priority</i></p> <p><i>improve their governance, leadership, and teaching and learning practices</i></p>

Additionally, parents, whānau, iwi, hapū, and communities use ERO's evaluations to play a more active part in their children's education.

ERO'S CONTRIBUTION TO GOVERNMENT AND EDUCATION SECTOR OUTCOMES

Government and education priorities

By providing evaluation services that influence improvement and assure the quality of education provided, ERO makes a significant contribution to the Government's education sector goal of: *“A world leading education system that equips all New Zealanders with the knowledge, skills and values to be successful citizens in the 21st century.”*

To support this goal, ERO works with the sector to ensure that the education system provides a foundation for all children to succeed. The focus on priority learners is central to this success. ERO will work with the sector to evaluate and improve learning and teaching for Māori students, Pacific students, children with special education needs, and children from low income families. The following education system outcomes provide a common direction and purpose:

1. Education provision of increasing quality and value to all.
2. Every learner achieving and managing their education success.
3. The education system is a major contributor to economic prosperity and growth.
4. Investment in education has provided higher returns.

A high-performing education system supports the Government's vision for economic growth that delivers greater prosperity and opportunities for all New Zealanders. It gives young people the skills and competencies they need to realise their potential and contribute to the economy and to society. It therefore supports the Government's core priorities for:

- responsibly managing government finances
- delivering better public services
- building a more competitive and productive economy
- rebuilding Christchurch.

Better Public Services Programme

The Government's goals are designed to ensure New Zealanders receive good value from the significant investment the Government makes in education. This is part of the Government's commitment to providing better public services to New Zealanders. As part of its Better Public Services work programme to increase the effectiveness and efficiency of government expenditure, the following targets have been identified for the education sector:

- increase participation in early childhood education (to 98% by 2016)
- increase the proportion of 18-year-olds with NCEA Level 2 or an equivalent qualification (to 85% by 2017)
- increase the proportion of 25 to 34-year-olds with advanced trade qualifications, diplomas and degrees (level 4 or above on the New Zealand Qualifications Framework) (to 55% by 2017).

ERO has recognised the need for the sector to shift its work to align to the Better Public Services' targets. ERO is directly contributing to the achievement of these targets by aligning its national evaluation programme and review methodologies to improving outcomes for all priority learners. This includes increasing the quality of education provided by schools and early childhood services to better meet the needs of those learners.

Working with the sector

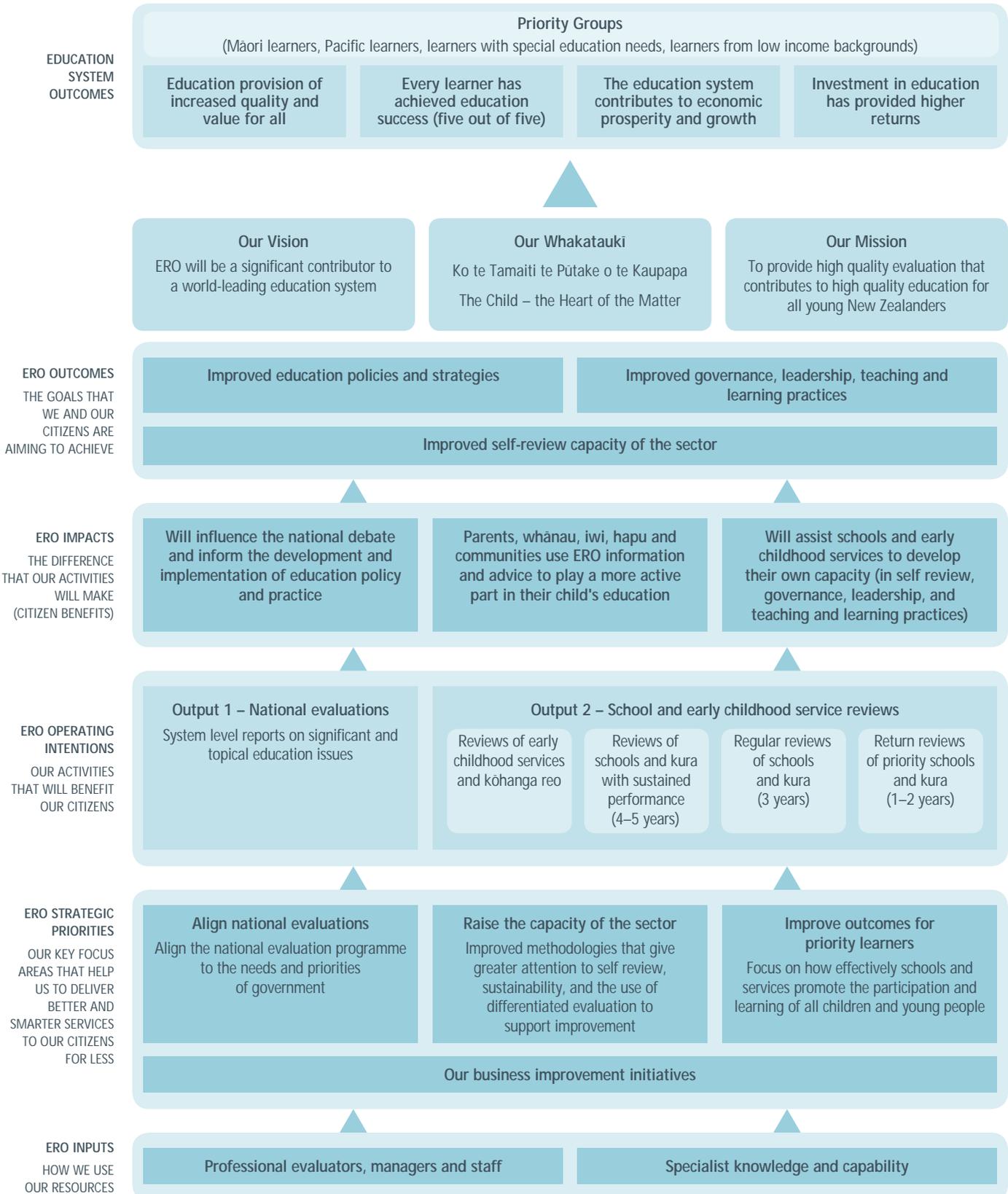
Through our evaluation processes, ERO is able to make a vital contribution to the strategic leadership of education in New Zealand. Our analysis and the information that we provide is increasingly being used to shape thinking about future policy and operational strategy. In this way, ERO plays a key role in the education sector leadership groups and taskforces established to drive further improvements to the system.

ERO works collaboratively with the other six agencies in the education sector.¹ Cross-agency activity is represented in the work of the Education Sector Leadership Group, memoranda of understanding between ERO and other education agencies (such as the New Zealand Qualifications Authority), and liaison meetings at national and regional levels.

ERO notifies the Ministry of Education about any schools or services of concern and ensures that support is provided where needed.

¹ The six other agencies are the Ministry of Education, Careers New Zealand, Tertiary Education Commission, New Zealand Qualifications Authority, New Zealand Teachers Council, and Education New Zealand.

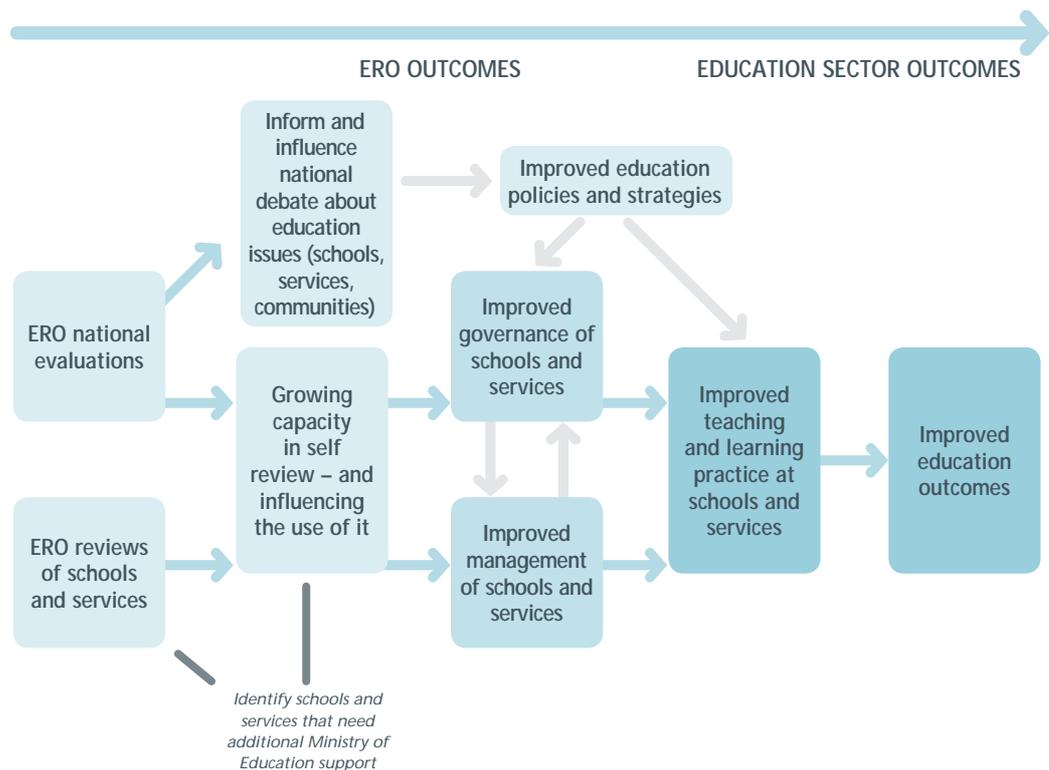
Figure 2: How ERO will contribute to the Government's priorities.



Operating Intentions

The following intervention logic demonstrates the relationships and links between ERO’s evaluations and the desired results (Figure 3).

Figure 3 – Intervention Logic



IMPACT 1 – NATIONAL EVALUATIONS

What are we seeking to achieve?

ERO’s system-wide evaluations will influence and advise on the development and implementation of education policy and practice. ERO’s national evaluation programme aligns with the learner’s journey through the education system, reviewing topics spanning from early childhood education, through transitions to schooling and on to the secondary-tertiary interface.²

ERO’s aggregation and analysis of national review data provides broad and independent evaluation of the issues that may enhance or impede student achievement, through a focus on initiatives or policies of interest to the sector and Government.

ERO has a particular focus on the participation and success of priority learners, and on influencing an improved sector-wide response to these children and their families.

2 The emphasis on transition also includes the primary to intermediate to secondary, and the between schools’ interfaces.

What will we do to achieve this?

ERO will evaluate and report on the effectiveness of specific education strategies intended to advance national education priorities, and to create an education system that enables every learner to reach their potential.

In particular, ERO will focus on the education sector's progress towards meeting the Government's Better Public Service goals:

In early childhood, ERO will increase participation by evaluating:

- the extent that services are providing high quality education outcomes for all children; and their effectiveness in lifting the participation rate of those groups currently under-represented
- the impact of system mechanisms such as access, funding, regulation and licensing on participation and quality in early childhood services
- the employment practices and systems in early childhood that support high quality early childhood education.

In schools, ERO will increase the proportion of 18-year-olds with NCEA Level 2 (or equivalent qualification) by evaluating:

- how well schools and services are focusing on lifting the outcomes for priority groups of learners – Māori, Pacific, children with special education needs, and children from low income families
- how well schools are identifying and using effective strategies to respond to students that need additional support to meet national standards and senior secondary qualifications
- how well schools are reviewing their own performance, particularly their use of evidence to inform more effective teaching practices and teaching innovation, both within and between schools
- the quality and impact of transitions within the education system
- how well schools take up opportunities that will be provided by the National Network for Learning to enhance teaching and learning effectiveness and innovation
- the quality of education received by international students enrolled in New Zealand schools
- the quality of teaching and support for students in education settings outside the mainstream schools
- the performance of systems in schools that support teachers in the classroom.

In upper secondary, ERO will increase the proportion of 25 to 34-year-olds with advanced trade qualifications, diplomas and degrees (at Level 4 or above) by evaluating:

- the impact of schooling sector strategies aimed at enhancing students' attainment of skills needed to prosper in the economy, in particular those students who have been traditionally less well served
- the senior secondary school-tertiary interface, focusing on programmes developed to support young people in their transition from compulsory education to tertiary education, training and employment.

Evaluation tools for schools and communities

ERO will publish evaluation indicators and exemplars of good practice to highlight success, and to support school and service self review. ERO will also provide publications intended to foster parent and community engagement in education.

National evaluations of relevance to the sector

ERO will continue to work closely with the Ministry of Education and other government agencies to develop well focused national evaluations that will be useful and add value to the education sector. ERO will also inform policy development in these government agencies by:

- providing contractual evaluation services under agreed terms of reference
- producing timely policy information
- producing reports of good practice and self-review tools.

ERO's national evaluations and reports of good practice will also be made available to parents, whānau, Māori, iwi, diverse communities and education professionals – to raise their understanding and awareness of education issues and support practice.

How will we demonstrate success?

ERO's national evaluations are intended to promote debate and influence change and improvement to the education system. Therefore, ERO's effectiveness measures are deliberately externally focused and based on comprehensive and independent evaluative work (comprising both hard and soft data) with the sector and communities.

In 2011 and 2012 the evaluative work focused on gathering data about the use of ERO's national evaluation reports by the Ministry of Education, and by early childhood services and the wider early childhood sector. This study established a baseline for ERO's effectiveness measures. Results of the study indicated that ERO's reports are highly valued by the sector, and the findings are well used by services to review and improve their own performance. The self-review tools and exemplars of good practice, provided through national reports, are particularly appreciated by the sector and well used by those providing teacher education and professional learning programmes.

To help assess our effectiveness from 2013 to 2016, we will continue to evaluate the use of ERO's evaluations and findings by the Ministry of Education, and by schools and early childhood services.

ERO also uses the Kiwis Count survey to assess the levels of public satisfaction with ERO's evaluation work (national evaluations and institution reviews). A baseline figure of 68% was established in 2012.

ERO will use the following measures and targets to assess its effectiveness:

MEASURES	Targets (2013–2016)	Current Baseline
Influence change and improvement to the education system	<p>Independent evaluations will confirm evidence that they are used by:</p> <ul style="list-style-type: none"> the Ministry of Education and other government agencies to inform policy and establish priorities for the education sector schools and early childhood services to inform their own practice. 	<p>2011–2012 evaluations found that ERO’s evaluations are regarded as independent, credible and useful. In particular, ERO’s evaluations were founded on an in-depth understanding of both the education environment and the role of government.</p> <p>Ministry of Education officials confidently used ERO’s evaluations and advice for policy development and briefings, planning and the design of professional development for the education sector.</p>
Public satisfaction	<ul style="list-style-type: none"> 70% (for 2013/14) increasing to 75% (for 2015/16) 	<ul style="list-style-type: none"> 68% (2012, sourced from the Kiwis Count survey)

All reports will be topical, timely, and consistent with the Government’s priorities for education. They will help the Government to target resources and interventions to areas of poor performance.

IMPACT 2 – SCHOOL AND EARLY CHILDHOOD SERVICE REVIEWS

What are we seeking to achieve?

As part of the evaluation process ERO aims to help schools and early childhood services improve their capacity in self review, governance and leadership, leading to improved teaching and learning practices.

How we will raise the capacity of schools and services?

ERO has adopted a complementary approach to external review and self review in schools. ERO’s evaluation process includes using a school’s self-review information to determine the scale and scope of the review. This process is designed to build schools’ self-review capability and encourage a cycle of ongoing improvement.

The ERO school review focuses on student learning, engagement, progress and achievement. It is the basis for evaluating how effectively schools’ programmes, processes and teaching promote positive outcomes for students, and for formulating strategies for improvement.

ERO takes account of each school's context and capability, and uses the quality of school self review as a critical factor in determining how soon a return visit should be scheduled. Each ERO report informs a school when they can expect their next review – over the course of one-to-two years (where there are issues to be addressed and school self review is ineffective), in three years (where there are no material concerns), or in four-to-five years (if the school has effective self-review processes and meets all the criteria that would indicate it is a consistently high performing school).

The flexibility of the differentiated review cycle allows for longer intervals between reviews where performance of a school is of a very good quality and likely to be sustained. It also allows ERO to focus resources on those schools which need the most support, while increasing self accountability and continuous improvement. Priority learners are central to the decision around review time. ERO considers that no school can be regarded as high performing unless there is evidence that its priority learners are actively engaged in their learning, are progressing well and succeeding as they should.

Both capacity building (self review) and differentiated review are key aspects of ERO's new early childhood methodology, currently being implemented.

ERO expects to review approximately one-third of all schools and services each year. Review reports will be made available to parents, whānau and communities, and will foster their engagement with the school or service.

We will continue to act as an early alert system for any schools or services of concern. ERO will regularly liaise with the Ministry of Education and other agencies, and notify them when issues are identified.

Between 2013–2016 ERO will:

- evaluate early childhood services using a new evaluation methodology. This will improve capacity, target priority learners, and encourage the participation and engagement of the community.
- evaluate schools in the one-to-two year return category (Arotake Paetawhiti). For these schools, ERO's longitudinal review processes will support schools to develop their own self-review capacity so that they can develop strategies to improve the achievement of their students.
- evaluate schools in the three year return category (Arotake Paerewa). This describes those schools that have established effective processes for self review and for student learning – engagement, progress and achievement.
- evaluate schools in the four-to-five year return category (Arotake Paehiranga). This describes those schools who can *consistently* demonstrate *sustained* effective student learning – engagement, progress and achievement. This provides an indication that schools are effectively using self review to improve their capacity for ongoing improvement.

Initiatives to improve ERO's evaluation methodologies during this time will include:

- embedding the newly designed early childhood methodology into the review process. This will include the implementation of revised procedures that give greater attention to self review and sustainability, and the use of differentiated evaluation to support improvement.
- holding schools to account while inviting them to describe, in their own way, their processes and success in working with Māori students, whānau and iwi. In the early childhood settings ERO will also complete its review of how well services promote participation and engagement of Māori children and whānau.
- implementing ERO's newly revised Pacific strategies, which will also help identify new approaches for promoting Pacific success through the review methodologies.
- maximising the benefits of an improved school methodology. This includes further developing the indicators and criteria that ERO uses for determining the effectiveness and capacity of schools and early childhood services. By using its own learning and feedback processes, ERO will continue to revise its own criteria, thus raising the performance bar for all schools and services.
- providing guidance to schools and early childhood services about self review and performance questions that they can ask themselves.

How will we demonstrate success?

ERO's evaluations are intended to improve each institution's capacity. Therefore, ERO's effectiveness measures are deliberately externally focused and based on external survey work to determine the extent that previously reviewed schools and early childhood services have made subsequent improvements. Our baseline (80%+ effectiveness) is based on the results of previous surveys that have examined the actions that have been taken on our recommendations and how the evaluation process has contributed to improvements in schools' and services' own practices.

ERO also monitors the review cycle to determine the percentage of schools that are positioned in each cycle. The review cycle provides an indication of the relative success to which schools are using self review to improve their practice. For example, a school will not be placed on the four-to-five year review cycle unless it has clearly demonstrated the capacity to promote success for all students at risk of underachieving.

ERO has recently established a new baseline for the percentage of schools (previously on the one-to-two year review cycle) that have subsequently moved to the three year review cycle. This provides an indication that the school has increased its capacity, establishing effective processes for self review and for student learning (engagement, progress and achievement).

As ERO progressively implements its new school and early childhood methodologies further, additional measures will be developed to determine:

- the increase in the percentage of schools that move to the four-to-five year review cycle
- the increase in the capacity of early childhood services.

IMPACT MEASURES AND TARGETS		2015/16 Forecast	2014/15 Forecast	2013/14 Forecast	2012/13 Estimated Actual	2011/12 Actual
80% of institutions evaluated will have used ERO's evaluation process to make improvements	Schools/ Services	80%+	80%+	Achieved	Achieved	Achieved
An increase in the % of schools (previously on the 1–2 year review cycle) that move to the 3 year review cycle ³		5% improvement (aim)	5% improvement (aim)	Establish baseline	Not assessed	Not assessed
Number of reviews	Schools	710–840	710–840	710–840	710–840	798
	Services	1,300–1,460	1,300–1,460	1,300–1,460	1,300–1,460	1,333
Frequency of reviews	Schools	33% (target)	33% (target)	33% (target)	33% (target)	33% (achieved)
	Services	33% (target)	33% (target)	33% (target)	33% (target)	31%* (target 33%)
Cost (\$000)	Schools	14,514	14,513	14,553	14,340	15,277
	Services	9,677	9,682	9,690	9,390	9,737
Number of review staff (FTE)		138	139	141	143	144

*Due to ERO's focus on methodology work, we did not meet this target. This does not represent a concern to ERO.

To demonstrate cost-effectiveness, ERO aims to review one-third of schools and early childhood services annually, while maintaining and/or reducing its costs and input levels over the medium term.

3 ERO has recently established a baseline figure for this measure. ERO will report this baseline figure in the 2012/13 Annual Report.

Organisational Health and Capability

ERO is committed to delivering a responsive and valued service to the Government and New Zealanders. So that ERO can better support the Government's learner focus and continue to implement its methodological changes, a shift in organisational practice is needed. ERO is midway through a transformation programme to support this improvement. Key initiatives have been established to:

- improve its culture and climate, using the staff engagement survey as a measure
- identify and implement improvements to ERO's operating model, to support better reviewer and organisational practice
- align ERO's capability to meeting the Government's education and Better Public Services' priorities
- continue to provide supporting infrastructure, while maintaining an efficient and effective operation.

In 2011/12, ERO participated in two significant external reviews,⁴ which reaffirmed the progress of ERO's work and capability. The key initiatives underway support the recommendations made in those external reports.

Culture and climate – ERO's staff engagement survey

To achieve our objectives, we will maintain a high level of engagement with staff and continue to develop a culture that is participatory, collaborative and high trust. Staff participated in ERO's fourth engagement survey in March/April 2012 which showed continued improvements in staff engagement and satisfaction. A fifth engagement survey was held in April 2013. Managers and staff are working through action plans to address the survey findings.

To support the desired culture ERO needs skilled education evaluators, complemented by good quality managers and support staff who are committed to ERO's goals.

To retain high standards we will:

- continue to focus initiatives on enhancing our leadership capability across the organisation
- maintain a rigorous recruitment process (supplementing our mix of experienced and newly recruited review officers with practitioners seconded from the education sector)
- implement local and national induction programmes for all new employees
- continue to implement *He Toa Takitini* – a development programme designed to strengthen staff abilities through knowledgeable reviewing and reporting of Māori student success
- keep to the forefront of public trust by improving staff understanding of, and adherence to, the State Services Commission's standards of integrity and conduct and ERO's Code of Conduct
- develop and align a shared set of expected behaviours and strengthen elements that support improvements to our professional practice.

⁴ The two external reviews were the OECD evaluation report and the SSC review of ERO using the Performance Improvement Framework.

Professional learning and development

To support the implementation of the refocused school and early childhood methodologies, we have a robust professional learning and development programme. This focuses our professional development on knowledge of evaluation and self review and keeping staff up-to-date with developments in effective teaching practice, assessment, the curriculum, and management in schools. The programme will continue through 2013 and will support ERO's review officers with changing and developing their practice. ERO will continue to engage with internationally renowned evaluators to seek feedback and guidance on our evaluation practice.

In addition to continuing to support staff to study for the Post Graduate Diploma in Social Sector Evaluation and Research, ERO will work with Massey University to provide new review officers/evaluators and experienced non-review staff with an accessible, high quality introductory course about evaluation.

Professional practice model

To support the recommendations made in the 2012 Performance Improvement Framework report, ERO will design and implement an integrated operational management model to underpin ERO's shift in practice. The model will provide greater support to frontline managers and increase the robustness and sustainability of ERO's processes. It will reflect the operational challenge of supporting the exercise of sound professional judgement within a highly developed review methodology.

Efficient and effective operation

ERO has a four year budget plan to 2015/16, supported by a workforce strategy. Central to managing financial pressures over the next two to three years was reviewing the methodology to both refocus ERO's efforts on those schools and early childhood education services that were underperforming, while maintaining an appropriate level of review for other institutions. This has allowed ERO to reduce its staffing level. There has also been a planned programme of reviewing all other expenditure.

In the next two to three years ERO will:

- continue to fully participate in whole of Government initiatives for reducing expenditure and improving service (e.g. in 2012/13 we joined the Government WAN contract and co-located with other agencies in both Christchurch and Napier)
- continue to work with other sector agencies to make better use of expenditure and resources across the sector (e.g. in 2012/13 we participated in a number of joint professional learning and development sessions with other sector agencies and contributed to developments on the shared platform that hosts our website).

While maintaining an effective and efficient operation ERO will also proactively act on the requirements and expectations of the public. As part of initiatives to increase responsiveness and customer interaction through the use of simple and effective communications, we will:

- look at further ways to make our information accessible and usable to the public⁵
- look to increase public awareness and understanding of ERO's work.⁶

⁵ ERO is currently revising its communication strategy to address this need.

⁶ In 2012/13 ERO introduced a new website and made improvements to the format of our National Reports. In the next three years we will explore social media opportunities and identify further improvements to our review report formats.

Departmental capital and asset management intentions

The major capital investment planned for 2013/14 is for motor vehicles and office accommodations. These are essential to the effective deployment of review staff.

2013/14 Forecast Capital Expenditure and Comparisons with Previous Financial Years

Department Capital Expenditure	Forecast 2013/14 \$000	Estimated Actual 2012/13 \$000	Budget 2012/13 \$000	Actual 2011/12 \$000	Actual 2010/11 \$000	Actual 2009/10 \$000	Actual 2008/09 \$000
Office plant and equipment	1,297	1,415	949	543	636	1,081	1,190
Intangibles	10	300	51	146	114	575	12
Total	1,307	1,715	1,000	689	750	1,656	1,202

Internal evaluation and risk and assurance committees

ERO continues to be active in evaluating its own performance. To support our ongoing improvement, ERO has working programmes for:

- Internal evaluation – which will focus on ERO’s own self-review processes in the next three years. An internal committee reports directly to the Chief Review Officer on the progress of this programme.
- Risk and assurance – which will promote ERO’s risk management activities. An independently chaired Risk and Assurance Committee will continue to provide advice and assurance to the Chief Review Officer on the progress of the risk and assurance programme.

Relationship with the Public Service Association

ERO and the PSA continue to meet regularly at national and local levels as part of the Working Relationship Agreement. Both parties find these meetings useful.

Equal employment opportunities

Equality and diversity

In line with the *New Zealand Public Service Equal Employment Opportunities Policy*, ERO will:

- treat people fairly and with respect, ensuring equality of access to opportunities (*equality*)
- understand, appreciate and realise the benefits of individual differences (*diversity*).

Integrating equality and diversity is a key ingredient for organisational success. It helps to improve services to the Government and people of New Zealand, and to attract and retain talented staff. ERO remains committed to integrating equality and diversity into all aspects of its business and has reflected this in its ongoing work plans.

Summary of Output Classes and Expenses

Expenses and Revenue

	2013/14	2012/13	
	Budget \$000	Budgeted \$000	Estimated Actual \$000
<i>Total Appropriation</i>			
Early Childhood Education Services	9,927	10,620	9,627
Schools and Other Education Service Providers	14,991	14,223	14,784
Quality of Education Reports and Services	3,088	3,169	3,208
<i>Revenue from the Crown</i>			
Early Childhood Education Services	9,908	10,608	9,603
Schools and Other Education Service Providers	14,950	14,082	14,982
Quality of Education Reports and Services	2,557	2,708	2,813
<i>Revenue from Others</i>			
Early Childhood Education Services	19	12	24
Schools and Other Education Service Providers	41	141	43
Quality of Education Reports and Services	531	461	395

In addition to Crown revenue, ERO provides contract-based services to third parties on a fee-for-service basis and generates a small amount of revenue from rent recoveries. ERO also receives funding for the state sector retirement and KiwiSaver schemes, but this funding will cease in 2012/13.

Summary of Outputs

	2013/14 Estimated Quantity	2012/13 Estimated Quantity
<i>Early Childhood Education Services output class</i>		
Number of early childhood services education reviews	1,300–1,460	1,300–1,460
Number of post-review assistance workshops to early childhood services	Up to 120	80–120
<i>Schools and Other Education Service Providers output class</i>		
Number of state school education reviews	710–840	710–840
Number of homeschooling education reviews	Up to 35	25–35
Number of private school education reviews	15–25	15–25
<i>National Evaluation Reports and Policy Services</i>		
Number of national evaluation reports	Up to 20	Up to 20
Number of policy services	Up to 30	25–30

In its drive to improve the efficiency and effectiveness of the public sector, the Government is identifying and integrating similar or related services. Education sector agencies have been working together for some time using a range of shared services and will continue to identify opportunities to continue this on a sector and All-of-Government basis.

Appendix 1 – Scope of Powers and Activities

Legislative authority and scope of statutory powers

The Education Review Office is a government department established under the State Sector Act 1988. The Chief Executive of ERO is the Chief Review Officer.

Under Part 28 of the Education Act 1989 it is a function of the Chief Review Officer to administer reviews of general or particular matters about the performance of pre-tertiary education providers in relation to the educational services they provide.

The Chief Review Officer can initiate reviews. The Chief Review Officer may also carry out reviews when directed to do so by the Minister of Education.

Review Officers are statutory officers designated under Part 28 of the Education Act. They exercise powers of entry, investigation and reporting.

Scope of operation

The core activity of ERO in schools and early childhood services is the conduct of Accountability Reviews, which includes:

- *Education Reviews* – regularly scheduled reviews carried out in schools and early childhood services
- *Special Reviews* – carried out where a matter needs to be reviewed and reported outside of regular reviews
- *New School Assurance Reviews* – carried out to provide assurance to new school boards and their communities that the school has undertaken suitable administration processes and curriculum preparation
- *Private School Reviews* – carried out under section 35A and Part 28 of the Education Act 1989
- *Homeschooling Reviews* – reviews of programmes for students exempt from enrolment at a registered school, undertaken in the context of section 21 and Part 28 of the Education Act 1989 and at the request of the Ministry of Education
- *Post Review Assistance* – provided to early childhood services on request.

At a system level, ERO evaluates and reports on significant and topical education issues through:

- national evaluations of education sector performance
- reports about good practice in schools and early childhood services
- evaluation reports provided for government and policy makers.



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