

# *Vote Education Review Office*

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

DEPARTMENT ADMINISTERING THE VOTE: Education Review Office (A8)

RESPONSIBLE MINISTER FOR EDUCATION REVIEW OFFICE: Minister of Education

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

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

## Capital Injection Authorisations

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

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

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

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

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

##### *Scope of Appropriation*

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

##### *Expenses and Revenue*

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

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the establishment of the Aroturuki Tamariki - Independent Children's Monitor (Aroturuki Tamariki) as a departmental agency hosted by the Education Review Office (ERO). ERO's activities include project implementation and oversight and setting up systems and processes to support the ongoing hosting arrangements for Aroturuki Tamariki so that it can deliver on its legislative purpose. This appropriation is limited to 2022/23 and 2023/24 to complete the establishment activities.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
ERO will manage the establishment of Aroturuki Tamariki - Independent Children's Monitor within ERO within the agreed budget (see Note 1)	New Measure	Achieved	Achieved

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

##### *End of Year Performance Reporting*

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

### *Reasons for Change in Appropriation*

This is a new appropriation for 2022/23 with funding of \$1.850 million. This relates to a \$2 million fiscally neutral transfer from Vote Social Development for activities required by ERO to establish Aroturuki Tamariki, partially offset by a one-off transfer from 2022/23 to 2023/24 of \$150,000 for the completion of the establishment activities.

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

#### *Scope of Appropriation*

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

#### *Expenses and Revenue*

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

#### *How Performance will be Assessed and End of Year Reporting Requirements*

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

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

#### *Reasons for Change in Appropriation*

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

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

This increase was partially offset by:

- a one-off transfer 2022/23 to 2023/24 of \$939,000 from the deferral of planned activities in 2022/23 due to the transition Aroturuki Tamariki into ERO on 1 May 2023, and
- \$30,000 in capital charge expenditure returned following the capital to operating swap of \$600,000 in 2021/22 relating to software as a service.

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

### *Scope of Appropriation*

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

### *Expenses and Revenue*

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

### *What is Intended to be Achieved with this Appropriation*

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

### *How Performance will be Assessed and End of Year Reporting Requirements*

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

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

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

### *End of Year Performance Reporting*

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

### *Reasons for Change in Appropriation*

This is a new appropriation for 2022/23 with funding of \$2.800 million. This relates to a \$3.300 million fiscally neutral transfer from Vote Social Development for the operation of Aroturuki Tamariki from 1 May to 30 June 2023.

This was partially offset by a one-off transfer from 2022/23 to 2023/24 of \$500,000 to complete activities associated with the establishment of the department agency and its processes required to meet its obligations under the Oversight of the Oranga Tamariki System Act 2022.

## 2.3 - Departmental Capital Expenditure and Capital Injections

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

#### *Scope of Appropriation*

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

#### *Capital Expenditure*

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

#### *Reasons for Change in Appropriation*

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

#### *Capital Injections and Movements in Departmental Net Assets*

##### Education Review Office

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