

Performance Information for Appropriations

Vote Education Review Office

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Education (M26)

ADMINISTERING DEPARTMENT: Education Review Office

MINISTER RESPONSIBLE FOR EDUCATION REVIEW OFFICE: Minister of Education

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister of Education is responsible for appropriations in the Vote for the 2012/13 financial year covering the following:

- a total of \$24.843 million for reviews of early childhood education service providers, and schools and other education service providers, and
- a total of \$3.169 million for education evaluation reports, policy services, ministerial and contractual services.

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Vote Education Review Office (ERO) contributes to the Government's vision for “a world leading education system that equips all New Zealanders with the knowledge, skills and values to be successful citizens in the 21st Century” by independently evaluating the quality of education and care in schools, early childhood education services and other education providers in the pre-tertiary education sector.

The education sector is committed to building strong learning foundations for literacy and numeracy, increasing the levels of educational attainment and maximising the value received from its services. This is reflected in the shared outcomes for education: “Education provision of increasing quality and value to all”; “Education success for every learner”; “Future focused education, which supports productivity and innovation”; “Higher returns on education investment”; and “Māori enjoying achieving education success as Māori”.

Government Priorities and Outcomes - Links to Appropriations

Government Priorities	Government Outcomes	Appropriations
<p>The Government's vision is “a world leading education system that equips all New Zealanders with the knowledge, skills and values to be successful citizens in the 21st Century”.</p> <p>(Shared outcomes framework for the education sector)</p>	<ul style="list-style-type: none"> • Education provision of increasing quality and value to all • Education success for every learner • Future focused education, which supports productivity and innovation • Higher returns on education investment, and • Māori enjoying achieving education success as Māori. <p>(Shared outcomes framework for the education sector)</p>	<p>Accountability Reviews MCOA</p> <ul style="list-style-type: none"> • Early Childhood Education Services output class, and • Schools and Other Education Service Providers output class. <p>Quality of Education Reports and Services</p>

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2007/08	2008/09	2009/10	2010/11	2011/12		2012/13			2013/14	2014/15	2015/16
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	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	28,560	29,430	28,359	28,272	28,978	28,576	28,012	-	28,012	28,006	27,890	27,771
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	736	1,202	1,656	750	1,770	1,381	1,000	-	1,000	1,000	1,000	1,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	29,296	30,632	30,015	29,022	30,748	29,957	29,012	-	29,012	29,006	28,890	28,771
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	-	-	-	-	-

New Policy Initiatives

Policy Initiative	Appropriation	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Vote ERO efficiency saving target	Early Childhood Education Services output class	-	(301)	(298)	(334)	(309)
	Schools and Other Education Service Providers output class	-	(448)	(451)	(434)	(463)
	Quality of Education Reports and Services	-	(82)	(82)	(63)	(59)
Total Initiative		-	(831)	(831)	(831)	(831)

Analysis of Significant Trends

Total Vote: All Appropriations

Vote ERO contains appropriations for departmental output expenses and capital expenditure.

Departmental output expense appropriation levels for outputs supplied by ERO was:

- increased in 2006/07 to 2008/09 for maintaining capability to recruit and retain appropriately skilled review officers in the face of increases in teaching salaries
- decreased in 2009/10 in line with the Government's priorities for:
 - cessation of adult and community education reviews
 - cessation of post-review assistance workshops to schools
 - reduction in the number of homeschooling education reviews
- increased in 2011/12 to 2014/15 for additional reviews of schools that are non-compliant with National Standards, and
- decreased in 2011/12 for savings arising from the phased implementation of its new organisational structure and a reduction in expenditure on operational and support functions.

ERO's departmental output expense appropriation levels will reduce in 2012/13 due to the efficiency savings target agreed by Cabinet to drive down costs of core government administration while maintaining the quality and quantity of public services.

There are no significant trends in capital expenditure appropriation levels.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p>Education Sector Outcome</p> <ul style="list-style-type: none"> • Education provision of increasing quality and value to all. • Education success for every learner. • Future focused education, which supports productivity and innovation. • Higher returns on education investment. • Māori enjoying achieving education success as Māori. <p>Impact</p> <p>ERO's independent evaluations of schools and early childhood education services will support them to improve student achievement, the quality of teaching and learning, governance, self-review, and leadership.</p>	<p>Accountability Reviews MCOA</p> <ul style="list-style-type: none"> • Early Childhood Education Services output class. • Schools and Other Education Service Providers output class.
<p>Education Sector Outcome</p> <ul style="list-style-type: none"> • Education provision of increasing quality and value to all. • Education success for every learner. • Future focused education, which supports productivity and innovation. • Higher returns on education investment. • Māori enjoying achieving education success as Māori. <p>Impact</p> <p>ERO's system-wide evaluations will influence and advise on the development of education policy and practice.</p>	<p>Quality of Education Reports and Services</p>

Accountability Reviews MCOA (M26)

Scope of Appropriation

Early Childhood Education Services

This output class is limited to evaluations of the performance of early childhood education services.

Schools and Other Education Service Providers

This output class is limited to evaluations of the performance of schools and other education service providers.

Explanation for Use of Multi-Class Output Expense Appropriation

From 2006/07 a multi-class output expense appropriation called Accountability Reviews was established. This multi-class output expense appropriation aggregates output classes Early Childhood Education Services and Schools and Other Education Service Providers that deliver the same service (education reviews) to two different parts of the education sector (early childhood education services and schools). Both of the output classes use similar resources in working toward the same outcome of ensuring delivery of the highest quality pre-tertiary education to all young New Zealanders. Grouping these will recognise this alignment and allow for more flexibility in resourcing levels across the two.

Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	25,603	25,228	24,843
Early Childhood Education Services	9,910	9,910	10,620
Schools and Other Education Service Providers	15,693	15,318	14,223
Revenue from Crown	25,191	25,191	24,690
Early Childhood Education Services	9,794	9,794	10,608
Schools and Other Education Service Providers	15,397	15,397	14,082
Revenue from Other	412	413	153
Early Childhood Education Services	116	119	12
Schools and Other Education Service Providers	296	294	141

Reasons for Change in Appropriation

The change in appropriation levels between output classes reflect the latest forecasts in output activities.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Early Childhood Education Services output class			
Number of early childhood education services education reviews	1,240-1,400	1,240-1,400	1,300-1,460
Education reviews of early childhood education services are consistent with approved standard procedures for reporting to the Minister	100%	100%	100%
Education review reports of early childhood education services will pass a quality assurance check for reporting to the Minister	100%	100%	100%
Unconfirmed (near final) reports sent to early childhood education services for confirmation of accuracy and comment will meet target for reporting to the Minister (% within working days of the end of the last week on site)	75% within 20 days 85% within 25 days 98% within 35 days	75% within 20 days 85% within 25 days 98% within 35 days	80% within 20 days 90% within 25 days 98% within 35 days
Number of post-review assistance workshop to early childhood education services	80-120	80-120	80-120
Schools and Other Education Service providers output class			
Number of state schools education reviews	710-840	710-840	710-840
Number of homeschooling education reviews	25-35	25-35	25-35
Number of private school education reviews	15-25	15-25	15-25
Education reviews of schools and other education service providers are consistent with approved standard procedures for reporting to the Minister	100%	100%	100%
Education reviews of schools and other education service providers will pass a quality assurance check for reporting to the Minister	100%	100%	100%
Unconfirmed (near final) reports sent to schools and other education service providers for confirmation of accuracy and comment will meet target for reporting to the Minister (% within working days of the end of the last week on site)	75% within 20 days 85% within 25 days 98% within 35 days	75% within 20 days 85% within 25 days 98% within 35 days	80% within 20 days 90% within 25 days 98% within 35 days

ERO recognises an education review as an output at the time it is available for delivery to the Minister of Education. Partially complete reports are not reported.

The standard procedures describe the processes to be followed, the evaluation indicators to be used, and the accepted principles of good practice for conducting reviews. The standard procedures set out quality standards relating to the investigation and reporting processes, and to the content, presentation and timeliness of reports. They also describe the quality management procedures to be applied systematically within ERO.

From time to time, ERO will undertake reviews to give the Chief Review Officer assurance on the extent to which education reviews are meeting its quality standards.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current Government						
Vote ERO efficiency saving target	2012/13	-	(749)	(749)	(768)	(772)
Additional reviews of schools that are non-compliant with National Standards	2011/12	124	241	235	119	-
Vote ERO savings	2011/12	(421)	(421)	(421)	(421)	(421)
Cessation of adult and community education reviews	2009/10	(137)	(137)	(137)	(137)	(137)
Cessation of post-review assistance workshops to schools	2009/10	(207)	(207)	(207)	(207)	(207)
Reduction in the number of homeschooling education reviews	2009/10	(283)	(283)	(283)	(283)	(283)

Quality of Education Reports and Services (M26)

Scope of Appropriation

This appropriation is limited to the provision of national education evaluation reports, policy services, ministerial and contractual services.

Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,375	3,348	3,169
Revenue from Crown	2,642	2,642	2,708
Revenue from Other	733	532	461

Reasons for Change in Appropriation

There have been minimal changes to this appropriation.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of education evaluation reports	Up to 20	Up to 20	Up to 20
Education evaluation reports are consistent with approved standard procedures	100%	100%	100%
Number of policy services	25-30	25-30	25-30
Policy services are consistent with approved presentational standards	100%	100%	100%
Number of ministerial services comprising of parliamentary questions, ministerial correspondence, briefing papers and official information requests	145-210	145-210	145-210
Ministerial services are consistent with formal parliamentary and Minister's requirements	100%	100%	100%
Number of contractual services	5-10	5-10	5-10
Contractual services are consistent with terms of contracts	100%	100%	100%

Education evaluation reports provide information on significant education issues and education sector performance. In particular, ERO will provide information for individual schools and the Government on how well schools are assisting their students to achieve educational standards and qualifications, using assessment, and promoting the educational success of students, particularly Māori and Pacific. This information will be used by government education policy agencies to determine the effectiveness of current initiatives and to establish priorities, and by schools and early childhood education services in their own self-review. Education evaluation reports include guides to good practice. The information for these reports is gathered from the education reviews carried out by ERO.

Policy services involve advice to, or on behalf of, the Minister of Education, on policy proposals or any other issues referred to, or identified by, the Chief Review Officer.

ERO is not primarily a provider of policy advice. From its regular presence in schools and early childhood services it is, however, in a position to make a useful contribution to assist the policy agencies. This service will contribute to the Government's policy priorities for schools and early childhood education service providers.

Contractual services include one-off reviews of institutions (or certain aspects of them), and analyses of particular matters under specific terms of reference agreed with ERO. Contractual reviews are conducted on a fee-for-service basis.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current Government						
Vote ERO efficiency saving target	2012/13	-	(82)	(82)	(63)	(59)
Vote ERO savings	2011/12	(29)	(29)	(29)	(29)	(29)

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Purchase of assets to maintain and upgrade capability essential to the operation of ERO	Education Review Office - Capital Expenditure PLA

Education Review Office - Capital Expenditure PLA (M26)

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

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,397	1,054	949
Intangibles	373	327	51
Other	-	-	-
Total Appropriation	1,770	1,381	1,000

Reasons for Change in Appropriation

The decrease in capital expenditure in 2012/13 compared to 2011/12 is mainly due to the timing of building fit-outs as part of a planned asset replacement programme and the completion of ERO's school and early childhood review methodologies in 2011/12.