



Annual Report 2024/2025

For the year ended 30 June 2025

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Table of Contents

- 1. Foreword and Statement of Responsibility | He Kupu Whakataki, He Tauākī Kawenga..... 1
- 2. Progress on Strategic Priorities 2023-2026 | Ngā Tutukihanga e ai ki Ngā Whakaarotau Rautaki 2023-2026 11
- 3. Assessment of Operations | He Aromātai i Ngā Mahi 16
- 4. Organisational Health and Capability | Te Āhua o te Tari me ana Āheinga..... 46
- 5. Financial Statements and Performance | Ngā Pūrongo Pūtea, Ngā Tutukihanga Pūtea Hoki 62
- 6. Independent Auditor’s Report | Te Pūrongo a te Kaitātari Kaute Motuhake..... 94

1. Foreword and Statement of Responsibility | He Kupu Whakataki, He Tauākī Kawenga

Foreword from the Chief Executive and Chief Review Officer

The Government has set a clear mandate to the sector to raise achievement, improve attendance, and close equity gaps across our education system. As Chief Executive of the Education Review Office, I am proud to present this Annual Report, which outlines our contribution through independent evaluation, evidence-based insights, and a relentless focus on learner success.

ERO's work in 2024/25 has been defined by urgency, clarity, and impact. We have sharpened our focus on what matters most: achievement, quality teaching, and system-level improvement. Our evaluations hold leaders to account, support providers to improve, and empower whānau and the public with transparent, actionable information. While we do not control outcomes, our work helps shape better decision making, promotes equity and strengthens confidence in the quality of education across New Zealand.

ERO's work is not only reflective of sector performance but also instrumental in driving the change needed to meet the Government's goals. Our work is seeking to achieve:

- Independent and evidence-based, assessments ensuring taxpayer money is spent on programmes that deliver measurable impact.
- Transparent reporting that builds trust in education policy and programmes.
- Research and evaluation that provide credible insights to prevent policy failures and increasing the likelihood of achieving desired educational outcomes.
- Identifying variability in performance across schools, early learning services, and student groups, enabling targeted interventions.
- Providing important feedback loops, promoting a culture of learning and ongoing improvement within the education system, not just at the classroom level, but also in policy development.
- Fostering innovation and improvement, supporting an adaptive learning system.

We seek to connect theory and practise through bridging the 'know-how' gap. Our focus on implementation, which is often the missing middle between good policy and actual improvement, help ensure that ambitious education reforms and evidence-based strategies do not get lost in translation and instead make a measurable difference in classrooms.

Key actions and achievements

ERO's delivery in 2024/25 reflects our commitment to the Government's priorities:

- **We reviewed 745 schools and kura** (30% of all schools and kura) providing tailored evaluations and recommendations that drive improvement and accountability.
- **In early learning services, we completed 1,260 evaluations**, including 567 standalone services and 148 Māori-medium services (29% of all services). These reviews are contributing to improvements in quality: 74% of services and 75% of Governing Organisations reported that ERO's evaluations contributed to decisions that improved learner outcomes.

- **Our national evaluations have shaped policy and practice.** We published five major insight reports, including on NCEA Level 1, Relationships and Sexuality Education, and Counselling in Schools. These reports generated over 358 media stories and were downloaded more than 14,600 times from our evidence website, which attracted 43,000 unique visitors.

What the data tells us

Our evaluations provide a sobering but essential picture of the current state of education:

→ Early Childhood Education in stand-alone services

This year, 53% met or exceeded the quality threshold, up from 36% for services reviewed in 2023/2024, indicating an improvement in early learning quality. Of 552 quality evaluations (Akarangi reviews) in stand-alone services, 53% of services met or exceeded the quality threshold, while 47% fell below. This highlights the need as a system for continued focus on leadership, professional development, and intentional teaching practices.

→ Attendance

While only 4% of sampled schools (428) currently meet the 80% regular attendance target, 66% are seeing reductions in chronic absence, and 55% have suitable attendance plans in place. Of the schools sampled this year, 29% have yet to see improvement. This signals a system-wide shift toward a stronger attendance culture. While momentum is building, sustained effort is still needed to shift attendance culture system-wide.

→ Achievement

Although 9% of sampled schools (428) have met curriculum-level targets in reading, writing, and maths, 58% are on track to meet targets by 2030, showing that with the right support, improvement is possible. Our judgements throughout the course of the year shows 33% are not making sufficient progress.

Curriculum Delivery

92% (392 of 428) of schools reviewed since October 2024 were found to have sufficient or rich opportunities to learn across the breadth and depth of the curriculum. This reflects a strong foundation for further improvement.

→ School performance this year and improvement over time

While 42% of English-medium state and state integrated schools and kura demonstrate strong outcomes, progression data shows that at least one in four schools are improving in key areas such as leadership, teaching, and curriculum. This is a positive indication that targeted support is yielding results.

Our reviews highlight that academic achievement remains a critical focus and a complex challenge. While 13% of almost all schools are considered high performing in achieving learner success and wellbeing, over one-third of schools (35%) are not yet meeting expected standards for learner success and wellbeing. This reflects a widespread vulnerability in the foundational conditions that support learner achievement and equitable outcomes.

While there are encouraging signs of improvement in some areas, significant gaps persist.

In addition, insights into how schools are performing over time (from a sample of 517 schools over two years) in key areas such as student success, leadership, teaching, and curriculum shows:

- About a quarter of schools (26%) made progress in supporting student success and wellbeing at school. However, over half (54%) saw no change, and nearly one in five (20%) showed little or no improvement (Learner Success and Wellbeing).

- Just over a third (34%) of schools improved in how they are led, but almost half (48%) stayed the same and 18% saw a decline (Leadership).
 - About 26% of schools got better at teaching and learning, while 58% stayed the same, and 16% declined (Teaching and Learning).
 - Progress in curriculum was seen in 29% of schools, 54% saw no change, and 17% dropped in performance (Curriculum).
- **Our Teaching Observation Framework tool** was designed to support schools in defining and delivering effective teaching. Launched in early 2025, this tool has been downloaded over 1,000 times. Feedback from school leaders confirms its value in guiding professional growth and improving classroom practice.
- **Addressing underperforming schools**

We have ongoing evaluation work in 168 schools of concern. This year, we published reports for 54 schools of concern of which 32 (59%) were recommended for either statutory intervention or Ministry of Education involvement such as provision of tailored support. Māori learners represent 41% of students in this group of schools.

One third of schools receiving extended support have shown improvement since their last assessment against ERO's school improvement framework.

We remain concerned that too much continues to be left to chance in schools that are persistently underperforming. Ongoing underperformance in schools of concern underscores the need for a more robust and systemic approach. In particular, we need sustained support for school leaders with a stronger emphasis on building leadership capability throughout the sector. Effective leadership is fundamental to driving school improvement and improving student outcomes. Equally, greater accountability embedded throughout the education system should include clearer expectations, regular and transparent performance monitoring, and stronger consequences for those who do not demonstrate progress despite the support they receive.

More about the state of schooling on page 36.

→ **Māori-medium settings**

Our specialist teams completed 42 kura reviews and 148 kōhanga reo and puna reo evaluations. Most of these evaluations met expectations and are operating at a satisfactory level. A small proportion are achieving high quality ratings with 7% of kura and 5% early learning services.

Overall results suggest that, while there are those making real improvements, many need to further lift performance. A smaller group require additional support. This highlights the importance of continuous monitoring and targeted strategies to ensure every learner has the opportunity to succeed.

What this means

Our findings are not just statistics, they are signals. They tell us where to focus, where to intervene, and where to accelerate change.

The data confirms that while progress is being made, it needs to be more widespread and more urgent. High compliance with government directives, such as close to 100% of schools implementing “phones away

for the day” and 98% delivering daily literacy and numeracy instruction, shows that schools are responding to clear expectations for urgent improvement and a stronger system.

Looking ahead

We will continue to deliver on the Government’s priorities with urgency and focus:

- We will conduct a second review of attendance in late 2025, focusing on support strategies and shifts in learner and parent attitudes.
- From Term 1 2026, attendance management will become mandatory under the Government’s Stepped Attendance Response (STAR), which we will monitor as part of our review.
- We will deepen our evaluation of the English and Mathematics curriculum rollout, identifying what’s working and where further support is needed.
- We will conduct a review of non-mainstream education settings that explores how to improve outcomes for students navigating alternative pathways.
- We will finalise and publish the Teaching Observation Framework for Early Childhood Education, supporting quality teaching from the earliest years.
- We will continue to refine our reporting to parents, ensuring clarity, accountability, and usefulness.
- We are developing a new methodology for Ngā Kura a Iwi o Aotearoa (NKAI), Te Kōhanga Reo National Trust (TKRNT), and Puna Reo that empowers self-evaluation, complements external review, and drives a continuous improvement cycle that acts as a catalyst for tamariki success.

Early childhood education reform

In July 2025, Government introduced new legislation to Parliament as part of this reform and announced the intention to shift licensing and certification and enforcement responsibilities from the Ministry of Education to the Education Review Office. Should this legislation, and associated proposals pass early learning service providers will only have one regulator to deal with. ERO will be focusing on the licensing of services and core regulatory functions, including monitoring and enforcement in addition to lifting the quality of education and care in early childhood services.

This decision demonstrates confidence in our ability to expand on our role and we are well-positioned to deliver on the reform’s goals. ERO will continue to work closely with the Ministry of Education to ensure we can deliver on the direction and intent of the review and ensure a smooth transition.

National Certificate of Educational Achievement (NCEA) reform

The Government’s announcement of significant reforms to the NCEA system was deeply informed by our evaluation report *Set up to succeed: How well is NCEA Level 1 working for our schools and students*. ERO’s findings highlighted that NCEA Level 1 was not a fair or reliable measure of student knowledge and skills, prompting recommendations for both immediate improvements and broader structural changes. ERO’s work revealed critical shortcomings in the system and directly influenced the proposed overhaul of all NCEA levels.

In closing, our people remain resolute and fully committed to delivering high-quality, independent reviews and evaluations that drive improvement, inform policy, and support every learner to succeed. We are proud of the progress made and clear-eyed about the work ahead. Together, we can build a world-leading education system, one that delivers equity and excellence for all learners.

Te Kupu Whakataki a te Tumu Whakarae

Mārakerake ana tā te Kāwanatanga akiaki i te rāngai kia piki ake ai ngā ekenga, te taetaetanga ki te kura, me te whakawhāiti i ngā āputa manataurite puta noa i te pūnaha mātauranga. Anei ahau, te Tumu Whakarae o Te Tari Arotake Mātauranga, e poho kererū ana ki te whakaputa i tēnei Pūrongo ā-Tau, e whakarārangi ana i roto i ngā arotake motuhake, i ngā kitenga ā-taunakitanga, i ngā mahi upoko pakaru e eke ai ngā ākongā.

Ko te ihomatua o ngā mahi a ERO i te tau 2024 me te 2025, ko te ngākau whitawhita, ko te mārama o ā mātou mahi, me te whaihua o ā mātou mahi. Kua kaha ake tā mātou aro ki ngā kaupapa whaitake: ngā ekenga o ngā ākongā, te kounga o ngā mahi whakaako, me te whakapakari i ngā pūnaha. Ko tā ā mātou arotake, he whakamahara i ngā kawenga a ngā kaiārahi, he tautoko i ngā ratonga mātauranga kia pakari ake ai ā rātou mahi, me te whakapakari i ngā whānau me te iwi whānui ki ngā taipitopito kōrero e mārama ana, e māmā ana te whakatinana mai. Ahakoa kāore i a mātou te mana ā tua atu, mā ā mātou mahi ka mārama ake ngā whakataunga, ka whakatairangahia te manataurite, ka whakaūngia ngā whakaaro e pā ana ki te kounga o te mātauranga puta noa i Aotearoa nei.

Ehara i te mea he ata noa iho ā mātou mahi nō ngā piki me ngā heke o te rāngai, engari kē he wāhanga nui tonu o te ākinga i ngā panonitanga me mahi e tutuki ngā whāinga o te Kāwanatanga. Anei ngā whāinga o ā mātou mahi:

- He aromātai motuhake e ai ki ngā taunakitanga e kitea ai te whaihua o ngā pūtea o te hunga e tākengia ana ki ngā hōtaka e whaihua ana e ai ki ā mātou inenga.
- Ngā pūrongo mārama e whakaponotia ngā kaupapahere me ngā hōtaka mātauranga.
- Ngā mahi rangahau me ngā mahi arotake e puta ai ngā kitenga whaimana e kore ai ngā kaupapahere e hinga, me te whakapiki i ngā ekenga mātauranga e wawatahia ana.
- Te tautohu i ngā taurangirangitanga a tēnā kura, a tēnā ratonga kōhungahunga, a tēnā rōpū tauira, e pai ai te whakarite i ngā hāpaiora e hāngai pū ana.
- Te whakatakoto i ngā kōrero whakahoki hei whakapakari, e whakatairanga ana i te ahurea o te akomanga, i ngā whakapakaritanga mauroa mō roto i te pūnaha mātauranga, kua ki te akomanga anake engari ki roto i ngā mahi whakawhanake kaupapahere hoki.
- Te whakatipu i te auaha me te whakapakari, e taunaki ana i tētahi pūnaha ako urutau.

Ko tā mātou e whai nei, ko te tūhono i ngā ariā ki ā mātou mahi, mā te whakawhāiti i ngā āputa mōhiohio. E kaha whai ana mātou ki te whakatinana, he wāhanga kāore e tino kitea ana i waenganui i ngā kaupapahere whaihua me ngā whakapakaritanga ake, ā, mā reira e kore ai ngā whakahouanga nui e pā ana ki te mātauranga, me ngā rautaki whaitaunakitanga e pōhēhētia, engari kē ka whaihua ki rō akomanga.

Ngā mahi me ngā tutukihanga matua

Ka kitea te ū o ERO ki ngā whakaarotau a te Kāwanatanga i roto i ngā mahi o te tau 2024 me te tau 2025.

- **I arotake mātou i ngā kura e 745** (e 30% o ngā kura katoa), ā, ka hua mai he arotake hāngai me ngā tūtokinga hāngai e akiaki ana i ngā whakapakaritanga me ngā papanga.
- **1,260 ngā arotake i oti i a mātou i roto i ngā ratonga kōhungahunga**, tae atu ana ki ngā ratonga motuhake e 567, me ngā ratonga reo Māori 148 (e 29% o ngā ratonga katoa). Nā ēnei arotake, kua

kounga ake ngā mahi: e ai ki te 74% o ngā ratonga me te 75% o ngā Ohu Whakahaere, kua whaihua ngā arotake a ERO ki ngā whiringa whakaaro i pai ake ai ngā ekenga ākonga.

- **Kua whaiwāhi ā mātou arotake ā-motu ki te pokepoke i ngā kaupapahere me ngā mahi.** E rima ngā pūrongo nui i puta i a mātou, e hāngai ana ki te NCEA Taumata 1, ki te Mātauranga Whanaungatanga me te Hōkakatanga, me ngā Kaitohuora ki rō Kura. E 358 ngā pūrongo pāpāho i puta i ēnei pūrongo, ā, neke atu i te 14,600 ngā tikiaketanga o ēnei pūrongo i tā mātou paetukutuku, nāna i tō mai ngā manuhiri motuhake e 43,000.

Ngā kitenga raraunga

Nā ā mātou arotake, ka kitea te āhua o te rānagai mātauranga i tēnei wā, he tairaru engari he whakahirahira tonu:

→ Te Mātauranga Kōhungahunga i roto i ngā ratonga motuhake

I tēnei tau, e 53% i eke, i eke panuku rānei i te paearu kounga; he pikinga tēnei i te 36% o ngā ratonga i arotakengia i te tau 2023 me te tau 2024. He tohu tēnei kei te piki te kounga o te rāngai mātauranga kōhungahunga. O ngā arotake kounga e 552 (ngā arotake Akarangi) i roto i ngā ratonga motuhake, e 53% ngā ratonga i eke, i eke panuku rānei i te paearu kounga, manohi anō te 47% kāore i eke. He tohu tēnei o te matea ā-pūnaha ki te aro tonu ki te whakapakari i te wāhi ki ngā kaiārahi, ki te whakangungu ngaio me ngā rautaki whakaako e whaihua ana.

→ Te taetae ki te kura

Ahakoia e 4% noa iho o ngā kura i tīpakohia (e 428) kei te eke ki te whāinga kia 80% te taetae ki te kura, e kite ana te 66% i te hekenga o te tamō tauroa, ā, he mahere taetae kei te 55% e hāngai ana. Kāore anō te 29% o ngā kura i tīpakohia i tēnei tau kia kite i te pikinga. He tohu tēnei me kōkiri i tētahi ahurea e kaha ake ana te taetae ki te kura. Ahakoia e pakari haere ana, me kaha tonu e piki ake ai ngā tatauranga huri noa.

→ Ngā Ekenga

Ahakoia e 9% noa iho o ngā kura i tīpakohia (e 428) kei te eke ki ngā whāinga ā-mātauranga mō te pānui, mō te tuhituhi me te pāngarau hoki, e 58% anō kei te huarahi e tika ana ki te whakatutuki i ngā whāinga hei te tau 2030. He tohu tēnei, ki te tika te taunakitanga, e taea ana te whakapakari ake. Ko tā mātou i kite ai, kāore e rawaka ana ngā mahi a te 33% o ngā kura.

→ Te Kawe i te Marautanga

I kitea e rawaka ana, e kounga ana rānei ngā huarahi ki te ako i te whānuitanga me te hohonutanga o te marautanga i roto i te 92% (e 392 o te 428) o ngā kura i arotakengia mai i te Oketopa o te tau 2024. He tohu tēnei, he tūāpapa pakari tēnei hei whakapaipai ake i roto i te wā.

→ Te āhua o ngā kura i tēnei tau me ngā whakapakaritanga i roto i te wā

Ahakoia e kitea ana te pakari haere o te 42% o ngā kura reo Pākehā tūmatanui, ngā kura hapori me ngā kura, e tohu ana ngā raraunga whanake, tērā te hauwhā, piki ake rānei, o ngā kura e pakari haere ana i roto i ngā mahi pēnei i te ārahi, te whakaako me te marautanga. He tohu pai tēnei, e whaihua ana ngā tautoko e hāngai pū ana.

E tohu ana ā mātou arotake, he whāinga matua, he whāinga uaua hoki te ekenga mātauranga. Ahakoia e whakapaetia ana te 13% o ngā kura he kura pakari mō te ekenga o ngā ākonga me te hauora o te ākonga, tērā anō te hautoru, piki ake rānei (e 35%) kāore i te eke ki ngā paearu e kawatautia ana mō te ekenga o te ākonga me te hauora o te ākonga. He tohu tēnei o ngā whakaraeraetanga whānui me ngā āhuatanga tūāpapa e taunaki ana i te ekenga o ngā ākonga me ngā hua manataurite.

Ahakoia ngā tohu pai o te pakari haere o ētahi wāhanga, tērā tonu ngā āputa nui e kitea tonuhia ana.

Waihoki, arā ngā kitenga o ngā mahi a ngā kura i roto i te wā (he tīpakohanga o ngā kura e 517 i roto i ngā tau e rua) e pā ana ki ētahi wāhanga nui, pēnei i te ekenga o ngā ākonga, ngā mahi ārahi, ngā mahi whakaako me te marautanga e tohu ana:

- Tērā tētahi hauwhā (e 26%) e pakari haere ana ki te taunaki i te ekenga o ngā ākonga me te hauora o te ākonga. Heoi anō, tērā tētahi haurua (e 54%) kāore i rerekē, ā, tērā hoki tētahi haurima (e 20%) i iti noa iho, kāore rānei i pakari haere (Te Ekenga o ngā Ākonga, te Hauora o ngā Ākonga)
 - I roto i ētahi kura, he paku ake i te hautoru (e 34%) i whakapakari i te āhua o ngā mahi ārahi, engari he tata ki te haurua (e 48%) kāore i rerekē, ā, i heke iho te kounga o te 18% (Ārahitanga).
 - Tōna 26% o ngā kura i pakari ake ki te whakaako, heoi anō e 58% kāore i rerekē, ā, i heke iho te kounga o te 16% (Ngā Mahi Whakaako).
 - I kitea te whanaketanga o te marautanga i roto i te 29% o ngā kura, e 54% kāore i rerekē, ā, i heke iho te kounga o te 17% (Marautanga).
- **Tā mātou Utauta Mātirotiro Ako** – he mea hoahoa hei taunaki i ngā kura ki te tautohu me te kawae i ngā mahi whakaako e tino whaihua ana. Nō te tīmatanga o te 2025 i rewa ai, ā, neke atu i te 1,000 ngā tikiakenga o te utauta nei. E ai ki ngā kaiārahi kura, he utauta whaihua hei ārahi i ngā whakangungu ngaio, hei whakapakari ake i ngā mahi ki rō akomanga.

→ **Te anganui ki ngā kura kāore e eke ana**

E arotake-roa tonu ana mātou i ngā kura 168 e māharaharatia ana. I tēnei tau, i puta i a mātou ngā pūrongo e pā ana ki ngā kura e 54 e māharaharatia ana, o aua kura e 32 (59%), i tūtohia te mana tiriwā, te whaiwāhitanga rānei o te Tāhuhu o te Mātauranga, pēnei i te taunakitanga e hāngai pū ana. E 41% o te hunga kei ēnei kura, he ākonga Māori.

Tērā tētahi hautoru o ngā kura kua āwhina roatia, kua pakari haere mai anō i te whakamātautau whakamutunga a ERO e ai ki te pou tarāwaho whakapakari kura.

E māharahara tonu ana mātou, kua riro te nui rawa o ngā mahi me ngā kaupapa a ngā kura kua roa e raru ana ki te tūponotanga kau. E tohu mai ana te roa o te kore eke o ngā kura e māharaharatia ana, me kaha ake te whai i tētahi pūnaha pakari, whānui hoki. Ina rā, me roa te taunaki i ngā kaiārahi kura, me te kaha ake o te aro ki te whakapakari i te āheinga o ngā kaiārahi puta noa i te rāngai. Kāore i kō atu i te ārahitanga whaitake e pakari ake ai te kura, e piki ake ai hoki ngā ekenga o ngā ākonga. Me te aha, me kaha te papanga e whakaūngia ana puta noa i te pūnaha mātauranga, tae atu ana ki ngā kawatau mārama, ki te auau me te mārama o ngā aroturuki i ngā piki me ngā heke, kia taikaha anō hoki ngā whiunga mō te hunga kāore e pakari haere, ahakoa ngā momo taunakitanga.

He kōrero anō mō te āhua o ngā kura i tēnei wā i roto i te pūrongo nei.

→ **Ngā ratonga reo Māori**

E 42 ngā arotake kura, 148 ngā arotake kōhanga reo, puna reo hoki i oti i tō mātou tīma mātanga. I eke te nuinga o ēnei arotake ki te taumata e wawatatia ana, kei te taumata e tika ana. Tērā tētahi wāhanga iti e eke panuku ana, e 7% o ngā kura, e 5% o ngā ratonga kōhungahunga.

He tohu tēnei, ahakoa tērā ētahi e tino pakari haere ana, tērā anō ētahi me kaha ake. Tērā anō ētahi me whai taunakitanga anō. E miramira ana tēnei i te hiranga o te aroturuki mauroa, me ngā rautaki hāngai e whai huarahi ai ngā ākonga katoa ki te eke ki te taumata.

Ngā hua o ēnei kōrero

Ehara ā mātou kitenga i te raraunga kau, he tohu kē. He tohu ki ngā wāhi hei aronga, ki ngā wāhi me hāpai, ki ngā wāhi me kakama ake te pakari haere.

Ko te tohu kei ngā raraunga, ahakoa e anga whakamua ana, me whānui ake, me whāwhai ake. He tohu kei te kaha whai a ngā i ngā tohutohu a te kāwanatanga, pēnei i te tata o te 100% ki te whakakore i ngā waea pūkoro, me te 98% e kawea ana i ngā mahi pānui, pāngarau hoki i ia rā, e whai ana ngā kura i ngā whakaarotau mārama e pakari ake ai tēnā me tēnā, tae atu ana ki te pūnaha whānui.

Te ahunga whakamua

Ka whai tonu mātou ki te whakatutuki i ngā whakaarotau a te Kāwanatanga, i roto i te ngākau whitawhita me te kaha o te aronui:

- Ka whakahaere mātou i tētahi arotake tuarua i te taetae kura hei te pito mutunga o te tau 2025, me te aro ki ngā rautaki tautoko, me te huri i ngā whakaaro o ngā ākongā me ngā whānau.
- Mai i te Wāhanga 1 2026, ka whakapūmautia te whakahaere i te taetae kura i raro i te Urupare Taetae Kura (STAR) a te Kāwanatanga, hei aroturuki mā mātou i roto i ā mātou arotake.
- Ka whakahohonutia tā mātou arotake i te putanga o te marautanga Reo Pākehā me te marautanga Pāngarau, hei tautohu i ngā piki me ngā wāhi me whai āwhina atu anō.
- Ka arotake mātou i ngā wāhi mātauranga motuhake, e tūhura ana i ngā huarahi hei whakapiki i ngā hua mō ngā ākongā kei ngā huarahi motuhake e ako ana.
- Ka whakaoti, ka whakaputa hoki mātou i te Pou Tarāwaho Mātirotiro Ako mā te Mātauranga Kōhungahunga, e taunaki ana i ngā mahi whakaako kōhunga mō ngā tau tīmatanga.
- Ka whai tonu mātou ki te whakapai ake i ā mātou pūrongo mā ngā whānau kia mārama, kia whaitake, kia whaipapanga.
- We are developing a new methodology for Ngā Kura a Iwi o Aotearoa (NKAI), Te Kōhanga Reo National Trust (TKRNT), and Puna Reo that empowers self-evaluation, complements external review, and drives a continuous improvement cycle that acts as a catalyst for tamariki success.
- E whanake ana mātou i ētahi tikanga arotake mā Ngā Kura ā-Iwi o Aotearoa (NKāI), mā Te Poari Matua o Te Kōhanga Reo (TKRNT), mā ngā Puna Reo hoki e āki ana i te arotake ā-roto hei taunaki i te arotake ā-waho, me te akiaki tonu i te huringa whakapakari mauroa e eke panuku ai ngā tamariki.

Te whakahouanga o te mātauranga kōhungahunga

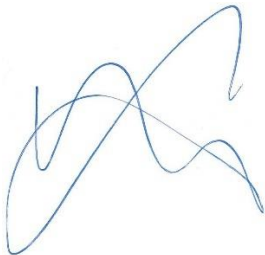
I te Hūrae o te tau 2025, ka whakaputa te Kāwanatanga i ētahi ture hou ki te Paremata hei wāhanga o tēnei whakahouanga, me te whakatau kia nekehia ngā haepapa uruhi i ngā raihana, tiwhikete hoki mai i te Tāhuhu o te Mātauranga ki te Tari Arotake Mātauranga. Ki te whakamanatia tēnei ture me ngā tūtohunga whaipānga, kotahi anake te āphia hei whakapātanga mā ngā ratonga kōhungahunga. Ka aro atu a ERO ki te raihanatanga o ngā ratonga me ngā mahi matua ā-waeture, tae atu ana ki te aroturuki me te āpiha, me te whakapiki i te kōhunga o ngā mahi whakaako, tiaki tamariki hoki kei ngā ratonga kōhungahunga.

Ko te tohu nui kei tēnei whakatau, e whakaponotia tō mātou āhei ki te whakawhānui i ā mātou mahi, ā, e tika ana hei whakatutuki i ngā whāinga o te whakahouanga. Ka mahi tahi tonu a ERO ki te Tāhuhu o te Mātauranga e tutuki ai te ahunga me te whāinga o te arotake, ā, kia ngāwari hoki te tūnekehangā.

Te whakahouanga o Te Taumata Mātauranga ā-Motu Kua Taea (NCEA)

I nui te whakaawenga o te whakatau a te Kāwanatanga e pā ana ki ngā whakahouanga nui o te pūnaha NCEA e tā mātou pūrongo arotake e kīia ana, ko *Set up to succeed: How well is NCEA Level 1 working for our schools and students*. Ko tā ā ERO kitenga i whakahaukaha ai, ehara a NCEA Taumata 1 i te inenga e tika ana hei tautohu i te mōhio, i ngā pūkenga rānei o te ākonga, nā reira i puta ai ngā tūtohinga kia hohoro ngā whakapakaritanga, me ngā panonitanga whānui ki te kaupapa. Nā ā mātou mahi i kitea ai ngā ngoikoretanga ā-pūnaha, ā, i whakaawe tōtika i te whakahouanga e tūtohia ana o ngā taumata katoa o NCEA.

Hei whakakapi ake, e manawaū tonu ana mātou kia tino kounga ā mātou arotake motuhake, e ākina ai ngā whakapakaritanga, e panonitia ai ngā kaupapahere, e tautokona ai ngā ākonga katoa ki te eke panuku. E poho kererū ana mātou i ngā mahi kua tutuki, ā, e mārama ana ki ngā mahi kei mua i te aroaro. Ki te mahi tahi tātou, ka hua mai he pūnaha mātauranga kei te taumata tiketike o te ao, he pūnaha e whai manataurite ai, e eke panuku ai ngā ākonga katoa.



Nicholas Pole

Chief Executive and Chief Review Officer
Te Tumu Whakarae mō te Arotake Mātauranga
26 September 2025

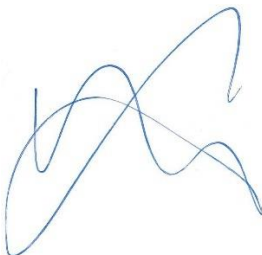
Statement of responsibility for Financial Statements and Performance Reporting

I am responsible, as Chief Executive of the Education Review Office (ERO) for:

- the preparation of the Education Review Office (ERO) financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-year performance information on the appropriations administered by ERO is provided in accordance with section 19A to 19C of the Public Finance Act 1989 included in this annual report
- the accuracy of any end-of-year performance information prepared by ERO included in this annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and the organisational health and capability of ERO
- the financial statements fairly reflect the financial position of ERO as at 30 June 2025 and its operations for the year ended on that date
- the forecast financial statements fairly reflect the forecast financial position of ERO as at 30 June 2026 and its operations for the year ending on that date.



Nicholas Pole

Chief Executive and Chief Review Officer

Te Tumu Whakarae mō te Arotake Mātauranga

26 September 2025

2. Progress on Strategic Priorities 2023-2026 | Ngā Tutukihanga e ai ki Ngā Whakaarotau Rautaki 2023-2026

In 2024/25, ERO continued to advance its strategic intention of strengthening the performance and equity of New Zealand’s education system through evidence-informed evaluation, review and reporting.

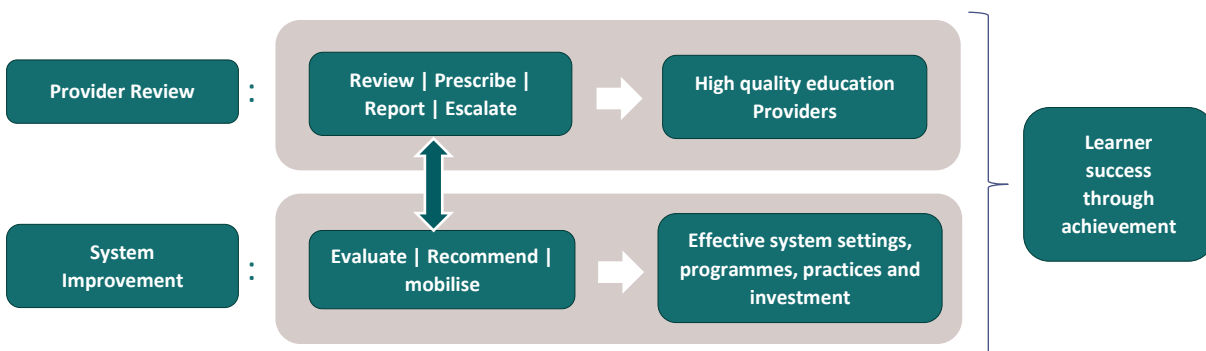
A key focus of our work programme has been driving the Government’s education priorities and two targets set in April 2024. As we progress over time, our strategic priorities have been purposely challenging and ambitious so we can best support schools and early learning services to take accountability for improvement and learning outcomes. Our expectations are high performance from all schools, kura and early learning services, and the recommendations in our reports reflect that approach.

We will be updating our Strategic Intentions: We are currently evaluating the effectiveness of our strategic initiatives and performance operations, with particular emphasis on the results achieved in the past years. Based on this ongoing assessment, we intend to update our Strategic Intentions 2023-2026 to strengthen alignment with Government’s priorities and our changing role as part of Government’s Early Childhood Reform. The updated version will reflect our latest insights and strategic priorities, ensuring that we continue to drive meaningful improvements in raising achievement and learner outcomes across the education system.

We deliver comprehensive insights into the current status of schools and early learning services, assess system-wide change requirements, and evaluate the impact of Government investments and interventions within the education sector. Our evaluations are conducted independently and are grounded in evidence, offering perspectives at both the service and systemic levels. We ensure that education leaders are held accountable for fulfilling Government priorities and for advancing improvements in learner outcomes.

Our review teams bring expertise across diverse sectors, including Māori-medium, Kaupapa Māori, and English-medium education. We design robust tools and methodologies to support providers in prioritising continuous improvement and achieving success for all learners.

ERO’s Theory of Change’: Outlines how our reviews, evaluations, reporting, and improvement processes work together to improve provider quality, strengthen system settings, and ultimately drive learner success.



We are also the host agency to departmental agency Aroturuki Tamariki, the Independent Children's Monitor. In August 2024, Cabinet approved Aroturuki Tamariki becoming an Independent Crown Entity, effective 1 August 2025. We have worked with them to ensure a smooth transition.

ERO's Performance Framework

- **Who we are:** The Government's education evaluation agency.
- **Our key role:** To deliver on Government priorities, raising achievement and quality, and ensuring accountability in the education sector.
- **Our vision:** Equity and excellence for all learners.

Strategic Intentions		Strategic priorities	
High quality education for all learners.	Māori learner success.	1. Contribute to an evidence base for improved decision making and practice.	3. Drive improvement in school performance.
An improvement orientated system.	A strong and effective system.	2. Strengthen the quality and performance of early learning services.	4. Strengthen education outcomes in Kaupapa Māori education settings.

Impacts	Outputs	Activities	Inputs
<ul style="list-style-type: none"> • Greater trust in the education system. • Ensure Government value for investment in Education. • Better support for services, schools and kura. • Earlier identification of at-risk services and schools. • Services and schools adopt improvement actions. • Decision-makers are better informed. • More efficient and effective ERO. 	<ul style="list-style-type: none"> • Quality tools that guide and shape provider performance and practice. • Clear, informative parent friendly reports. • Recommendations supporting improvement to other agencies. • Professional judgements about quality. • National and system level reports. • Whole system insights. • Interventions and actions in services and schools. • Better internal processes. 	<ul style="list-style-type: none"> • Review • Evaluate • Monitor • Assure • Research • Report • Escalate 	<ul style="list-style-type: none"> • Highly skilled workforce. • Clear action and intervention pathways. • Clear standards and review methods. • Streamlined automated processes. • Quality data and risk systems. • Risk based approach. • Tracking and improving our performance. • Modern digital tools. • Smart use of resources. • High quality services and school reports.

Impacts over time

Short term (1-2 years)

- Increased provider awareness of quality thresholds.
- Clear improvement plans for providers aligned to report findings.
- Increased parent awareness of provider quality.
- Enhanced transparency and accountability.
- Support/regulatory action for failing providers triggered earlier.
- Influenced policy and budget decisions.

Medium term (3-5 years)

- Improved quality in providers: Leadership, Teaching and Curriculum.
- Fewer providers of concern and not the same ones.
- Increased performance of services, schools and kura.
- More learners at the appropriate curriculum level.
- Increased regular attendance.
- Improved policy and budget decisions.
- Reduced inequity.

Long term (5+ years)

- Greater confidence in the education system.
- Higher achievement rates.
- Equitable outcomes for Māori learners.
- Sustained high performance by providers.
- Improved policy and budget decisions.
- Improvements in New Zealand's performance against international benchmarks.

Strengthening safeguarding and oversight in response to systemic failures

On 24 July 2024, the **Royal Commission of Inquiry into Abuse in State Care and in the Care of Faith-Based Institutions** released its final report, *Whanaketia – Through Pain and Trauma, From Darkness to Light*, following five years of investigation and nearly 3,000 survivor accounts.

The report laid bare the systemic failures that allowed abuse to occur across decades and called for urgent reform across state agencies. Alongside this, the **Poutasi Review into the tragic death of Malachi Subecz** further highlighted critical gaps in oversight and safeguarding.

In response, we have taken decisive steps to strengthen vigilance and oversight of child and student safety across the education system. This includes enhancing our approach to the review and monitoring of **school hostels**, where young people may be at heightened risk. A new set of **hostel review guidelines** is currently under development, and ERO has formally raised with the Ministry of Education the need to **redevelop existing hostel regulations** to ensure they reflect contemporary safeguarding standards. As you will read later in this report, ERO has referred 29% of hostel reviews completed this year to the Ministry of Education as a consequence of identified concerns.

ERO will also, through 2026, work to **strengthen complaints mechanisms** for students who have concerns about their hostel experiences, ensuring these channels are accessible, trusted, and responsive.

All ERO staff working with **early learning services** are now undertaking **enhanced safeguarding training**, which is refreshed every three years. This supports a consistent and informed approach to identifying and responding to potential risks in early childhood settings.

We have revised the **School Board Assurance Statement**, placing greater emphasis on areas of known vulnerability and requiring boards to demonstrate robust safeguarding practices. A similar revision is underway for the **Childcare Centre Self-Review Assurance System**, ensuring alignment with updated expectations for child protection.

In addition, ERO has adopted a **proactive posture** in its engagement with newly established **Charter Schools**, working closely with each to ensure that safe and supportive environments are in place from the outset. This includes early assurance of appropriate safety and wellbeing systems and policies, with a focus on prevention and responsiveness.

These actions reflect ERO's commitment to learning from past failures and ensuring that all children and young people in education settings are safe, supported and protected.

3. Assessment of Operations | He Aromātai i Ngā Mahi

Delivery against Performance Measures

Assessment of delivery against the performance measures set out in the Vote Education Review Office 2024/25 Estimates of Appropriation and those as amended by the 2024/25 Supplementary Estimates.

Evaluations of the quality of education

Scope

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

What we intended to achieve

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.

What we achieved

Actual 2024	Assessment of Performance	Notes	Actual 2025	Target 2025
Monitor and Evaluate				
29%	Percentage of schools/kura that have been assessed for compliance with legal and regulatory requirements.	1	33.1%	25-33%
New measure in 2024/25	Number of reports published – Schools.	2	29.6%	25-33%
New measure in 2024/25	Number of reports published – ECEs.	3	28.8%	25-33%
New measure in 2024/25	Completed reviews conformed to ERO's quality assurance standards.	4	97.7%	Establish baseline

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.		5		
75%	<ul style="list-style-type: none"> Governing organisations 	3	60.0%	>80%
80%	<ul style="list-style-type: none"> Individual services 		74.6%	>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.		5		>80%
75%	<ul style="list-style-type: none"> Governing organisations 	3	75.0%	>80%
79%	<ul style="list-style-type: none"> Individual services 		74.1%	>80%
74%	Percentage of schools that indicate ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes.	6	75.4%	>80%
66%	Percentage of school respondents that indicate that their ERO evaluation had helped to identify or confirm opportunities for more effective practice and building capacity.	6	71.3%	>80%
94%	Key audiences report that ERO's national evaluations are informative and useful for identifying or planning improvement within the system or its component parts.	7	93.0%	>80%
New measure in 2024/25	Number of views of ERO's research and evidence on the website.	8	14,600	Baseline year
29.7%	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.	9	30.0%	Maintain and improve

Percentages throughout the rest of this report have been rounded up or down to the nearest whole number.

- **Note 1:** This measures through a confirmed Board Assurance Statement and is part of the regular review cycle in English and Māori-medium. More information about this can be found on ERO's website.
- **Note 2:** This measures the number of reports published on ERO's website, following a review of English-medium and Māori-medium State and State-Integrated schools and Private schools.
- **Note 3:** This measures the number of reports published on ERO's website, following a review of Early Learning Services and services and Governing Organisations. Services within each Governing Organisation are included in the measure. The Governing Organisation methodology is for Early Childhood Education provider that have oversight of eight or more services and kindergartens.
- **Note 4:** This is measured by a sample of files reviewed and moderate against expectations outlined in ERO's Manual of Standard Procedures.
- **Note 5:** This is a survey result that ERO conducts of Early Learning Services and Governing Organisations that received a confirmed report during the financial year.
- **Note 6:** This is a survey result that ERO conducts of Schools and Kura that received a confirmed report during the financial year.
- **Note 7:** Surveys are carried out for each of the research projects or evaluations. For each piece of work, a group of key stakeholders are identified, which can include education peak bodies, unions and government agencies as well as teachers, kaiako and leaders that attended any webinars or events. Each report has different set of key stakeholders depending on the nature of the material and intended impact of the evaluation.
- **Note 8:** ERO launched evidence.ero.govt.nz in February 2024. This is a measure of our engagement with the sector. This measure has been drawn from Google analytics. Data from July to October is missing and excluded from this measure. Based on three report releases in August and October, we estimate downloads in those months to increase total unique downloads for the fiscal year by 50-55%.
- **Note 9:** The Poutama Reo improvement framework is an approach for reviewing Māori language learning in English-medium settings (including Rumaki Reo and Reo Rua units) and supports Te Reo Māori language revitalisation. This is a survey result that ERO conducts of English-medium Schools that received a confirmed report during the financial year.

Implementing the Government's education priorities and targets

The government's education priorities are focused on raising student attendance and achievement in reading, writing, and mathematics by 2030. Two specific targets guide this work:

- **Target 6:** Increase student attendance, with 80% of students present for more than 90% of each school term.
- **Target 7:** Ensure more students are at, or above, the expected curriculum levels for their age in reading, writing, and maths.

These efforts are critical as improved attendance and higher achievement are strongly linked with better educational and life outcomes. Addressing chronic absence and supporting regular attendance also underpins broader government goals in raising student achievement and closing the equity gap.

Target 6: increase student attendance

Activities

- Focused school leaders on increasing attendance in all schools and kura reviews, ensuring consistent attention across the system.
- Required schools below the attendance target to develop and implement improvement plans.
- Assessed compliance with legislation relating to attendance and reviewed the effectiveness of related school systems and practices.
- Launched public reporting on school compliance with attendance requirements, highlighting progress and areas for attention.
- Initiated system evaluation into chronic absence in a report titled "*Left behind: How do we get our chronically absent students back to school?*".

Analysis

- Only 4% (428 schools sampled) are currently meeting or exceeding the 80% regular attendance target, with 44% getting close and 52% still behind.
- Chronic absence is decreasing in 66% of sampled schools; however, 29% have yet to achieve reductions, indicating a need for further attention.
- More than half (55%) of schools sampled have a suitable attendance plan in place, but 37% are still developing one and 8% have none, which remains an area for urgent improvement.

Outcome

- Our national evaluations and persistent support efforts during reviews are fostering a shared sense of urgency and responsibility, driving home the importance of students being present and engaged in learning.
- With an increased system-wide focus, attendance is now embedded in all school and kura reviews and improvement plans being developed for those below target. School leaders taking Government's directives to heart are working on having robust attendance management

strategies at the core of everyday practice. Schools falling short are quickly identified, with targeted improvement plans set in motion.

While some schools are taking a proactive approach to address attendance issues and foster a culture of regular attendance, it is evident that efforts in improving regular attendance are ongoing.

Our system evaluation into chronic absence has influenced policy changes to address chronic absence resulting in more targeted support, focusing on retaining students when they return to school, and increasing funding based on the level of need. Budget 2025 initiatives included the Government's Attendance in Schools Package aimed at improving student attendance in schools. The package includes an investment of almost \$140 million over the next four years to enhance attendance services and support schools more effectively.

System evaluation in chronic absence—"*Left behind: How do we get our chronically absent students back to school?*"

Findings: Current systems to help students return to school are ineffective and need significant reform. Chronic absence has doubled in the last decade. These chronically absent students (attending 70% or less of the time) are often struggling and are at high risk of poor education and lifetime outcomes.

Link to the report: [Left behind: How do we get our chronically absent students back to school?](#)

Looking ahead

- In the latter half of 2025, we plan to conduct an additional review of attendance, assessing the types of support that may enhance attendance rates. We will also evaluate whether there has been a shift in attitudes toward school attendance among learners.
- From Term 1 2026, schools' attendance management will become mandatory as part of the Government's Stepped Attendance Response (STAR). The STAR has been developed in line with the good practice identified in ERO's evaluations and school indicators.

Government Target 7: Raise achievement in reading, writing, and mathematics

Activities

- Supported the government's directive requiring daily instruction in reading, writing, and mathematics for Years 0–8 students, and monitored compliance.
- Reported on compliance with the "phones away for the day" policy and the one-hour-a-day literacy and numeracy teaching mandate.
- Encouraged schools to analyse student progress and achievement data and develop targeted improvement plans where progress was not at the expected level.
- Improving the effectiveness of teaching practices with a new Teaching Observation Framework. This tool translates broad teaching standards into specific, observable actions, offering clarity and consistency for school leaders and evaluators. Schools use the framework to guide and

assess teaching practice, making it easier to identify strengths and areas for improvement. This framework is supporting schools and kura to deliver consistently effective teaching, especially for those learners who are at risk of falling behind or have specific and complex needs.

Analysis

- **High compliance rates were observed for key government requirements:** Close to 100% of sampled schools implemented the “phones away for the day” policy, and 98% complied with an hour-a-day reading, writing and maths with less than 2% (14 schools) not meeting the requirement.
- **Achievement toward expected curriculum level is mixed:** 9% of sampled schools have met government achievement targets and 58% are currently on track to meet them by 2030. Conversely, 33% of schools are not making as much progress as required and need to prioritise improvement or renew their strategic focus.

Outcomes

High compliance rates for “phones away for the day” and ‘hour-a-day’ literacy and numeracy teaching, however achievement toward curriculum targets is mixed.

Since its launch, the Teaching Observation Framework has been widely adopted by schools and teaching teams, with over 1,000 downloads and positive feedback from school leaders regarding its practical impact on teaching quality and school improvement.

“...easy to use – and can be quickly explained to school leaders. Logical, practical overview of what would be agreed upon as ‘good teaching practice’. **Feedback about the Teaching Observation Framework**

This framework aims to deliver tangible value, driving a shared understanding of effective practice, supporting professional growth, and helping educators adapt strategies to meet the evolving needs of their learners.

Other Government and ministerial priorities

Baseline savings

ERO’s appropriation was reduced by 6.5% (\$2.456 million) per annum effective from the 2024/25 financial year. The department’s budget for 2025 was \$38.806 million.

Aroturuki Tamariki, the independent children monitor was not required to make baseline savings as part of the government’s savings programme.

Clearer curriculum

Maintaining a strong focus on curriculum in school reviews

We maintain a strong focus on curriculum in school reviews, reporting on how well the school curriculum responds to all learners’ needs. ERO found 92% (392 out of 428) of schools reviewed

since October 2024 have sufficient or rich opportunities to learn across the breadth and depth of the curriculum.

Our aim in undertaking this work is to foster a more consistent, high-quality educational experience for all learners. Ultimately, the desired outcome is to close gaps in learning opportunities, promote equitable and comprehensive education, and enable every young learner to build the skills and knowledge they need to thrive.

Review of relationships and sexuality education

We delivered a report on Relationships and Sexuality Education (RSE), which is important for the health and safety of children and young people.

Key findings from the report, *Let's talk about it: Review of Relationships and Sexuality Education*, revealed too much variation in how and when schools deliver relationships and sexuality education. In fact, almost a quarter of schools provide this education only occasionally, leaving many students without the essential knowledge and skills to support their wellbeing and safety.

By shining a light on these gaps, our report makes clear the urgent need for consistent, high-quality Relationships and Sexuality Education for all students.

This report has influenced policy changes in the new RSE curriculum. These changes include giving parents clearer information about what is in the curriculum and making certain topics, such as consent, mandatory.

→ Link to the Report: [Let's talk about it: Review of relationships and sexuality education](#)

Better approach to literacy and numeracy

Consistent and effective support in developing literacy and numeracy skills is essential for learners overall academic success. We focused on:

- Foundational skills
- Insights into oral language development (refer to page 27).

Focus on foundational skills

We sharpened our focus on foundational skills of reading, writing and maths. Over 48% of schools reviewed since October 2024 were found to have a consistent focus on supporting learners to gain skills in literacy and mathematics. Over 44% of schools are increasing the consistency of this focus.

Looking ahead

Rollout of the English and Mathematics Curriculum: Part of ERO's multi-year evaluation of the rollout of the curriculum includes the new English (Years 0-6) and Maths (Years 0-8) changes. We will be exploring what is happening as schools go about making changes, what is helping, and what more needs to happen. We will highlight where schools are doing it well and where there are opportunities to strengthen implementation.

Smarter assessment and reporting

Using assessment information to adjust teaching practice

ERO looks at how well schools use assessment information to adjust teaching practice as part of our school reviews. In late 2024, to better understand how schools were preparing to implement requirements around standardised assessment, we reviewed schools' use of assessment information to inform teaching practices.

Of a sample of 428 schools, 54% used an appropriate approach and reliable assessment practices to assess achievement against the curriculum and 43% were improving their approaches. Only 4% were not yet using an appropriate approach and/or reliable practices to find out about achievement against the curriculum.

Assessment information was used well to adjust teaching practices to ensure ongoing improvement in teaching and student progress in 47%. A further 48% are developing their use of assessment to adjust teaching practice, but still require improvement, while just 4% of schools needed significant improvement in this area.

Review of National Certificate of Educational Achievement (NCEA) Level 1 changes

Leaving school with a qualification leads to better life outcomes, so ensuring Aotearoa New Zealand's qualifications work well is essential for the success of our young people. Changes to NCEA Level 1 were rolled out nationwide in 2024.

Our report, *Set up to succeed – How well is NCEA Level 1 working for our schools and students?* found that despite the changes that have been made to improve the qualification, NCEA Level 1 wasn't yet a reliable measure of students' knowledge and skills. We concluded that NCEA Level 1 would require substantial reform, and recommended a review of how the entire NCEA qualification looks and works to serve students and their success.

ERO as a catalyst for reform: Shaping the future of National Qualifications. In August 2025, the Government announced a proposal to replace NCEA with a new national qualification system that is easy to understand, credible, and internationally comparable. This reform, described as the most significant education shakeup in two decades, was deeply informed by ERO's national review report, *Set up to succeed - How well is NCEA Level 1 working for our schools and students?*

The Ministry of Education is seeking feedback on the structure and features of proposed new national secondary qualifications that would replace the current model of NCEA. Consultation on the proposal closes on 15 September 2025.

ERO's work has not only held the system to account but actively guided decision-making at the highest levels. Our review has helped to inform the development of future qualifications with the potential to better prepare students for study, training, and employment, while raising achievement and reducing inequity.

This is a clear example of ERO's strategic intent in action, using evidence to drive system improvement and support better outcomes for all learners. We are proud to see our mahi making a tangible difference.

→ Link to the report: [Set up to succeed – How well is NCEA Level 1 working for our schools and students?](#)

Improved teacher training

Looking ahead

Review of teachers' professional learning and development: We are currently undertaking a review of teachers professional learning and development (PLD), with the aim to produce a framework and guidance to identify high quality PLD. We are exploring what the evidence says and what PLD currently looks like in New Zealand schools. The findings will inform the quality of PLD that develops teaching practice, including design, selection and implementation.

Stronger learning support

Review of counselling in schools

Students' mental health is strongly linked to their engagement, achievement, and school attendance. Primary school students are facing more mental health challenges, and this is getting in the way of learning, but counselling in primary schools can help.

Our report, *Someone to talk to: Evaluation of Counselling in Schools* reviewed the Counselling in Schools pilot programme. Eight in 10 students reported improvements to their mental health after receiving counselling. Teachers also told us that counselling improves overall classroom behaviour, with three-quarters of teachers reporting improvements in wider classroom behaviour.

This report informed and influenced policy decisions to continue funding of this programme and provided insights into what the positive impacts of funding programmes like this are for schools, and how similar models could be implemented.

→ Link to report: [Someone to talk to: Evaluation of Counselling in Schools](#)

Greater use of data

Looking ahead

To improve the monitoring and evaluation of services and interventions across the education system, we are looking at new initiatives designed to streamline data access and improve the efficiency and effectiveness of data use in support of our work. This includes creating a data platform to make it easier to access and utilise information more effectively.

We are also in the process of establishing AI policy and governance frameworks in accordance with Government guidance. Specific use cases are under investigation to assess the potential of AI in areas such as analysis, quality control, risk identification, review scheduling, and business process improvements.

Charter schools | Kura hourua

Our involvement in charter schools is framed by our statutory responsibility to ensure performance accountability and safeguard educational quality. The first of the new charter schools opened for learning in Term 1 2025.

We completed pre-establishment checks on:

- eight schools
- one hostel

We provided advice:

- to the Charter Schools Authorisation Board on three recently contracted schools
- on the second round of applications
- and perspectives on one approved but not yet contracted school.

These establishment checks are crucial for maintaining high standards in education and ensuring that new charter schools are well-prepared to provide a safe and supportive environment for learners from the outset. Our proactive approach in these areas underscores our commitment to driving quality and ensuring accountability in the education sector.

Early Childhood Education Reform

In December 2024, the Ministry for Regulation released its final report following the government's Early Childhood Education (ECE) Regulatory Review. The review assessed whether the current set of regulations are achieving the right outcomes for early childhood education, and has been examining the regulatory systems for education, health, safety, child protection, food safety, buildings, and workplaces as they apply to the ECE sector.

The government accepted all 15 recommendations to modernise and simplify regulation across the ECE sector by reducing compliance costs and headaches for providers, encouraging more providers into the market, and giving parents more choice. These recommendations are being phased in over time and some are subject to legislation change, some to regulation change, and some to further Ministerial and Cabinet decisions. Licensing criteria are the initial focus for developing new tools to reduce the compliance burden.

In July 2025, Government introduced new legislation to Parliament as part of this reform and announced the intention to shift licensing, certification and enforcement responsibilities from the Ministry of Education to the Education Review Office. Should this legislation, and associated proposals pass, early learning service providers will only have to deal with one regulator. This decision demonstrates confidence in our ability to expand on our role. We are well-positioned to deliver on the reform's goals, including:

- Reducing regulatory confusion.
- Ensuring consistent application of rules.
- Supporting child safety and quality education.

ERO will continue to work closely with the Ministry of Education to ensure we can deliver on the direction and intent of the review and ensure a smooth transition.

Assessment of ERO's operations 2024-2025

The long-term difference we seek

We envision an environment in which every child has access to high-quality learning experiences and genuine opportunities to thrive. We want to see lasting transformation across the education sector. The longer-term difference we seek is an education system that offers high quality education that is equitable, resilient, and responsive to the changing needs of all learners—now and in the future.

We are committed to building a robust evidence base to inform decision-making and best practice at system and provider level. By systematically evaluating what works in education, highlighting areas for improvement, and disseminating trustworthy findings, we aim to empower educators, leaders, and policymakers to make informed choices that lead to better outcomes for children and young people.

Our work is intended to drive performance and student achievement, cultivate innovation, and foster continuous improvement. In this way, we support the creation of an adaptive education system, one that evolves to meet the needs of both today's learners and those of generations to come.

Key indicators of our long-term success for this transformation include:

- Greater confidence in the education system.
- Higher achievement rates.
- Equitable outcomes for Māori learners.
- Sustained high performance by providers.
- Improved policy and budget decisions.
- Improvements in New Zealand's performance against international benchmarks.

The following sections in this report set out the work we have done to progress ERO's four strategic priorities:

Strategic priorities	
1. Contribute to an evidence base for improved decision making and practice.	3. Drive improvement in school performance.
2. Strengthen the quality and performance of early learning services.	4. Strengthen education outcomes in Kaupapa Māori education settings.

1. Contributing to a comprehensive evidence base for improved decision making

Purpose of our work

We are increasingly building a robust evidence base that informs decision-making and practice and ensuring that the Government's investments are effective and impactful.

Our research and national evaluations build public trust in New Zealand's education system by promoting transparency, strengthening public accountability, and highlighting where improvement is needed most. This programme is a key lever in delivering on ERO's strategic intention to strengthen system performance and improve outcomes for all learners. By evaluating nationwide initiatives, identifying good practice, and shining a light on what is working, and what is not working, we generate robust, actionable insights that support informed decision-making, enhance teaching practice, and drive continuous improvement across the sector. In doing so, we help ensure that public investment in education leads to meaningful, measurable impact for all learners.

Overview of activities and achievements this year

This year, we released five insight reports and a good practice resource:

- Let's keep talking: Oral language development in the early years.
- Oral language development in the Early Years—companion good practice resources.
- Left behind: How do we get our chronically absent students back to school? (refer to page 20).
- Review of Relationships and Sexuality Education (refer to page 22).
- How well is NCEA Level 1 working for our schools and students (refer to page 23).
- Someone to talk to: Evaluation of Counselling in Schools (refer to page 24).

Oral language in the early years

Oral language development in the early years is crucial for later reading and writing skills and helps children develop social and emotional skills that influence behaviour. Our report, *Let's keep talking: Oral language development in the early years*, found that many children start school without the speaking skills they need to succeed. This report has highlighted effective practices for fostering oral language skills in young children and influenced investment in targeted programmes and approaches that prevent and address delays in language development'.

→ [Let's keep talking: Oral language development in the early years](#)

Oral language development in the early years - companion good practice resources

As a companion to the aforementioned national evaluation report, the [Good practice: Oral language development in the early years](#) sets out the evidence-based teacher and leader practices that make the most difference. Oral language learning involves developing the skills and knowledge that go into listening and speaking. These skills are important foundations and critical to later literacy success, in school and beyond.

Robust international and local evidence informed what ‘good looks like’ for oral language development in the early years. Each practice is illustrated by real-life strategies, stories, and quotes from early learning services. Alongside this report we developed targeted guides and resources so that ECE teachers, ECE leaders, and new entrant teachers can focus on the insights most relevant to their roles. This suite of good practice resources has been downloaded a combined 1430 times.

“Education professionals are continuously wanting to improve and the latest report from ERO on the importance of oral language skills provides some useful advice and resources that the sector can use.” **Early learning organisation leader.**

Outcomes

Our research shapes the conversation and helps drive system-level improvement. We shine a light on good practice, to positively impact learner outcomes across New Zealand. Our tailored good practice reports, guides, and resources help the education sector better support children and young people.

System accountability. Our research and national inquiries seek to build public trust in New Zealand education system through inquiry, transparency and public accountability on areas requiring improvement. This process aims to ensure that taxpayers money is spent in ways that deliver measurable impact.

Following the publication of our reports, we survey key audiences.

→ **Performance measure:** 93% key audiences report that ERO's national evaluations are informative and useful for identifying or planning improvement within the system or its component parts.

Our organisation has achieved considerable audience engagement.

Our evidence website (www.evidence.ero.govt.nz) recorded 43,000 unique visitors and facilitated the download of 14,600 reports and resources between November 2024 and July 2025. In addition, media coverage contributed to increased public and sector awareness. The release of each of this year's five reports was covered by multiple media platforms, generating more than 358 news stories.

→ **Performance measure:** 43,000 visitors to ERO's evidence website and 14,600 downloads of reports.

Looking ahead

- Review of Attendance
- ERO will deepen its evaluation of the English and Mathematics curriculum rollout, identifying what's working and where further support is needed (more on page 22).
- Review of teachers' professional learning and development (more on page 24).

2. Strengthening the quality and performance of early learning services

Purpose of our work

Our overarching goal is to support all early learning services to become more intentional about teaching practices and capable in improving learning outcomes for children, including in relation to *Te Whāriki*, New Zealand's early childhood curriculum, by strengthening internal evaluation, planning for quality improvement, and ensuring compliance with regulatory standards.

Every child in New Zealand deserves a high-quality early learning experience that lays the foundation for lifelong education success. ERO's work in early learning services is increasingly focused on ensuring children are well-prepared for school: academically, socially, and emotionally. High-quality early learning services is a key lever for lifting achievement in literacy and numeracy. Research shows it can accelerate literacy development by up to a year. Recognising persistent disparities in outcomes for our youngest learners, we focus every service on priority areas that need improvement.

Raising expectations and driving improvement: ERO's review programme is designed to lift performance across the early learning sector by promoting a sustained focus on quality improvement. Through our evaluations of early learning services, we provide targeted, evidence-based feedback that identifies where providers need to concentrate their efforts to strengthen practice in areas critical to children's learning, development and wellbeing.

Our reviews focus on four key domains:

- **Teaching and Learning:** Assessing the quality and effectiveness of curriculum delivery, pedagogical practice, and learner progress.
- **Professional Capability:** Supporting the ongoing development of teachers and kaiako to ensure high-quality, culturally responsive teaching.
- **Leadership and Governance:** Evaluating how leaders set strategic direction, build professional capability, and maintain accountability for outcomes.
- **Organisational Management:** Reviewing systems and processes that underpin safe, inclusive, and well-managed learning environments.

Performance Judgement and Sector Impact. While many early childhood services demonstrate strong practice, ERO's 2023/24 national report identified a concerning proportion of services operating below the level required to deliver the outcomes expected from the Government's investment in early childhood education. This underperformance risks compromising the quality of learning experiences for children.

In response, ERO has intensified its focus on:

- **Clarifying and reporting on expectations for quality:** Using our review tools to clearly signal where services sit in relation to national benchmarks and ERO's quality indicators.
- **Providing pathways for improvement:** Offering tailored advice and guidance to support services in addressing identified areas of weakness.

- **Monitoring progress:** Ensuring that services receiving targeted support are demonstrating measurable improvements over time.

ERO's work continues to support a system-wide lift in quality, ensuring that all children, regardless of background, benefit from early learning environments that are safe, inclusive, and focused on excellence.

Key drivers include:

- Improving children's learning outcomes by strengthening the quality of education and care and focusing on intentional teaching practices.
- Addressing areas of concern in health and safety to safeguard children's wellbeing.
- Empowering services with the capacity for self-evaluation and continuous improvement.
- Ensuring accountability and transparency for parents, whānau, and the wider community.
- Clearer, action-oriented reporting style for early childhood services. This includes reporting to parents on education quality.

These priorities are reinforced by this year's data showing that just 53% of services reviewed are above the threshold for quality, which directly impacts learner outcomes.

Overview of activities and achievements this year

We implemented a comprehensive review programme targeting standalone Early Childhood Services, services managed by Governing Organisations and Māori-medium services across the country.

→ **Performance measure:** We visited approximately one third of all early learning services (28.8%)—totalling 1,260 evaluations and review reports which are publicly available on our website. These include:

- 567 standalone early childhood services or small groups
- 545 services in 14 Governing Organisations
- 148 Kōhanga Reo and Puna Reo. Refer to page 42 for information about Te Kōhanga Reo and Puna Reo.

Early learning services

Activities and achievements this year:

- Increasing our focus on quality provision and refinement of our quality assurance reviews, with new threshold-based judgements launched in July 2024 and reported from September 2024.
- Improved reporting format for Governing Organisations.
- More targeted assurance reviews for services with compliance concerns, ensuring health and safety against regulatory standards are met and urgent risks promptly addressed.
- Developing a Teaching Observation Framework for early childhood services that brings sharper focus to the quality of teaching that supports children's successful transition to school, strengthening early literacy, numeracy, and emotional regulation through evidence-based practice.

- Developing and testing a new ECE Improvement Framework for teacher-led services to assist Review Officers to make clearer evaluative judgements leading to practical and actionable improvement actions. Services use the Framework to make decisions about where to focus support and resourcing, to identify priorities and actions for improvement and to monitor progress and improvement over time.
- Developed a clearer, action-oriented reporting style to ensure findings and actions for improvement are easily understood by services and parents. These improvements mean national consistency with action-focused reporting and results that are presented visually and with more explicit judgements (excelling, embedding, working towards, or requiring improvement).

Quality of education

We have been more explicit about judgements of quality where our evaluations are primarily focussed on the quality of education provision. Using a sample of 552 quality evaluations (Akarangi) reviews completed this year, results show some progress but also ongoing challenges.

- 53% met or exceeded the quality threshold, up from 36% for services reviewed in 2023/2024, indicating an improvement in early learning quality.
- 47% were below. This compares with 64% for services reviewed in 2023/2024.

In focusing on four critical domains we gain a better understanding what constitutes quality education provision across the sector.

A sample of 394 standalone services assessed using a new evaluation approach show:

- 65% above threshold; 35% below in **Learner and their Learning**.
- 53% above threshold; 47% below in **Professional Learning and Development**.
- 63% above threshold; 37% below in **Governance and Management**.
- 58% above threshold; 42% below in **Leadership**.

This more granular evaluation approach shows concerning results for the quality of leadership to foster collaboration, improvement and professional learning to build knowledge and capability. If teachers are not getting the professional support needed this will impact the quality of teaching and outcomes for learners.

Well trained teachers foster rich learning environments leading to better cognitive social and emotional development. Centres with a strong professional learning culture show a better learning environment for children. This needs to be at the heart of early childhood education. It helps teachers stay current with best practise. ERO finds high quality services encourage reflective practise and shared learning through professional learning development. Teaching in these services often work as a team around the child taking a collective responsibility for the child's learning and development.

Governing organisations

A Governing Organisation refers to an entity that holds oversight and accountability for multiple early childhood education (ECE) services. These organisations are responsible for ensuring that the services under their governance meet regulatory, educational, and operational standards. This year we extended the coverage of Governing Organisations from those with 20+ services to those with 8+ services and all Kindergartens. The results presented are thus not representative of all organisations, or comparable over time.

Updated reports for Governing Organisations now provide clear overall judgments, indicating progress against previous improvement actions, and specifying whether an organisation meets or falls below the quality threshold.

Analysing a sample of 14 Governing Organisations with 545 services, results show:

- 42% are judged above the quality threshold
- 58% are judged below

We are now underway with the second cycle of evaluations and publicly reporting on progress made since the previous evaluation.

Analysis: Improvement is achievable, as shown by progress in organisations with repeated evaluations. However, overall outcomes indicate that system-level changes and leadership development are still required.

Health and safety in early learning services

The primary purpose of assurance reviews is to assess whether a service is complying with regulatory standards and associated licensing criteria. Assurance reviews are undertaken by exception and only if there are significant concerns in the initial phases of a review about the service's ability to meet these requirements. Significant health or safety concerns are promptly reported to the Ministry of Education as licensor for action. This targeted approach ensures rapid response and resolution of potential risks to children.

- **Standalone and small group services:** From a sample of 567 services, 14% had areas of concern. Of this group, 15% presented an immediate or unacceptable risk to children. This translates to 2% of these services posing an immediate or unacceptable risk to children. The percentage of services that had concerns posing immediate or unacceptable risk to children continues to reduce.
- **Governing Organisations** From a sample of 187 services, 9% had concerns regarding health and safety.
- **Māori-Medium Early Learning Services:** Of the 148 services, 46 (31%) with were found to have non-compliances.

Outcome

Our work remains driven by a commitment to raising service quality for every learner, informed by robust data and transparent reporting. Findings demonstrate areas of progress and ongoing challenges, particularly in leadership, professional development, and health and safety. These insights will inform our continued focus on supporting improvement and ensuring children's right to high-quality early learning is realised.

Stakeholder feedback

As part of ensuring ERO's effectiveness, we set high aspirational targets for services adopting our advice and recommendations. This year's results show continued high use with room for improvement.

Services and organisations value ERO's evaluations and guidance and take action in response.

- **100%** completed early childhood services reviews conformed to ERO's quality assurance standards and met our internal Manual of Standard Procedures expectations. The overall ratings across the five criteria ranged from Good to Excellent.
- **Performance measure:** **74.6%** of services and **60%** of Governing Organisation respondents attested to ERO's support in identifying or confirming opportunities for more effective practice and capability building.
- **Performance measure:** **74.1%** of services and **75%** of Governing Organisation attested to ERO's evaluations making a contribution to decisions and how to improve learner outcomes.
- **75%** of Governing Organisation respondents identify that they have taken action to improve organisational systems that will improve practice with children.
- **100%** of Governing Organisations respondents used ERO's national research and evaluation resources to inform their practice.

"We have improved our programme by looking deeper at what we are providing for our children. We are focussing more on literacy and numeracy." **Early childhood education service.**

"We want to acknowledge the broader role you play in the sector. The integrity and care with which you carry out your work has a positive ripple effect, not only supporting individual centres, but also contributing to a culture of continuous improvement and professionalism across early childhood education in Aotearoa. It's clear that your work makes a difference, and we felt that impact during our time with you. We left the review process feeling affirmed, constructively challenged, and motivated to keep improving." **Early childhood education service.**

"We greatly value the critical feedback provided. It has challenged us to reflect deeply on our current systems and approaches, and it encourages us to continue striving for improvement. Reviews like this play a key role in helping us grow as a centre, ensuring we move from good to even better in the service we provide to our children and families." **Early childhood education service.**

“We covered so many different things. We had robust relevant discussions about pedagogy and practice. Reviewers knew exactly what they were talking about and looking for. It was helpful and informative, guide some of our reflection process in the direction we thought we were going in.” **Early childhood education service.**

“We just want to say how helpful and collaborative the ERO team was. They really worked with us to identify the improvements required and were very respectful of the teams in the centres which was very much appreciated.” **Governing Organisation**

“Your professionalism, warmth, and clarity throughout the process have created an environment of mutual respect and meaningful dialogue. We truly valued the way you both approached the review with integrity and a genuine commitment to quality outcomes for tamariki and whānau. It was inspiring and affirming for our team to engage with you.” **Governing Organisation**

“As part of our commitment to continuous improvement, we believe it would be extremely helpful if ERO or the Ministry of Education could share examples of best practices from other centres—particularly around areas e.g. new changes, sleep monitoring and individual child supervision”. **Early childhood education service.**

“Having access to practical examples or case studies would make the review process even more impactful and empowering for centres like ours, especially when faced with implementing complex or resource-heavy requirements.” **Early childhood education service.**

3. Driving improvement in school performance

Purpose of our work

We believe that effective teaching, strong leadership, and a culture of continuous improvement are fundamental to realising the potential of every student. By working in partnership with schools and kura we aim to create enduring, positive impacts on raising academic achievement and closing the equity gap. We view school performance improvement as central to meeting these expectations.

We drive improvements by keeping schools focussed on attendance, achievement and assessment, curriculum and teaching, particularly in reading, writing and mathematics so every learner can achieve education success. Our work supports schools to focus on improving their capability and capacity in internal evaluation, governance, and leadership through our independent evaluations.

We monitor school performance and provide guidance on improving schooling practices. This ensures school leaders are accountable for educational outcomes and pay attention to what matters most to deliver high-quality educational outcomes. Through our reviews and reporting we:

- Ensure accountability for driving improved outcomes for all learners with clear improvement actions including and how progress will be monitored.
- Identify good practices and priority areas needing improvement or targeted support.
- Set out high expectations for quality outcomes.
- Provide guidance that helps self-review and continuous improvement to become a regular practice.
- Identify those who require significant additional support or interventions.

Overview of activities and achievements

This year, we have focused on several key activities as follows:

School and kura review reports

Our reach is wide with approximately one third of all schools and kura reviews completed every year.

→ **Performance measure:** This year, we visited and reviewed **29.6%** of all schools and kura, producing 745 evaluation and review reports. These include:

- 685 State and State-integrated Schools
- 18 Private Schools
- 42 Kura

Our published reports serve multiple objectives. These include ensuring transparency by making evaluation findings publicly available; documenting the review process and the basis for our judgments; clarifying improvement priorities for stakeholders such as school boards, leadership and staff; and supporting parents in making informed decisions. They also provide a road map for future reviews and clarify recommendations for interventions when necessary. Recent reports have also included specified timeframes for when improvements are expected.

Parent reporting

We are improving the information provided to parents and whānau in our review reports. Parent summaries now include key details on learner success and wellbeing, focusing on clarity, accountability, and actionable information.

This information is intended to help parents make informed education choices for their children by outlining school performance. Principals have responded positively so far, with most indicating that the reports are clear, straightforward, and easy to understand.

The new reporting format for students up to Year 8 was introduced in Term 4, 2024. Parent summaries have been incorporated into these school reports. Currently, parent focus groups are assisting in developing similar reports for schools providing for Year 9 students and above.

State of schooling

This section provides an overview of current performance, challenges and progress in key areas such as learner success and wellbeing, leadership, and teaching across New Zealand schools.

This year, only 42% (308 out of 727) schools and kura reviewed were considered to be supporting sustained high performance and consistently demonstrate strong outcomes for their learners. The proportion of schools and kura reviewed this year where ERO identified sustained high performance included:

- 45% (305 out of 685) English-medium schools
- 7% (3 out of 42) kura under the Arotahi approach.

Few high performing schools do an outstanding job

Almost all English-medium state and state integrated schools (96%) have now been assessed using ERO's School Improvement Framework, giving us a clearer understanding of school performance across New Zealand over time.

Comparatively few schools provide consistently strong support for all learners and foster environments where every student can thrive. High performing schools, according to ERO's School Improvement Framework, demonstrate excellence by supporting all students to achieve their educational potential in a safe, inclusive, and culturally responsive environment. These schools are doing all they can to support all their learners to succeed. The low number of schools doing an outstanding job emphasise the urgent need for improvement in learner achievement and wellbeing across New Zealand schools.

While 13% of almost all schools assessed across School Improvement Framework domains are considered high performing in achieving learner success and wellbeing, over a third (35%) of schools are working towards or needing improvement. From a state of schooling perspective, this means:

- wellbeing and engagement practices are not yet embedded in a large portion of schools, which may affect achievement, attendance and progression
- leadership and strategic planning in these schools may lack the coherence and capability needed to drive sustained improvement and better outcomes for learners.

These figures signal a significant systemic concern. When over one-third of schools are not yet meeting expected standards for learner success and wellbeing, it reflects a widespread vulnerability in the foundational conditions that support learner achievement and equitable outcomes.

ERO's School Improvement Framework defines "working towards" as schools that are **developing but not yet consistently implementing** practices that support learner success and wellbeing. "Improvement required" indicates that **key aspects are missing or ineffective**, and **urgent action is needed** to ensure learners are safe, engaged, and progressing.

Appendix 1 provides a general explanation of the School Improvement Framework core domains and conditions for success.

What progression data reveals about key areas that influence student outcomes

We have sampled how 517 schools are progressing in key areas that influence student outcomes, including Learner Success and Wellbeing, Leadership, Teaching and Learning, and Curriculum, based on two School Improvement Framework assessments. This gives us insight into what happens to school performance over time.

While the data reveals encouraging momentum among a portion of schools, it underscores the need for urgent improvement and accelerate progress in key domains.

Area	Improved or already excelling (%)	Stayed the same (%)	Performed poorly (%)
Learner Success and Wellbeing	26.2	53.9	19.8
Leadership	34.1	48.4	17.5
Teaching and Learning	26.3	57.5	16.2
Curriculum	28.9	54.4	16.6

Data shows that 26% of schools remained at the highest performance level or advanced to higher levels of performance in Learner Success and Wellbeing. While 54% (more than half) stayed at the same level, 20% either stayed at the lowest performance level or declined.

Over a third (34%) of schools made positive progress in Leadership. Just under half (48%) remained at the same level while 18% either did not improve or declined.

In the Teaching and Learning domain, about a quarter (26%) of schools improved, while 58% stayed the same; 16% did not improve or even declined.

In the Curriculum domain, 29% made progress, 54% showed no change, and 17% moved down or remained at the lowest level.

This data highlights the challenges schools face in lifting the quality of Leadership, Teaching and Learning, and Curriculum. While improvement can occur within progression steps, roughly half of schools appear to be "holding steady" within their specific progression step. This plateau suggests that while schools are avoiding decline, a large cohort is not yet making the strides necessary to reach higher standards of practice.

Note: Schools are grouped according to whether they improved ("moved up the continuum or stayed at excelling"), stayed the same ("no change"), or regressed ("moved down the continuum or stayed at improvement required") between two Schools Improvement Framework assessment points.

Investing in leadership development, targeted professional learning for teachers, and robust support systems for learner wellbeing will be critical to narrowing the equity gap and ensuring every student achieves and has the opportunity to thrive. By leveraging these insights, educational leaders must do more to effectively prioritise actions, allocate resources, and set ambitious yet achievable goals for the years ahead.

Drawing attention to schools of concern

Many underperforming schools are still not making the improvements needed for their learners. While reviewers have increased engagement and support, results are mixed, and too many schools are not turning things around fast enough. There is a real need for a stronger, system-wide approach. In particular, we need to provide better and more sustained support for school leaders, since strong leadership is key to making lasting improvements in schools and helping all learners succeed.

ERO's view is that schools of concern will benefit not only from ongoing support, but also from stronger accountabilities placed on them as part of the education system. Clear expectations, regular and rigorous follow-up, and robust mechanisms should be in place to monitor progress. Schools that do not demonstrate the necessary shifts in practice and outcomes should face meaningful and timely consequences.

We work more closely with school of concern to help identify next steps for improvement and help monitor the effectiveness of actions taken. Where attendance, achievement progress, leadership, teaching, curriculum and safety and wellbeing require significant improvement, we recommend intervention and support from the Ministry of Education. We also provide the school with extended resourcing, meaning we engage more regularly and report more frequently on the progress of these schools.

We currently have ongoing evaluation work in 168 schools of concern. This year, we published reports for 54 schools of concern of which 32 (59%) were recommended for either statutory intervention or Ministry of Education involvement such as provision of tailored support. There is a disproportionate number of Māori learners in schools of concern.

Of the 21 hostel reports completed this year, 6 (29%) were referred to the Ministry of Education for action.

Schools of concern needing additional support often experience greater variability in performance where some show considerable improvement while others experience further decline. We are seeing this picture emerging in those schools with two judgements in School Improvement Framework assessments. Assessments capture progress made in key areas such as Learner Success and Wellbeing, as well as Teaching and Learning. Since the last review, these results show:

- about one third of schools have improved
- one third did not change
- and, one third experienced a decline.

Health and safety in schools and kura

Board Assurance Statements serve as a critical tool for ensuring that boards of schools and kura meet their legal and regulatory obligations, and they help identify areas requiring improvement to safeguard student welfare and enhance educational outcomes. When ERO identifies areas of critical/high concern, we make recommendations to the Ministry of Education for intervention or tailored support, and in the case of Māori-medium also recommend working alongside peak bodies. These reports are publicly available on our website.

ERO remains concerned about non-compliance in health and safety areas in schools and kura. This includes high risk areas such as safety checking (including appropriate police vetting), physical restraint and emergency preparedness.

→ **Performance measure:** We assessed **33.1%** (803) of schools and kura for compliance with legislative and regulatory requirements in 2024/2025.

Outcomes

Our work continues to shine a light on both effective strategies and areas needing further attention, driving meaningful improvements for learners across the country. By fostering strong partnerships and maintaining high standards, we remain committed to driving education achievement and closing the equity gap realising equitable and excellent outcomes for all students.

→ **Performance measure:** **97.7%** of completed reviews conformed to ERO's quality assurance standards. ERO's moderation process continues to ensure increased consistency, quality, and alignment with the expectations set out in the Manual of Standard Procedures. This initiative supports our goal of strengthening evaluation capability and improving educational outcomes across schools and kura.

Stakeholder feedback

We ask schools to reflect and share their perspectives on the benefits and value of our work. Their feedback highlights both the practical benefits and the positive changes arising from these reviews. Most schools and kura report that ERO's evaluations are making a positive impact on their improvement efforts. Overall, the results show that our support is valued and is contributing to positive change for learners.

→ **Performance measure:** **75.4%** of schools and kura respondents indicate that ERO's evaluations are making a contribution to their decisions about how to improve learner outcomes.

- **Performance measure:** 71.3% school respondents indicate that ERO evaluations had helped to identify or confirm opportunities for more effective practice and building capability.

Case Studies of Schools

“Keep the process as a relationship of working together to improve practices rather than making schools feel afraid of getting things wrong.” **School Leader**

New principal builds leadership skills and guides the school’s progress

The School Improvement Framework provided a solid foundation for the new principal to build leadership skills and guide the school’s progress. The principal and ERO evaluator concentrated on Leadership, Teaching, Curriculum, and student outcomes during discussions, helping target staff meeting topics and set expectations.

Consistent classroom presence reinforced the school's direction and reassured teachers. Staff participated in school improvement evaluations and shared evidence of progress with ERO. All core domains improved, and momentum continues with the framework as a key tool.

Key goals and actions for ongoing improvement identified

Through ERO's collaborative approach, key goals and actions for ongoing improvement were identified, which were reflected in the school's recent annual implementation plan. The school introduced measures that actively promote equity in learner outcomes and established robust systems to monitor and review the impact of new initiatives. As a result, these efforts have contributed to measurable improvements in educational equity throughout 2024 and 2025. Leveraging ERO’s School Improvement Framework, the school has prioritised collaborative teaching practices that drive further gains in student achievement and wellbeing. ERO’s evaluative feedback highlighted the potential for increased teacher collaboration to elevate instructional effectiveness. This guidance, backed by detailed data analysis, helped the school to concentrate on refining teaching and learning strategies for students learning English as an additional language as well as supporting positive social behaviours.

Looking ahead

Looking ahead, we will continue to support Government education priorities to drive achievement and close the equity gap providing real-time evaluations and leveraging data-driven insights. Equally we will:

- Further enhance the evaluation process with a sustained emphasis on attendance, achievement, effective teaching practices, strong leadership, and cultivating a culture of ongoing improvement.
- Provide insights into professional learning development given quality teaching is critical to delivering on a world-leading education system.
- Explore the use of AI to assist in learning how effectively schools integrate key improvement priorities and actions into their Annual Implementation Plans.

- Conduct a review of non-mainstream education settings that explores how to improve outcomes for students navigating alternative pathways.
- Refine reporting to parents to ensure we provide clearer, more actionable, and accountable information, drawing on feedback from stakeholders.
- Work with the Ministry of Education in identifying schools of concern ensuring the system is more active in responding to their needs.
- Gather feedback from schools and Kura to further strengthen internal evaluation capability and inform future improvements, ensuring ongoing progress across the education system.

4. Strengthen achievement outcomes for learners in Māori education settings

Purpose of our work

Our work in kaupapa Māori and Māori-medium education settings is deeply rooted in our commitment to enhancing ākonga Māori (Māori learners) education success. We do this by working with educators to focus on equitable education outcomes, quality teaching and learning, and the growth of te reo Māori learning opportunities. Māori learners make up 25% of New Zealand's school students in 2023, with this figure expected to reach 33% by 2040.

ERO has two specialist teams focussed on evaluating places where ākonga Māori learn.

- Te Uepū ā-Motu works with kaupapa Māori and Māori-medium Kura and Kōhungahunga (Māori-medium Early Learning Services).
- Te Pou Reo works with Rumaki and Reo Rua (bilingual units) and English-medium schools with a high number of ākonga Māori represented in their rolls.

Specialist evaluation approaches ensure our reviews align with the kaupapa Māori principles and philosophies used within these education settings. This includes working to ensure reviewers:

- are fluent in te reo Māori
- have high levels of understanding, and experience in Te Marautanga o Aotearoa, The New Zealand Curriculum; Te Aho Matua; Te Tihi o Angitū Te Whāriki a Te Kōhanga Reo; and Te Ara Māori – Māori Pathway within Te Whāriki
- trained to use specialist tools and frameworks to provide meaningful insights and clarity that support improvement.

Kaupapa Māori review methodology involves whānau throughout the review, which upholds the principles of co-design, collective insight, and shared decision-making, aligning with tikanga Māori and promoting mana-enhancing practices.

Overview of activities and achievements this year

We carry out reviews of kura, wharekura, kōhanga reo, and Puna reo, focusing on quality teaching and learning through te reo Māori, educational achievements, and wellbeing outcomes for Māori learners.

This year we completed reviews and published reports for:

- 42 Kura
- 148 Māori-medium Early Learning Service reviews (136 in Te Kōhanga Reo and 12 in Puna Reo)

Quality of education

We use three categories to describe quality in kura, services and in Māori-medium reports.

- Aronui – meaning **practices require development**. We may find examples of good practice, and positive outcomes. However, the review will have highlighted areas of performance, provision or compliance that require a focus on improvement.

- Aropaki – meaning **practices met expectations**. Reviews identified the need to expand and extend on the existing conditions.
- Arotahi – meaning **high quality practices in place**. Reviews identified examples of innovative, or exemplary practice with highly effective, robust, and performance orientated systems.

Kura

We found most kura are operating at levels that meet the expectations of the criteria, and indicators that ERO has developed with each respective peak body. A smaller proportion of reviews identified kura with exemplary conditions, or needing further support.

- Of the 43 Kura assessed, 6 (approximately 14%) were identified as Aronui.
- The majority, 34 Kura (about 79%), were rated as Aropaki.
- 3 Kura (around 7%) Arotahi.

Early learning Services - Kōhungahunga

Most kōhungahunga are Aropaki where practices meet expectations, with a small proportion at either end of the continuum - achieving high quality or needing additional support. The distribution suggests that while services are largely operating at a satisfactory level, there is room for improvement with services placed at the lower end of the spectrum.

- 10 (7%) are Aronui, indicating services require additional support.
- 130 (almost 88%) are Aropaki, reflecting a generally consistent level of quality practices.
- 8 (5%) are Arotahi indicating both the attainability and rarity of excellence in the current landscape.

Te Pou Reo: Evaluations in Māori-medium education within English-medium schools

About 97% of tamariki Māori are educated mainly in English-medium schools, some with access to immersion or bilingual programmes. Currently, 254 Rumaki and Reo Rua (bilingual units) serve around 11,819 learners nationwide.

ERO's Te Pou Reo methodology, established in 2022/23, evaluates the quality of teaching and learning through the provision of te reo Māori in English-medium schools offering Māori-medium education.

This year 27 summary reviews were included in published school reports. Since inception, 73 reviews have been completed.

Poutama Reo

Launched in 2022, Poutama Reo is part of a broader, multi-year programme aimed at understanding the impact on the revitalisation of te reo Māori primarily within English-medium schools. Poutama Reo is a self-review tool that was co-designed with school leaders and educators. It helps schools understand the level of te reo Māori provision in their school and ensure this aligns to the goals of their learners and whānau.

- **Performance measure:** 30% of schools are using the Poutama Reo improvement framework to inform the planning, monitoring and delivering of te reo Māori programme.

Outcomes

In conclusion, we focus on improving educational outcomes for Māori learners through effective evaluation, strengthening teaching and leadership in kaupapa Māori, Māori-medium and te reo Māori bilingual settings, and increasing whānau involvement in reviews. Based on sector feedback, ERO's approach has promoted more effective practices and clearer accountability in supporting learner achievement, as demonstrated in the stakeholder feedback set out below.

Stakeholder feedback

We requested feedback from Ngā Kura a Iwi o Aotearoa, Te Kōhanga Reo National Trust, Puna Reo and Mana Motuhake about their evaluation experience and the value of our findings.

- **83%** indicated ERO's involvement helped improve learning for mokopuna/tamariki.
- **100%** indicated our discussions are focused on providing mokopuna/tamariki with quality learning experiences.
- **100%** indicated key next steps in our report are easy to understand and action.

"We were fortunate to have reviewers that were expert in licensing criteria and te korowai a te kōhanga reo. Both reviewers were a credit to your office."

"Their presence was very respectful and allowed us to be ourselves with our whānau present also. They were very well organised and easy to understand."

"We loved the hui with the whānau first and the feedback hui with Kaimahi at the end of the process."

Case studies

Effective and impactful evaluation process.

The relationship between our specialist team and Ngā Kura ā Iwi is marked by respect, inclusiveness and culturally responsive practices. Whānau were actively involved from the outset, contributing to planning, discussions, and reflections. The review team's commitment to tikanga Māori creates a respectful and affirming environment, enabling whānau to engage meaningfully and confidently. This inclusive approach strengthens relationships and aims to ensure that all reviews are thorough and aligned with the kura's values and aspirations. As part of a post-review survey, a whānau member expressed their appreciation, stating:

"The review worked well for us. Their adherence to tikanga, the thoroughness of the review. This all made it beneficial for us."

Strengthened approach to whānau engagement.

The ERO review process at this kōhanga reo fostered a deeper, more intentional connection between kaiako and whānau. Through collaborative planning and open dialogue, the kōhanga strengthened its approach to whānau engagement, recognising it as a vital contributor to mokopuna learning. Kaiako began initiating regular conversations with whānau, seeking their insights and aspirations for the mokopuna. This change led to more responsive teaching practices and a clearer sense of direction.

"We have sat with whānau to ask for their input regarding their mokopuna learning. We are more hands on with our mokopuna. We also have a better understanding of carrying out our plan."

Looking ahead

- We are developing a new methodology for Ngā Kura a Iwi o Aotearoa (NKAI), Te Kōhanga Reo National Trust (TKRNT), and Puna Reo that empowers self-evaluation, complements external review, and drives a continuous improvement cycle that acts as a catalyst for tamariki success.

4. Organisational Health and Capability | Te Āhua o te Tari me ana Āheinga

Organisational structure

Near the end of the 2023/24 financial year, we reorganised to align with government goals for improved educational outcomes and to manage within our budget.

A key feature of this reorganisation was the creation of the Performance and Implementation unit with a focus on data insights as well as ensuring new activities (e.g Charter School and ECE Reform) are seamlessly embedded across ERO.

The new structure took effect in early July 2024. Business groups include:

- **Review and Improvement Services Group:** Evaluates English-medium early childhood services and schools, shares performance information, and supports educational improvement.
- **Review and Improvement Services Māori Group:** Evaluates Māori education settings to enhance te reo, achievement, and wellbeing for Māori learners, with Te Pou Reo focusing on te reo Māori quality in immersion and bilingual contexts.
- **Te Ihuwaka Education Evaluation Centre:** Utilises research to inform educational decision-making and improve outcomes, including for Māori learners.
- **Performance and Implementation Group:** Manages performance metrics, methodology, practice, implementation, and data insights to maximise ERO's impact.
- **Corporate Services Group:** Delivers business operations support including HR, legal, finance, payroll, communications, and information services. We also provide support services to Aroturuki Tamariki, which includes payroll, HR and IT services.
- **Office of the Chief Executive:** Provides Ministerial and Governance support.

People

ERO's Chief Review Officer, who is also the Chief Executive is a statutory designated role through the Education and Training Act 2020. The Chief Review Officer may designate their powers under the Education and Training Act 2020 to any suitably qualified person, most of whom are employees of ERO.

We have a 245-strong workforce. Most work directly with schools, kura, and services. We have 49 review officers (early learning services) and 69 evaluation partners (schools) and kaiarotake (kura). Our workforce is predominantly female (79%), and the largest ethnic group is European and NZ European (56%), followed by Māori at 20%. The average age is 51 years, and the average tenure is 6.7 years; 61% have fewer than five years of completed service.

ERO renegotiated and agreed a new collective employment agreement effective 1 July 2025. Key issues for ERO in these negotiations included an increase turnover and challenges with filling roles due to our market competitiveness.

Capability building

Our people have broad skillsets related to research, evaluation, analysis, education and supporting organisational performance. We work in a multitude of contexts and diverse communities distributed across New Zealand.

We continue to invest in the capability of our people through targeted professional learning and development (PLD). This supports a strong organisational structure and ongoing professional learning development, ensuring high quality review and evaluation practices. Regular PLD sessions are tailored to address emerging themes, research, and feedback, refining their ability to deliver clear, coherent, and impactful reviews.

In 2024/2025, we introduced a new online Learning Management System (LMS) to support and track ongoing training. Senior leaders regularly participate in change programmes and leadership development courses.

Wellbeing: We continue to prioritise the wellbeing of our people, with a particular focus on managers who play a pivotal role in fostering healthy team environments. Quarterly wellbeing check-ins are encouraged, providing space for open dialogue around health, safety, and work-life balance. The Health Safety and Wellbeing governance group continues to meet every two months and reports to the senior leadership team.

New Performance Management Framework: In July 2024, we introduced a refreshed performance management framework that is more structured and transparent. This new framework ensures that everyone is supported to deliver excellent work, grow in their careers, and contribute to improved educational outcomes for young New Zealanders. It is designed to clarify what is expected from staff to meet both internal goals and external government and public expectations. The system fosters a culture of accountability, continuous improvement, and feedback, enabling individuals and teams to understand how they are tracking and where development is needed.

Building leadership capability: Throughout the year, managers were provided with opportunities to deepen their skills in areas such as conflict resolution, strategic thinking, and stakeholder engagement. These expectations are reflected in performance objectives and supported by PLD offerings.

Leadership Partners programme

ERO's Leadership Partners programme supports our goal to build internal evaluation capability. It offers professional development for both Leadership and Evaluation Partners, promoting collaboration in school reviews. Leadership Partners are subsequently designated to moderate school reviews.

In 2024-25, 16 new Leadership Partners joined, reporting that the induction and work with Evaluation Partners enhanced their professional growth and understanding of ERO's mission, providing them with tools to inspire positive change. Since 2020, 78 school leaders have joined the programme. We currently have 45 designated Leadership Partners.

“Best PLD I've ever had – all leaders should do this PD, it is so rewarding.”

“This past year has been incredibly enlightening. The knowledge and insights I have gained have been profoundly beneficial to my own school. Sharing these experiences within our SMT and SLT groups and implementing the teacher observation framework in our classroom observations have been invaluable. I am delighted to continue as a Leadership Partner.”

“The Leadership Partners programme has been the most valuable PD I've had in my teaching career. It has allowed me opportunities to work with amazing, dedicated people who willingly share their knowledge and ideas with me, and I with them.”

Institutional knowledge and information

Methodologies, tools and resources supporting our work

We regularly strengthen and improve our frameworks, methodologies, and tools to support our own work as well as support the sector in its own monitoring, reviewing and evaluation activities. We offer schools and kura a suite of resources, available on ERO's website. These frameworks are designed to influence improvement in services, kura and schools. These include:

- **Raupapa Ako Improvement framework:** At the end of 2023, we introduced the Raupapa Ako Framework, an improvement tool designed for rumaki (immersion) and reo rua (bilingual) units in English-medium schools. From a te ao Māori perspective, the framework outlines effective practices that support high-quality education and outcomes for ākonga. Specialist evaluators use this framework to assess Leadership, Governance, Teaching, Curriculum, Partnerships and the quality of te reo Māori within these units.
- **School Improvement Framework:** A recently updated tool central to school self-review and ERO's external evaluations emphasise leadership, curriculum, and teaching quality. Over the last three months, the framework has been downloaded more than 700 times and shared with sector groups and international delegates from Singapore, Korea, Japan, and Australia. The framework is gaining international recognition, with institutions such as Tokyo Gakugei University integrating its principles into graduate-level school leadership programmes. This highlights the global relevance of ERO's approach and its adaptability across diverse education systems.
- **The School Teaching Observation Framework:** Introduced in early 2025, this tool provides the next layer of support for schools looking to improve teaching practice. We are also developing a Teaching Observation Tool for early childhood services that brings sharper focus to the quality of teaching that supports children's successful transition to school, strengthening early literacy, numeracy, and emotional regulation through evidence-based practice.

“...straightforward, easy to explain, and offers a clear overview of effective teaching practices”.

“...valuable, leading to productive discussions and highlighting the importance of support and guidance.”

“...whole school synthesis and teaching observation framework synthesis help school leaders collect consistent evidence on teaching and learning.” **Feedback from school leaders.**

- **School Board Assurance Statement:** We updated our Board Assurance Statement (BAS) to be more sharply focused on what matters most for learners, including health, safety and wellbeing, attendance, progress and achievement. It means that school boards will have a clearer view on whether they are meeting their legal obligations.
- **The 'Afa Framework:** The 'Afa framework supports quality Pacific language provision in schools. The framework outlines the conditions that support language learning success, including a set of indicators and examples of effective practice to help guide planning, professional development and quality teaching.

Strengthening school improvement across Australasia

At the end of October 2024, we deepened our collaboration with education evaluation agencies across Australia through the Australasian School Review and Improvement Network (SRIN). This trans-Tasman partnership is focused on driving school improvement through robust review practices and shared learning.

The annual SRIN conference, hosted by ERO in Auckland for the first time, brought together senior officials from every Australian state and territory. Over three days, delegates explored how school reviews can have the greatest impact on learner outcomes, shared tools and frameworks, and visited local schools and kura to see improvement in action. The Minister of Education joined the conference on day two to talk about the New Zealand Government's education priorities and working with ERO.

ERO's leadership in SRIN reflects our strategic intent to influence system-wide improvement, not just within New Zealand but across the region. Our frameworks, including the School Improvement Framework and Teacher Observation Framework, are now being shared internationally and used to support joined-up work on equity, excellence, and learner wellbeing.

Systems and processes

We rolled out a new workflow management system in 2024, improving visibility over resource allocation and enabling strategic responsiveness to sector needs. Data integration capabilities were expanded, allowing for more comprehensive tracking of workflows and reporting on government priorities. These systems support ERO's ability to adapt quickly and maintain transparency in its operations.

Public sector obligations

We have maintained compliance with personnel policies, including equal employment opportunities and Public Service Census reporting. ERO continues to honour our obligations under Te Tiriti o Waitangi, as required under the Public Service Act 2020 and the Education and Training Act 2020, with capability building initiatives to engage with Māori and understand Māori perspectives embedded across its workforce strategy.

Legislation administered

ERO's statutory functions under the Education and Training Act 2020 remain central to its operations. The Chief Review Officer, also the Chief Executive, has initiated reviews and evaluations that contribute to improved system and learner outcomes.

ERO's statutory functions are set out in the Education and Training Act 2020, which requires us to review and report on the education and care of learners in all schools, kura and early learning services. The Chief Review Officer, also the Chief Executive, may initiate reviews, evaluation, and research, and report findings to the Minister of Education. The Minister for Education may direct ERO to undertake reviews and evaluations.

We contribute to improved system and learner outcomes: Vote Education Review Office is intended to achieve improvements in teaching and learning practices through ERO:

- a) assisting early learning services, schools and other education service providers to improve their capacity in internal evaluation, governance, and leadership through ERO's independent evaluations, and
- b) influencing and informing the development and implementation of education policy and practices through ERO's system-wide evaluations and through the provision of other services.

Efficiency and productivity

We have made strategic investments in digital infrastructure, including the rollout of Windows 11, upgrades to finance systems, and development of portals for reviewers to streamline data collection and reporting.

AI-enabled tools are being tested to support quality assurance, scheduling, and report preparation. These initiatives are designed to improve accuracy, reduce duplication, and enhance productivity across the organisation.

We improved geographical scheduling in English-medium school reviews, reducing travel and freeing up time for core tasks.

Reviewing Governing Organisations in early childhood education services has increased efficiency for both ERO and the sector, with streamlined reporting and quality assurance processes. Organisational-level reviews save time and cost per service have a bigger and more immediate impact, provide clear next steps, and enable regular monitoring of progress as ERO visits more frequently.

Value for money of activities and services

Baseline assessment:

Schools, kura and early learning services reviews and reports 2024/25

→ Approximate cost of review programme - \$27 million.

Provider	Influenced decision makers (planned to take action)	Aligned with Government /Ministerial priorities	Read / accessed	Contributed to evidence base	Frequency (timeliness)
1,260 Early Learning Services	Yes	Yes	Yes	Yes	Yes
745 Schools and Kura	Yes	Yes	Yes	Yes	Yes

System evaluation reports 2024/25

→ Approximate cost of system evaluation programme - \$4 million.

Evaluation Report	Influenced decision makers	Aligned with Govt/Min priorities	Read / accessed	Contributed to evidence base	Frequency (timeliness)
Let's Keep Talking: Oral language development in the early years	Yes	Yes	Yes	Yes	Yes
Someone To Talk To: Evaluation of counselling in schools	Yes	Yes	Yes	Yes	Yes
Left Behind: How do we get our chronically absent students back to school	Yes	Yes	Yes	Yes	Yes
Review of Relationships & Sexuality Education	Yes	Yes	Yes	Yes	Yes
How well is NCEA Level 1 working for our schools and students	Yes	Yes	Yes	Yes	Yes

Diversity, Equity and Inclusion

In 2025, ERO continued to advance its commitment to a diverse, inclusive, and equitable public service through active support of the Public Service Commission and Government's **Papa Pounamu** and the **Kia Toipoto** work programme.

Papa Pounamu remained central to our organisational culture, guiding efforts to build inclusive leadership, strengthen cultural competence, and foster safe and inclusive workplaces. We supported people-led networks and learning opportunities that reflect the diverse identities of our workforce, including initiatives for Māori, Pacific peoples and Rainbow communities.

Through **Kia Toipoto**, ERO focuses on closing gender and ethnic pay gaps and improving representation across all levels of the organisation.

As of June 2025, ERO's **gender pay gap** stood at 1.5% reflecting ongoing progress from previous years. We continue to monitor and report on pay equity across gender and ethnicity and have embedded inclusive recruitment and career development practices to support equitable advancement.

ERO's leadership remains committed to transparency, accountability, and continuous improvement in diversity and inclusion outcomes, aligning with the broader goals of the Public Service Commission and Treasury guidance.

Cultural competence and capability to engage with Māori and understand Māori perspectives.

We are continuously strengthening our capability to engage with Māori and to understand Māori perspectives as part of the public service as well as being a good employer. Equally our ambition is to ensure equity in Māori learner outcomes. Approximately 20 ERO staff are dedicated to working in te Reo in Māori-medium education settings. Our Māori strategy He Taura Here Tangata delivers on the commitments for the Whaingā Āmorangi Plan and Te Taura Whiri Māori Language Plan.

Reo Māori	Tikanga Māori & Te Ao Māori	Iwi Māori & Te Tiriti o Waitangi
<p>Goal: We are a bilingual organisation that promotes, values, understands and uses te reo Māori</p> <ul style="list-style-type: none"> • 98% of staff feel supported to improve our te reo Māori through on the job learning, inhouse courses, external courses, Kura Reo • 87% of staff are encouraged to use te reo Māori • We are building our knowledge and understanding of reo Māori and the correct pronunciation for everyday use • We provide monthly features of te reo Māori activities across the organisation • Our website normalises te reo Māori 	<p>Goal: We are a bicultural, inclusive organisation that values te ao Māori and upholds competence through responsive practice</p> <ul style="list-style-type: none"> • 82% have completed learning modules growing our knowledge and understanding of tikanga Māori and te ao Māori • 89% feel comfortable supporting tikanga Māori – Māori cultural values and practice – in my agency (e.g. by participating in office tikanga, karakia, waiata, mihi whakatau and pōwhiri • Working nationally in kaupapa Māori education settings supports building our understanding of different tikanga across the motu and learning new kupu, whakatauki and pūrakau. 	<p>Goal: Building our knowledge and understanding of New Zealand history & Te Tiriti o Waitangi to support purposeful, authentic, trusting, collaborative relationships with whānau, hapū, iwi.</p> <ul style="list-style-type: none"> • 88% of staff understand how ERO's Te Tiriti o Waitangi/Treaty of Waitangi responsibilities and how it applies to our work • 82% feel encouraged and supported to engage with Māori and understand Māori perspectives • 76% feel confident in our ability to identify aspects of our work that may disadvantage Māori • ERO staff have engaged in learning opportunities about Te Tiriti including engagement with local iwi about the stories of their rohe.

Goal: Our research and evaluations influence the quality of te reo Māori teaching and learning

- We have a dedicated te reo Māori team Te Uepū-a-Motu that works in kōhanga reo, puna reo, kaupapa Māori kura and kura motuhake settings across the country to evaluate the quality of kaupapa Māori education.
- We have a specialist te reo Māori team Te Pou Reo that operate in English-medium schools in rumaki and reo rua units to evaluate the quality of te reo Māori teaching and learning.
- Poutama Reo – Te Reo Māori Quality Framework is a tool provided to all English-medium schools to support their te reo Māori strategic planning and implementation across their schools.
- Raupapa Ako – Improvement Framework is a tool for evaluating the quality teaching and learning through the medium of te reo Māori has been developed, trialled and is now rolling out for use in bilingual and immersion settings.

Goal: We focus on equity and excellence and conduct research and evaluate the quality of culturally responsive teaching and learning

- School Improvement Framework supports high quality culturally responsive teaching practice.
- ERO's Teaching Observation Framework integrates culturally responsive teaching practice throughout the tool with a specific focus on Māori learners.
- Good Practice Report on Oral Language Development in the Early Years show cases research to support learners in kōhanga Reo and puna reo and culturally responsive strategies in English-medium services.
- NCEA Level 1 report had specific section on te ao Māori and mātauranga Māori and ensuring te ao Māori pathways are acknowledged and supported equally.
- Established the Rangahau Māori team to conduct system research and evaluation in kaupapa Māori education settings.

Goal: Evaluations and research across a range of settings with a focus on whānau, hapū and iwi aspirations for ākonga

- Ongoing partnerships with Māori governing groups in Kaupapa Māori, Māori-medium and English-medium contexts.
- Ongoing partnership with Ngāti Kahungunu Iwi Inc on a collective impact evaluation with iwi priorities as the evaluation focus.
- Ongoing working relationship with Tokona Te Raki – Māori Futures Collective.
- Te Tiriti o Waitangi elements woven throughout the School Improvement Framework to support schools to build effective partnerships with whānau, hapū, iwi.

Carbon Neutral Government Programme reporting

Reducing our environmental footprint

We are committed to reducing our environmental impact wherever possible towards becoming carbon neutral. We are making better use of collaborative tools to minimise travel (our biggest CO₂ contributor). We will continue to look at other emissions sources, such as buildings and commuting, to find reductions where possible.

Our sustainability reporting

The effective management of our emissions is key to our environmental and sustainability objectives. We are committed to meeting the requirements of the Carbon Neutral Government Programme (CNGP) and operating in an emissions and energy-efficient environment. Using the Toitū Envirocare certification process, we established an emissions base position in accordance with the requirements of CNGP. We have achieved Toitū Carbon reduce certification for the fifth consecutive year. Our sustainability reporting highlights the areas where we need to make organisational, behavioural, and investment changes to reduce our operational greenhouse gas emissions

Carbon emissions results

In 2024/25 we emitted 483.97 tCO₂e, which is a 30% reduction on our 2020/21 base year (693.69tCO₂e).

Travel is the main source of ERO's carbon emissions. ERO has reduced its air travel by 58% from its base year, with air travel remaining almost the same from 2023-24. Due to a restructure and reduction in staffing, more travel was required this year to complete our core function. ERO reached its overall reduction target in 2023-24, ahead of schedule.

Our role requires us to visit schools and early learning centres across New Zealand. This is reflected in our GHG emissions, which are mainly related to travel and servicing ERO's six offices across New Zealand.

Emissions profile broken down by scope and total emissions (tCO₂e)

Category	Scopes	2021	2025
Category 1: Direct emissions (tCO ₂ e)	Scope 1	71.03	55.00
Category 2: Indirect emissions from imported energy (location-based method*) (tCO ₂ e)	Scope 2	31.17	22.15

Category 3: Indirect emissions from transportation (tCO ₂ e)	Scope 3	574.83	392.03
Category 4: Indirect emissions from products used by organisation (tCO ₂ e)		16.65	14.79
Category 5: Indirect emissions associated with the use of products from the organisation (tCO ₂ e)		0.00	0.00
Category 6: Indirect emissions from other sources (tCO ₂ e)		0.00	0.00
Total direct emissions (tCO₂e)		71.03	55.00
Total indirect emissions* (tCO₂e)		622.66	428.96
Total gross emissions* (tCO₂e)		693.69	483.97
Category 1 direct removals (tCO ₂ e)		0.00	0.00
Total net emissions (tCO₂e)		693.69	483.97

Progress towards our targets

Air Travel.

- **Goal:** 5% year on year reduction to air travel from 1 July 2020 to 2025/26.
- **Result:** ERO has reduced its flights by 58% of its base year but only reduced its flight emissions from 197.29 tCO₂e to 197.209 tCO₂e from 2023-24.

Office lease NABERS rating

- **Goal:** As office lease expires, ERO will consider buildings that have NABERS rating of 5 or more if ERO decides to move to different premises.
- **Result:** ERO had 2 offices relocate during 2024/25. Both the Auckland and Christchurch offices relocated and now co-locate with other Government agencies, to comply with the Government Property Group's mandate.

Replace hybrid vehicles with an Electric Vehicle (EV) Fleet

- **Goal:** Transition to a fully electric vehicle fleet by year 2025/26.
- **Result:** In year 2023/24 ERO reduced its fleet by 9 vehicles (a 13% reduction in our total fleet).

Our emissions reduction targets

We have set the following emission reduction targets to align with the CNGP target to keep global warming to less than 1.5 degrees of warming:

- 2025 target: Gross emissions (all Categories) to be no more than 561.89 tCO₂e, or a 19% reduction in gross emissions (all Categories) compared to base year (2020/21).
- 2030 target: Gross emissions (all Categories) to be no more than 402.34 tCO₂e, or a 42% reduction in gross emissions (all Categories) compared to base year (2020/21)

Our reduction plan and future reporting

Challenges

Travel remains essential for our onsite reviews of schools and early learning services. Reducing travel related emissions while maintaining the necessity of on-site reviews poses a significant challenge. In 2025/26 ERO will continue to actively consider the impact of its carbon emissions when making business decisions.

Plans

We continue our efforts to reduce our carbon footprint in line with the commitment for the public service to be carbon-neutral by 2025. Our plans for the 2025/26 financial year include:

- Continue to promote our travel policy and guidance to sustainably achieve our target of a 5% year on year reduction in air travel to 2025/26
- When relevant, review our building leases to identify:
 - the utilisation of premises to see if floor spaces could be reduced
 - options for lighting and heating of premises
 - opportunities to relocate to higher NABERSNZ rated premises
- Transition to a fully electric vehicle fleet by year 2025/26
- Analyse group level travel profiles as part of our quarterly reporting
- Reallocate resources to ensure ongoing leadership and implementation of emissions reduction plan and CNGP commitments.

Data quality

In 2025/26 we will focus on improving our data by conducting an improved staff commuting survey to gather more accurate data.

What Aroturuki Tamariki did this year

In 2024/25, Aroturuki Tamariki | Independent Children’s Monitor published its own Statement of Intent, outlining the strategic objectives it intends to achieve or contribute towards. It will report on performance against these in its own 2024/25 annual report –on its website: aroturuki.govt.nz/about-us/corporate-documents.

Financial and performance reporting for Aroturuki Tamariki appears in this annual report as ERO manages the appropriation within Vote Education Review Office - Independent Monitoring and Assurance of the Oranga Tamariki System (page 58-63).

Aroturuki Tamariki checks that organisations supporting and working with tamariki, rangatahi, and their whānau that are known to Oranga Tamariki, are meeting their needs, delivering services effectively, and improving outcomes. It monitors compliance with the Oranga Tamariki Act and the associated regulations, including the National Care Standards. It also looks at how the wider oranga tamariki system (such as early intervention and youth justice) is supporting tamariki and rangatahi under the Oversight of Oranga Tamariki System Act.

The stories and lived experiences of tamariki and rangatahi, their whānau, caregivers and community are at the centre of its monitoring approach. It also listens to kaimahi from government organisations (such as Oranga Tamariki, NZ Police, Health NZ and the Ministries of Health, Education and Social Development) and community organisations including iwi and Māori organisations and those with care and custody of tamariki and rangatahi.

In the 2024/25 year, it listened to more than 1,200 voices of experience through visits to Canterbury, Bay of Plenty and Central Plateau and Greater Wellington. Information gathered from these visits is combined with data it requests from monitored agencies, such as Oranga Tamariki and NZ Police, to inform its reports.

In 2024/25 Aroturuki Tamariki reported on its monitoring findings through the following:

- In-depth review of the implementation of the recommendations from Dame Karen Poutasi’s review of the Children’s System Response to Abuse – Towards and Stronger Safety Net to Prevent Abuse of Children (published August 2024)
- Annual report on compliance with the National Care Standards Regulations – Experiences of Care in Aotearoa 2023/24 (published February 2025)
- The first of a new annual report series on the performance of the oranga tamariki system - Outcomes for tamariki and rangatahi Māori and their whānau in the oranga tamariki system (published June 2025).

It also completed monitoring for its follow-up in-depth review of the implementation of the recommendations from Dame Karen Poutasi’s review of the Children’s System Response to Abuse – Towards and Stronger Safety Net to Prevent Abuse of Children which will be published in the 2025/26 reporting year.

Aroturuki Tamariki works closely with its oversight system partners Mana Mokopuna – Children and Young People’s Commission and the Ombudsman.

Aroturuki Tamariki / Independent Children's Monitor Performance Measures

Independent Monitoring and Assurance of the Oranga Tamariki System

Scope

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

What we intended to achieve

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

What we achieved

Actual 2024		Note	Actual 2025	Target 2025
Achieved	Prepare and provide final reports as defined in the Oversight of Oranga Tamariki System Act 2022.	1	100%	100%
Achieved	Complete visits to at least three regions each year to understand how the oranga tamariki system is experienced.	2	Achieved	Achieved
100%	Oranga tamariki oversight system partners are satisfied with and use Aroturuki Tamariki reports to support them in their functions and duties.	3	Achieved	100%
Achieved	All agencies who are the subject of a final report make commitments to implement changes based on our report findings.	4	Not achieved	100%
100%	The Māori Advisory group is satisfied that Aroturuki Tamariki have regard to their views when developing priorities, work programmes and monitoring approaches.	5	Achieved	100%
Achieved	Regional visits reflect the tikanga of the community within which we are operating including us sharing with the community what we have heard.	6	Achieved	90%

Note 1: Three reports were prepared and published by Aroturuki Tamariki | Independent Children's Monitor (the Monitor) between 1 July 2024 and 30 June 2025.

Under section 26 of the Oversight of the Oranga Tamariki System Act 2022 (the Act) the Monitor published one review. Published in August 2024, our report *Towards a stronger safety net to prevent abuse of children*, reviewed the implementation of the recommendations from Dame Karen Poutasi's independent review following the death of Malachi Subecz, *Ensuring strong and effective safety nets to prevent abuse of children*.

Under section 23 of its Act, the Monitor published its fourth annual Experiences of Care in Aotearoa report for 2023/24 on 26 February 2025. This reports on and provides insight into whether agencies with custody and care responsibilities are complying with the National Care Standards Regulations and whether it is making a

difference for tamariki and rangatahi in care. It also assesses the progress those agencies have made in implementing their committed actions in their responses to our previous reports.

Under section 24 of its Act, the Monitor published its first annual report on outcomes for tamariki and rangatahi Māori and their whānau in the oranga tamariki system. This was the Monitor's first report on the performance of the wider oranga tamariki system.

As required under its Act, the Monitor's final reports were provided to relevant Ministers, agencies that were the subject of the report, the Ombudsman and the Children and Young People's Commission, presented to Parliament and published on the Monitor's website¹.

Note 2: The Monitor will visit each of its ten regions, covering the whole of Aotearoa New Zealand, every three years to inform the functions of the Monitor as set out in the Oversight of the Oranga Tamariki System Act 2022.

Three monitoring visits were completed in 2024/25 to the Canterbury, Bay of Plenty and Greater Wellington regions². Te Tai Tokerau region was visited, but the monitoring was not yet considered complete at the end of the 2024/25 financial year.

A monitoring visit takes approximately 20 weeks and is considered complete once the Monitor shares back with the community what it heard from them. These community share backs provide information regarding the oranga tamariki system in the region including what the Monitor heard from tamariki, rangatahi, whānau and caregivers about how well they are supported to achieve positive outcomes and data insights.

Note 3: Oversight of oranga tamariki system partners are the Ombudsman and the Children's and Young People's Commission.

The oversight system partners were surveyed to assess their satisfaction with, and use of, the Monitor's reports in supporting them in their relevant functions and duties as outlined in the Oversight of the Oranga Tamariki System Act 2022 and Children and Young People's Act 2022.

Note 4: Under section 30 of the Oversight of the Oranga Tamariki System Act 2022 (the Oversight Act), the chief executive of an agency that is the subject of any final report of the Monitor must prepare a response in writing to that report which outlines what the agency intends to do in response to the Monitor's findings.

The Monitor received responses from all agencies that were the subject of the three reports published under sections 23, 24 and 26 of its Act in 2024/25. These responses are published on the Monitor's website^[1] and progress against commitments made in those responses will be monitored. One agency provided responses but their responses did not meet the requirements of section 30 of the Oversight Act which require them to: state what the agency intends to do in response to the Monitor's findings, specify the time frame in which the agency intends to make any necessary changes, or state how the agency intends to monitor the impact of those changes.

Note 5: Under section 18 of the Oversight of the Oranga Tamariki System Act 2022, the Monitor must collaborate with and have regard to the views of its Māori Advisory Group, Te Kāhui, when developing its priorities, work programmes and monitoring approaches.

¹ <https://aroturuki.govt.nz/reports>

² <https://aroturuki.govt.nz/our-visits/monitoring-map>

^[1] <https://aroturuki.govt.nz/reports/agency-responses>

Te Kāhui is appointed by the Monitor and is comprised of key Māori leaders with experience and knowledge of tamariki and rangatahi rights and the oranga tamariki system, as well as extensive knowledge of tikanga Māori. The Monitor meets with Te Kāhui every two months to update them on its work programme, and gather their advice. Six meetings with Te Kāhui took place between 1 July 2024 and 30 June 2025. Members of Te Kāhui also attended community engagements alongside kaimahi of the Monitor.

Te Kāhui members were surveyed to provide their assessment of how the Monitor has had regard to their views with all survey responses received noting members were 'very satisfied'.

Note 6: The Monitor's practice reflects a te ao Māori approach, and monitoring activities are tailored to acknowledge the tikanga of each community and those engaged with.

When the Monitor is planning its monitoring visit to a region it makes an initial assessment of the relevant iwi connections within that region. The Monitor connected with iwi prior to beginning monitoring activities in each of the three regions it visited between 1 July 2024 and 30 June 2025 to recognise the status of mana whenua and build and maintain effective working relationships. Monitoring teams were made aware of specific tikanga in the rohe before visiting to ensure they responded appropriately to customs of each region where relevant. The share back process completed in each region ensures meaningful engagement through reciprocity.

5. Financial Statements and Performance | Ngā Pūrongo Pūtea, Ngā Tutukihanga Pūtea Hoki

Education Review Office

Evaluations of the Quality of Education

- The Chief Executive Statement of Responsibility (page 10)
- Delivery against Performance Measures (pages 16 to 18)

Financial performance

Actual 2024 \$000		Actual 2025 \$000	Unaudited Main Estimates 2025 \$000	Unaudited Supps. Estimates 2025 \$000
	Revenue			
39,041	Revenue Crown	38,460	37,806	38,460
1,219	Other revenue	1,503	1,000	1,000
40,260	Total revenue	39,963	38,806	39,460
37,570	Total expenses	38,617	38,806	39,460

Aroturuki Tamariki — Independent Children's Monitor

Establishing Aroturuki Tamariki — Independent Children's Monitor

Scope

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

What we intended to achieve

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. This appropriation is limited to 2022/23 and 2023/24 to complete the establishment activities

What we achieved

- The target was achieved in 2023/24. The establishment of Aroturuki Tamariki - Independent Children's Monitor within ERO was completed in 2023/24. No target or actual performance was required to be reported in 2024/25.

Financial performance

Actual 2024 \$000		Actual 2025 \$000	Unaudited Main Estimates 2025 \$000	Unaudited Supps. Estimates 2025 \$000
	Revenue			
150	Revenue Crown	-	-	-
150	Total revenue	-	-	-
90	Total expenses	-	-	-

Independent monitoring and assurance of Oranga Tamariki System

Scope

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

What we intended to achieve

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

- Aroturuki Tamariki / Independent Children's Monitor Performance Measures (page 59).

Financial performance

Actual 2024 \$000		Actual 2025 \$000	Unaudited Main Estimates 2025 \$000	Unaudited Supps. Estimates 2025 \$000
	Revenue			
11,578	Revenue Crown	12,172	12,012	12,172
11,578	Total revenue	12,172	12,012	12,172
10,576	Total expenses	10,831	12,012	12,172

Capital Expenditure Permanent Legislative Authority

Scope

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.

What we intended to achieve

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

What we achieved

Actual 2024		Notes	Actual 2025	Target 2025
58%	Expenditure is in accordance with ERO's capital expenditure plan	1	57%	75%-100%

Note 1: ERO's capital expenditure during the year was lower than expected due to the timing of ERO's fleet replacement plan and co-location agreements being secured for several ERO premises.

Financial performance

Actual 2024 \$000		Actual 2025 \$000	Unaudited Main Estimates 2025 \$000	Unaudited Supps. Estimates 2025 \$000
511	Total capital expenditure	696	3,519	1,224

Reconciliation of Appropriations to Comprehensive Revenue and Expenses

	Evaluations of the Quality of Education \$000	Independent Monitoring and Assurance of the Oranga Tamariki System \$000	Comprehensive Revenue/ Expenses \$000
Revenue Crown	38,460	12,172	50,632
Revenue Department and Other	1,503	-	1,503
Eliminations of inter-entity transactions	(203)	-	(203)
Total Revenue after Eliminations	39,760	12,172	51,932
Expenses	38,617	10,831	49,448
Eliminations of inter-entity transactions	-	(203)	(203)
Expenses after eliminations	38,617	10,628	49,245

Appropriation statements | Ngā tauākī wāwāhinga

The following statements report information about the expenses and capital incurred against the appropriations administered by ERO for the year ended 30 June 2025. They are prepared on a GST exclusive basis.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations for the year ended 30 June 2025

Expenditure after remeasurements 2024 \$000		Expenditure before remeasurements 2025 \$000	Expenditure after remeasurements 2025 \$000	Approved Appropriation 2025 \$000
	Vote Education Review Office Departmental output expenses			
37,570	Evaluations of Quality Education	38,617	38,617	39,460
90	Establishing the Independent Children's Monitor	-	-	-
10,576	Independent Monitoring and Assurance of the Oranga Tamariki System	10,831	10,831	12,172
	Permanent Legislative Authority (PLA)			
511	Capital Expenditure PLA	696	696	1,224
48,747	Total Annual and Permanent Appropriations	50,144	50,144	52,856

The appropriation figures are those presented in the 2024/25 Estimates of Appropriations, as amended by the 2024/25 Supplementary Estimates.

End of year performance information for each appropriation can be found on pages 16 to 18.

Statement of expenses and capital expenditure incurred without appropriation or other authority, or in excess of an existing appropriation or other authority for the year ended 30 June 2025

ERO has not incurred expenses or capital expenditure without, or in excess of appropriation, or other authority (2024: nil).

Statement of Departmental Capital Injections for the year ended 30 June 2025

ERO has not received any capital injections during the year (2024: nil).

Statement of departmental capital injections without, or in excess of, authority for the year ended 30 June 2025

ERO has not received any capital injections during the year, without, or in excess of, authority (2024: nil).

Financial Statements | Ngā tauākī pūtea

Statement of comprehensive revenue and expense for the year ended 30 June 2025

Actual 2024 \$000		Notes	Actual 2025 \$000	Unaudited budget 2025 \$000	Unaudited forecast 2026 \$000
Revenue					
50,769	Revenue Crown	2	50,632	49,818	49,929
980	Other revenue	2	1,300	1,000	1,000
51,749	Total revenue		51,932	50,818	50,929
Expenses					
34,167	Personnel	3	35,924	36,260	36,189
12,138	Other expenses	4	12,123	13,113	13,386
1,351	Depreciation and amortisation	8,9	841	1,097	981
341	Capital charge	5	357	348	373
47,997	Total expenses		49,245	50,818	50,929
3,752	Surplus		2,687	-	-
3,572	Total comprehensive revenue and expense		2,687	-	-

Explanations of major variances against the original 2025 budget are provided in Note 16.
The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2025

Actual 2024 \$000		Notes	Actual 2025 \$000	Unaudited budget 2025 \$000	Unaudited forecast 2026 \$000
Assets					
Current assets					
14,580	Cash and cash equivalents	6	14,441	9,874	7,234
801	Other current assets	7	705	239	613
15,381	Total Current Assets		15,146	10,113	7,847
Non-Current Assets					
1,962	Property, plant, and equipment	8	1,672	4,679	4,146
-	Intangible assets	9	-	-	272
1,962	Total Non-Current Assets		1,672	4,679	4,418
17,343	Total Assets		16,818	14,792	12,265
Liabilities					
Current Liabilities					
1,687	Payables and deferred revenue	10	2,382	2,821	1,255
3,752	Repayment of surplus		2,687	-	-
3,308	Employee entitlements	11	2,880	3,377	2,781
455	Other current liabilities	12	867	330	215
9,202	Total Current Liabilities		8,816	6,528	4,251
Non-Current Liabilities					
336	Employee entitlements	11	315	340	335
991	Other non-current liabilities	12	223	1,110	215
1,327	Total Non-Current Liabilities		538	1,450	550
10,529	Total Liabilities		9,354	7,978	4,801
Equity					
6,814	Taxpayers' funds		7,464	6,814	7,464
6,814	Total Equity		7,464	6,814	7,464
17,343	Total Liabilities and Equity		16,818	14,792	12,265

Explanations of major variances against the original 2025 budget are provided in Note 16.
The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2025

Actual 2024 \$000		Actual 2025 \$000	Unaudited budget 2025 \$000	Unaudited Forecast 2026 \$000
6,814	Balance at 1 July	6,814	6,814	7,464
3,752	Total comprehensive revenue and expense	2,687	-	-
	Owner transactions			
-	- Other movements	650	-	-
(3,752)	Repayment of surplus to the Crown	(2,687)	-	-
6,814	Balance at 30 June	7,464	6,814	7,464

*Explanations of major variances against the original 2025 budget are provided in Note 16.
The accompanying notes form part of these financial statements.*

Statement of cash flows for the year ended 30 June 2025

Actual 2024 \$000		Actual 2025 \$000	Unaudited budget 2025 \$000	Unaudited Forecast 2026 \$000
Cash flows from operating activities				
50,769	Receipts from Revenue Crown	50,632	49,818	49,929
1,017	Receipts from other revenue	1,913	1,000	1,000
(34,414)	Payments to employees	(36,384)	(36,386)	(36,215)
(13,934)	Payments to suppliers	(12,248)	(12,952)	(14,038)
(341)	Payment for capital charge	(357)	(348)	(373)
3,097	Net cash flows from operating activities	3,556	1,132	303
Cash flows from investing activities				
154	Receipts from sale of property, plant and equipment	102	299	391
(511)	Purchase of property, plant and equipment	(695)	(3,519)	(3,088)
-	- Purchase of intangible assets	-	-	(292)
(357)	Net cash flows from investing activities	(593)	(3,220)	(2,989)
Cash flows from financing activities				
(3,195)	Repayment of surplus to the Crown	(3,102)	-	-
(3,195)	Net cash flows from financing activities	(3,102)	-	-
(455)	Net increase/(decrease) in cash	(139)	(2,088)	(2,686)
15,035	Cash at start of the year	14,580	11,962	9,920
14,580	Cash at the end of the year	14,441	9,874	7,234

Explanations of major variances against the original 2025 budget are provided in Note 16.
The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2025 (continued)

Reconciliation of surplus/(deficit) to net cash flow from operating activities

Actual 2024 \$000		Actual 2025 \$000
3,752	Surplus/(deficit)	2,687
	Add/(less) non-cash items	
1,351	Depreciation and amortisation expense	841
1,351	Total non-cash items	841
	Add/(less) items classified as investing or financing activities	
(60)	(Gains)/losses on disposal of property, plant and equipment and intangibles	42
(60)	Total items classified as investing or financing activities	42
	Add/less movements in statement of financial position items	
(347)	(Increase)/decrease in other assets	96
(1,259)	Increase/(decrease) in payables and deferred revenue	695
(187)	Increase/(decrease) in employee entitlements	(449)
(153)	Increase/(decrease) in other liabilities	(356)
(1,946)	Net movements in working capital items	(14)
3,097	Net Cash flow from operating activities	3,556

The accompanying notes form part of these financial statements.

Statement of commitments as at 30 June 2025

Actual 2024 \$000		Actual 2025 \$000
	Capital commitments	
	- Computer hardware	12
	- Office equipment	10
	- Total capital commitments	22
	Non-cancellable operating lease commitments	
2,002	Not later than one year	1,886
1,897	Later than one year and not later than five years	1,478
	- Later than five years	11
3,899	Total non-cancellable operating lease commitments	3,375
3,899	Total commitments	3,397

Capital commitments

The capital commitments relate to the purchase of laptops and desks by Aroturuki Tamariki - Independent Children's Monitor.

Non-cancellable operating lease commitments

The non-cancellable leases have varying terms, an escalation clause and renewal rights.

There are no restrictions placed on ERO by any of its leasing arrangements.

The amounts disclosed above as future commitments are based on the current rental rates.

Statement of contingent liabilities and contingent assets as at 30 June 2025

Contingent assets

ERO has no contingent assets (2024: \$nil).

Quantifiable and non-quantifiable contingent liabilities

ERO has no quantifiable contingent liabilities. (2024: \$nil).

ERO has no non-quantifiable contingent liabilities (2024: nil).

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2025

1. Statement of accounting policies

Reporting entity

The Education Review Office (ERO) is a government department as defined by section 5 of the Public Service Act 2020 (PSA) and is domiciled and operates in New Zealand. The relevant legislation governing ERO's operations include the Public Finance Act 1989 (PFA), Public Service Act 2020, and the Public Audit Act 2001. ERO's ultimate parent is the New Zealand Crown.

Aroturuki Tamariki, the Independent Children's Monitor (Aroturuki Tamariki) is a departmental agency as defined by section 2 of the Public Finance Act 1989, which is hosted within ERO. Unless explicitly stated references to ERO in these financial statements cover both ERO and Aroturuki Tamariki.

The primary objective of ERO is to provide services to the public rather than making a financial return. ERO does not operate to make a financial return. Accordingly, ERO has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes.

The financial statements of ERO for the year ended 30 June 2025 are consolidated financial statements including both ERO and Aroturuki Tamariki. They were approved for issue by the Chief Executive on 26 September 2025.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of ERO have been prepared in accordance with Tier 1 PBE Accounting Standards and the requirements of the PFA, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP) and Treasury Instructions.

The financial statements have been prepared in accordance with and comply with PBE Accounting Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest thousand dollars (\$000).

Changes in accounting policies

A review of the residual values applied to each class of property, plant and equipment was undertaken at the end of the financial year. The residual value for motor vehicles was changed to 20% (from 25% in the prior year). This change in accounting policy resulted in an additional depreciation expense of \$70,884 in the year ended 30 June 2025.

There have been no other changes in ERO's accounting policies since the date of the last audited financial statements.

Prior year comparatives

Prior year comparatives have been restated to align with current year classifications.

Standards issued and not yet effective and not early adopted

There are no standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to ERO.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into New Zealand dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at balance date exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the surplus or deficit.

Goods and services tax (GST)

All items in the financial statements and appropriation statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

ERO, as a government department, is exempt from the payment of income tax. Accordingly, no provision for income tax has been provided.

Critical accounting estimates and assumptions

In preparing these financial statements, ERO has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of measuring:

- retirement leave and long service leave – refer Note 11
- provision for reinstatement – refer Note 12

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- Software as a Service – refer Note 9

Budget and forecast figures

The 2025 budget figures are for the year ended 30 June 2025 and were published in the 2023/24 annual report. They are consistent with ERO's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ending 30 June 2025.

The 2026 forecast figures are for the year ending 30 June 2026, which are consistent with the best estimate financial forecast information submitted to Treasury for the BEFU for the year ending 30 June 2026.

The forecast financial statements have been prepared as required by the PFA to communicate forecast financial information for accountability purposes.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2026 forecast figures have been prepared in accordance with PBE FRS 42 Prospective Financial Statements.

The forecast financial statements were approved for issue by the Chief Executive on 26 September 2025.

The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

While ERO regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2026 will not be published.

Significant assumptions used in preparing the forecast financials

The forecast figures contained in these financial statements reflect ERO's purpose and activities and are based on a number of assumptions on what may occur during the 2025/26 year. The forecast figures have been compiled on the basis of existing government policies and Ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted as at 11 April 2025 were as follows:

- ERO's activities will remain substantially the same as for the previous year.
- Personnel costs were based on current wages and salary costs, adjusted for anticipated remuneration changes.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are ERO's best estimate of future costs that will be incurred.
- Estimated year-end information for 2024/25 is used as the opening position for the 2025/26 forecasts.
- Inclusion of Aroturuki Tamariki for all of 2025/26 as legislation to enable their establishment as an Independent Crown Entity had not been presented to Cabinet for consideration.

Statement of cost allocation policies for Departmental Financial Statements

ERO has determined the cost of outputs and categories using the following cost allocation system:

- Direct costs are expenses incurred from activities in producing outputs. These costs are charged directly to the related appropriations.
- Indirect costs are expenses incurred by corporate services functions that cannot be identified with a specific output. Indirect costs are allocated to each appropriation based on full-time equivalent personnel or time allocation.

This policy is reviewed annually.

2. Revenue

Revenue Crown

Revenue from the Crown is measured based on ERO's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, ERO can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Other revenue

ERO derives revenue from the provision of services to third parties and rent recoveries.

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised at the time of completion of the services or in accordance with the terms of specific contracts.

Rental revenue under an operating sublease is recognised as revenue on a straight-line basis over the term of the lease term.

Actual 2024 \$000		Actual 2025 \$000
690	Sale of services	863
60	Rental revenue from sub-leases	14
230	Other revenue	423
980	Total other revenue	1,300

3. Personnel

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services

Superannuation schemes

Employee contributions to the State Sector Retirement Savings Scheme, KiwiSaver, and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Actual 2024 \$000		Actual 2025 \$000
32,940	Salaries and wages	35,004
1,008	Employer contribution to superannuation schemes	1,027
134	Increase/(decrease) in employee entitlements	(202)
85	Other	95
34,167	Total personnel	35,924

4. Other expenses

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Other expenses

Other expenses are recognised as goods and services are received.

Actual 2024 \$000		Actual 2025 \$000
116	Fees to auditors for audit of the financial statements	128
1,891	Consultancy and contractors	2,214
2,926	Information technology costs	2,611
2,721	Property costs	2,686
2,246	Travel	2,295
2	Net loss on disposal of property, plant and equipment and intangible assets	52
2,236	Other expenses	2,137
12,138	Total operating costs	12,123

5. Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates.

ERO pays a capital charge to the Crown on its equity as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2025 was 5% (2024: 5%).

6. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. ERO is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

7. Other Assets

Actual 2024 \$000		Actual 2025 \$000
	Current assets	
223	Receivables	103
578	Prepayments	591
-	- Derivative financial instruments	11
801	Total other current assets	705

8. Property, plant and equipment

Property, plant, and equipment consists of computer hardware, motor vehicles, office equipment, furniture and fittings and leasehold improvements.

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit.

Capitalisation thresholds applied for individual assets or group of assets are set out as follows:

Capitalisation Thresholds	\$
Computer hardware, office equipment, furniture and fittings and leasehold improvements	2,000
Motor vehicles	5,000

Depreciation

Depreciation is charged on property, plant and equipment on a straight-line basis over their estimated useful lives, which will write off the cost of the assets to their estimated residual value.

The estimated useful life, residual values and associated depreciation rates applied to each class of property, plant and equipment are as follows:

Depreciation of Property, Plant and Equipment	Estimated useful life (years)	Depreciation Rates (%)	Residual Values (%)
Computer hardware	4	25	-
Motor vehicles	4-5	20-25	20
Office equipment	5	20	-
Furniture and fittings	10	10	-

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimates remaining useful lives of the improvements.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Impairment

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable.

Movements for each class of property, plant, and equipment are as follows:

	Computer Hardware \$000	Motor Vehicles \$000	Office Equipment \$000	Furniture & Fittings \$000	Leasehold Improvements \$000	Total \$000
Cost						
Balance at 1 July 2023	1,156	2,139	418	808	2,941	7,462
Additions	412	-	-	23	76	511
Transfer to/(from)	-	-	(60)	60	-	-
Disposals	(5)	(277)	-	-	-	(282)
Balance as at 30 June 2024	1,563	1,862	358	891	3,017	7,691
Additions	284	240	-	127	45	696
Disposals	(617)	(237)	(78)	(239)	(858)	(2,029)
Balance as at 30 June 2025	1,230	1,865	280	779	2,204	6,358

	Computer Hardware \$000	Motor Vehicles \$000	Office Equipment \$000	Furniture & Fittings \$000	Leasehold Improvements \$000	Total \$000
Accumulated Depreciation						
Balance at 1 July 2023	(715)	(1,092)	(342)	(508)	(2,082)	(4,739)
Depreciation	(285)	(287)	(8)	(218)	(380)	(1,178)
Disposals	5	183	-	-	-	188
Balance as at 30 June 2024	(995)	(1,196)	(350)	(726)	(2,462)	(5,729)
Depreciation	(242)	(192)	(4)	(84)	(319)	(841)
Disposals	606	109	78	233	858	1,884
Balance at 30 June 2025	(631)	(1,279)	(276)	(577)	(1,923)	(4,686)
Carrying Amounts						
As at 30 June and 1 July 2023	441	1,047	76	300	859	2,723
As at 30 June and 1 July 2024	568	666	8	165	555	1,962
As at 30 June 2025	599	586	4	202	281	1,672

There are no restrictions over the title of ERO's property, plant and equipment and no assets are pledged as security for liabilities.

9. Intangibles

Intangible assets with finite lives are stated at cost less amortisation and any impairment losses.

Acquired intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use; and when the development expenditure can be reliably measured.

Where an intangible asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Individual assets or group of intangible assets are set out as follows:

Capitalisation Thresholds	\$
Computer software	2,000

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit. The estimated useful lives and associated amortisation rates applied to these assets are as follows:

	Estimated useful life (years)	Amortisation rates (%)
Computer software	4	25
Review procedures	5	20

Impairment

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, irrespective of whether there is any indicator of impairment.

Critical judgements in applying accounting policies

Software as a Service (SaaS) arrangements

SaaS arrangements are service contracts providing ERO with the right to access the cloud provider's application software over the contract period. As such ERO does not receive a software intangible asset at the contract commencement date.

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

Movements for each class of intangible asset are as follows:

	Computer Software \$000	Review Procedures \$000	Total \$000
Cost			
Balance at 1 July 2023	433	29	462
Additions	-	-	-
Disposals	-	(28)	(28)
Balance as at 30 June 2024	433	1	434
Additions	-	-	-
Disposals	-	(1)	(1)
Balance as at 30 June 2025	433	-	433
Accumulated Amortisation			
Balance at 1 July 2023	(260)	(29)	(289)
Amortisation	(173)	-	(173)
Disposals	-	28	28
Balance as at 30 June 2024	(433)	(1)	(434)
Amortisation	-	-	-
Disposals	-	1	1
Balance as at 30 June 2025	(433)	(1)	(433)
Carrying Amounts			
As at 30 June and 1 July 2023	173	-	173
As at 30 June and 1 July 2024	-	-	-
As at 30 June 2025	-	-	-

There are no restrictions over the title of ERO's intangible assets, nor are any intangible assets pledged as security for liabilities.

10. Payables and deferred revenue

Short-term payables are recorded at the amount payable.

Payables and deferred revenue

Actual 2024 \$000		Actual 2025 \$000
385	Creditors	564
836	Accrued expenses	754
90	Income in advance for contractual services	593
1,311	Payables and deferred revenue under exchange transactions	1,911
376	Tax Payables (including GST, FBT and PAYE)	471
376	Payables and deferred revenue under non-exchange transactions	471
1,687	Total payables and deferred revenue	2,382

The carrying value of creditors and other payables approximate their fair value as they are normally settled within three months.

11. Employee entitlements

Short-term employee entitlements

Employee entitlements expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave not yet taken at balance date, sick leave, and retiring and long service leave entitlements expected to be settled within 12 months.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of the reporting period in which the employee renders the related service, such as long service leave and retiring leave, are calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to our people, based on years of service, years to entitlement, the likelihood that our people will reach the point of entitlement, and contractual entitlements information; and
- the present value of the estimated future cash flows.

Actual 2024 \$000		Actual 2025 \$000
	Current liabilities	
2,145	Annual and special leave	1,591
236	Retirement leave and long service leave	185
902	Accrued salaries	1,079
25	Sick leave	25
3,308	Total current portion	2,880
	Non-current liabilities	
336	Retirement leave and long service leave	315
336	Total non-current portion	315
3,644	Total employee entitlements at end of year	3,195

Critical accounting estimates and assumptions

The present value of retirement leave and long service leave obligations depend on factors that are determined on an actuarial basis using several assumptions. Two key assumptions used in calculating this liability include the risk-free discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

The present value of the estimated future cash flows using the discount rates prescribed by the Treasury as at 30 June 2025 and a salary inflation factor of 2.89% (2024: 3.33%). The risk-free discount rates used are based on the yields on Government Bonds and range from 3.14% to 5.58% (2024: 4.49% to 5.30%).

If the risk-free discount rates were to differ by 1% from ERO's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$15,000 higher/lower.

If the salary inflation factor were to differ by 1% from ERO's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$18,000 higher/lower.

12. Other Liabilities

Actual 2024 \$000		Actual 2025 \$000
	Current liabilities	
396	Provisions	832
57	Lease incentives	35
2	Derivative financial instruments	-
455	Total other current liabilities	867
	Non-current liabilities	
955	Provisions	223
36	Lease incentives	-
991	Total other non-current liabilities	223

ERO has reinstatement obligations at the termination of some of its property leases and other provisions.

Actual 2024 \$000		Actual 2025 \$000
	Current portion	
339	Reinstatement	731
57	Other Provisions	101
396	Total current portion at end of year	832
	Non-current portion	
955	Reinstatement	223
955	Total non-current portion at end of year	223
1,351	Total provisions at end of year	1,055
	Reinstatement	
1,435	Balance at start of year	1,294
-	- Additional provision during the year	8
-	- Provisions used during the year	(30)
(141)	Unused amounts reversed	(318)
1,294	Total reinstatement provision at end of year	954
	Other Provisions	
-	- Balance at start of year	57
57	Additional provision during the year	44
57	Total Other Provisions at end of year	101
1,351	Total provisions at end of year	1,055

13. Related parties

ERO is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect ERO would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Related party transactions required to be disclosed

ERO has no related party transactions required to be disclosed. Any related party transactions have been entered into on an arm's length basis by ERO.

Key management personnel compensation

ERO

Key management personnel include the Chief Executive and six members of the Executive Leadership Team (ELT).

Aroturuki Tamariki

Key management personnel include the Chief Executive and two members of the Executive Leadership Team.

Actual 2024 \$000		Actual 2025 \$000
1,596	Remuneration – ERO	1,768
6.5	Full-time Equivalent Staff – ERO	5.8
913	Remuneration – Aroturuki Tamariki	945
3	Full-time Equivalent Staff – Aroturuki Tamariki	3

The Minister of Education does not have responsibility for planning, directing and controlling the activities of ERO. The Minister's remuneration and other benefits have therefore been excluded from the above disclosure.

14. Financial instruments

The carrying amounts of financial assets and liabilities in each of the PBE IFRS 9 financial instrument categories are as follows:

Actual 2024 \$000		Actual 2025 \$000
	Fair value through surplus of deficit – designated as such upon initial recognition	
	- Derivative financial instrument assets	11
	2 Derivative financial instrument liabilities	-
	2 Fair value through surplus of deficit	11
	Financial assets measured at amortised cost	
14,580	Cash	14,441
223	Receivables	103
14,803	Total financial assets measured at amortised costs	14,544
	Financial liabilities measured at amortised cost	
1,221	Payables (excluding deferred income and taxes payable)	1,318

ERO is party to financial instruments entered into during its normal operations. Except for ERO's derivatives, all financial instruments are measured at amortised cost in the statement of financial position. All associated revenue and expenses are credited to, or charged against, the net surplus/deficit.

Derivative financial instruments

Derivative financial instruments to manage exposure to foreign exchange risk arising from some of ERO's operational activities. ERO does not hold or issue derivative financial instruments for trading purposes. ERO has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the forward foreign exchange derivative is classified as non-current. The total notional principal amount outstanding for forward foreign exchange contracts at 30 June 2025 is NZ\$135,530 (2024: NZ\$432,896). The contracts consist of the purchase of GBP£130,000 (2024: GBP £130,000) and USD nil (2024: USD \$97,152).

The fair values of forward foreign exchange contracts have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as currency rates. Most market parameters are implied from forward foreign exchange contract prices.

Financial instrument risks

ERO's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. ERO has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk — currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

ERO's Foreign Exchange Exposure Policy requires ERO to manage currency risk arising from future transactions and recognised liabilities by entering into foreign exchange forward contracts when the total transaction exposure to an individual currency exceeds NZ\$100,000. ERO's policy has been approved by the Treasury and is in accordance with the requirements of the Treasury's Guidelines for the Management of Crown and Departmental Foreign-Exchange Exposure. There was no significant exposure to currency risk during the period.

Market risk — fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, due to changes in market interest rates. ERO has no exposure to interest rate risk because it has no interest-bearing financial instruments.

Credit risk

Credit risk is the risk that a third party will default on its obligation to ERO, causing ERO to incur a loss. In the normal course of its business, credit risk arises from receivables and deposits with banks. ERO's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables. There is no collateral held as security against these financial instruments. Although cash and cash equivalents as at 30 June 2025 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial. ERO is permitted to deposit funds only with Westpac (Standard & Poor's credit rating of AA-), a registered bank, and enter into foreign exchange forward contracts with the New Zealand Debt Management Office (Standard & Poor's credit rating of AA+) (2024: no loss allowance recognised).

Liquidity risk

Liquidity risk is the risk that ERO will encounter difficulty raising liquid funds to meet commitments as they fall due.

ERO closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office.

15. Events after balance date

In June 2025, the Oversight of Oranga Tamariki System Legislation Amendment Bill which amended the Oversight of Oranga Tamariki System Act 2022 was passed. The Amendment Bill enabled the establishment of Aroturuki Tamariki - Independent Children's Monitor as an independent Crown entity effective 1 August 2025.

There were no other significant events after the balance date.

16. Explanation of major variances against budget

The major variances to budget were as follows:

Statement of financial position

Cash and cash equivalents

Cash and cash equivalents was \$4.567 million above budget primarily due the surplus of \$2.687 million and lower capital expenditure on ERO's motor vehicles and leasehold properties (\$2.803 million).

Property, plant and equipment

Property, plant and equipment was \$3.007 million below budget primarily due to lower capital expenditure on:

- Motor vehicles (\$1.475 million) due to the timing of ERO's fleet replacement plan; and
- Leasehold improvements (\$1.328 million) as co-location agreements were secured for several ERO premises as leases concluded.

Statement of cash flows

Purchase of property, plant and equipment

Purchase of property, plant and equipment was \$2.824 million below budget due to:

- Motor vehicles (\$1.475 million) due to the timing of ERO's fleet replacement plan; and
- Leasehold improvements (\$1.328 million) as co-location agreements were secured for several ERO premises as leases concluded.

6. Independent Auditor's Report | Te Pūrongo a te Kaitātari Kaute Motuhake



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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF EDUCATION REVIEW OFFICE'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of Education Review Office (the Department). The Auditor-General has appointed me, Lianne Austin, using the staff and resources of Ernst & Young, to carry out, on his behalf, the audit of:

- The annual financial statements of the Department that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2025, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 68 to 93.
- The end-of-year performance information for appropriations of the Department for the year ended 30 June 2025 on pages 16 to 18 and 59 to 63.
- The statements of expenses and capital expenditure of the Department for the year ended 30 June 2025 on pages 64 to 67.

Opinion

In our opinion:

- The annual financial statements of the Department:
 - fairly present, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity reporting standards.
- The end-of-year performance information for appropriations:
 - provides an appropriate and meaningful basis to enable readers to assess what has been achieved with the appropriation; determined in accordance with generally accepted accounting practice in New Zealand; and
 - fairly presents, in all material respects:

- what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity reporting standards.
- The statements of expenses and capital expenditure have been prepared, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Our audit was completed on 26 September 2025. This is the date at which our opinion is expressed.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Department for preparing:

- Annual financial statements that fairly present the Department's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- End-of-year performance information for appropriations that:
 - provides an appropriate and meaningful basis to enable readers to assess what has been achieved with the appropriation; determined in accordance with generally accepted accounting practice in New Zealand;
 - fairly presents what has been achieved with the appropriation;
 - fairly presents the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand.
- Statements of expenses and capital expenditure of the Department, that are prepared in accordance with section 45A of the Public Finance Act 1989.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Department for assessing the Department's ability to continue as a going concern.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Estimates of Appropriations for the Government of New Zealand for the Year Ending 30 June 2025. For the forecast financial information for the year ending 30 June 2026, our procedures were limited to checking to the best estimate financial forecast information based on the Budget Economic Fiscal Update for the year ending 30 June 2026.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- We evaluate whether the end-of-year performance information for appropriations:
 - provides an appropriate and meaningful basis to enable readers to assess what has been achieved with the appropriation. We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
 - fairly presents what has been achieved with the appropriation.
- We evaluate whether the statements of expenses and capital expenditure have been prepared in accordance with legislative requirements.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive is responsible for the other information. The other information comprises all of the information included in the annual report other than the information we audited and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Department in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

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



Lianne Austin
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand



Appendix 1

School Improvement Framework

This framework is underpinned by a Theory of Improvement that provides an evidence-based sequential 'road map' showing how specific elements work together to improve learner success and wellbeing. The Theory of Improvement (diagram) is based on national and international evidence about what needs to be in place to ensure improved learner outcomes.

The 'core domains' are those which evidence shows have the largest impact for learners: leadership, curriculum, and teaching and learning. These in turn are supported by the 'conditions for success' – those domains that need to be in place to support improved outcomes for learners and ensure the core domains can have the biggest possible impact and enable equitable and excellent outcomes.



<p>Outcome:</p> 	<p>Learner success and wellbeing is what happens for learners when excelling practice across all other domains is in place. Learner success means all learners, regardless of background, learn and progress, achieve their goals and improve over time in a safe and inclusive environment where each learner feels they belong, and their language culture and identity are celebrated. Improving learner success and wellbeing is an essential prerequisite to achieving a world-class inclusive public education system that delivers equitable and excellent outcomes for all learners.</p>
<p>Core domains</p>   	<p>Domains with the biggest demonstrable impact on learner success and wellbeing:</p> <p>Effective school leadership for school improvement sets clear goals and expectations, fosters trust, collaboration and a culture committed to quality teaching and improvement, and uses high-quality evidence to inform planning for improvement. It ‘sets the stage’ for quality teaching and responsive curriculum and have a significant impact on school improvement.</p> <p>A responsive curriculum and quality teaching reduce barriers and provide opportunities for learners to engage in meaningful learning. They are the ‘how’ on the pathway to equitable and excellent learner outcomes.</p>
<p>Conditions for success</p>    	<p>Equitable and excellent learner outcomes and high-quality teaching require the right conditions for success to flourish.</p> <p>An environment where school staff prioritise and nurture professional capability and collective efficacy focused on improved learner outcomes, and an emphasis on inclusion and wellbeing is foundational to engagement and learning.</p> <p>These are enabled through the critical levers of strong trust-based partnerships with whānau, iwi and community and robust stewardship and governance, including effective and responsible management that meets statutory responsibilities - that all learners are achieving well - and enables the school to deliver its vision and mission and achieve its goals.</p>
<p>Foundation for success: Te Tiriti o Waitangi</p> 	<p>Learner success and wellbeing is also considered from a Te Tiriti o Waitangi perspective. Elements of the Te Tiriti o Waitangi domain are woven through all other domains, and clearly labeled as such.</p> <p>In addition, Te Tiriti o Waitangi elements are presented collectively as a foundation for success domain to support schools to more clearly see Te Tiriti o Waitangi requirements and expectations all in one place.</p>
<p>Evaluation lens</p> 	<p>Learner success and wellbeing can also be viewed through the lens of evaluation for improvement, a key practice for sustained school improvement.</p> <p>Evaluation elements such as the use of data (both formative and summative), an understanding of impact at both teacher and school level and an understanding of the effectiveness of specific improvement actions are also evident across other domains as they represent best practice.</p>

