



Education Report: NCEA Change Programme Reset

To:	Hon Chris Hipkins, Minister of Education		
Date:	15 July 2020	Priority:	Urgent
Security Level:	In Confidence	METIS No:	1234370
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Messaging seen by Communications team:	No	Round Robin:	No
Consulted	NZQA		

Purpose of Report

This report proposes options on the timing of the NCEA Change Programme, based on sector feedback and available funding. We are providing this advice now so that appropriate communication can be made with the sector, given their interest levels and a planned teacher-only day in November.

Summary

1. In February 2020, Cabinet confirmed the seven changes that make up the NCEA Change Programme. The NCEA changes were developed through extensive co-design throughout 2018 and 2019 with support from the education sector, employers, parents, family, whānau, iwi, and communities. The changes also have cross-Party support.
2. As New Zealand adapts to the new economic and social environment created by COVID-19, the value of the NCEA Change Programme remains. It will help address longstanding inequities in education and employment outcomes, and support New Zealand's long term post-COVID recovery. For example, the Change Programme includes short and long-term changes to promote coherent pathways that lead to further study or training and meaningful work, parity of mātauranga Māori, and a focus on the foundational knowledge and skills required for success in the modern labour market (including strengthening literacy and numeracy).
3. The Review of Achievement Standards (RAS) underpins all seven changes and is the largest part of the Change Programme. The RAS entails developing fewer, larger standards focused on the most important learning, and the reshaping of the NCEA Level 1 subjects to ensure a more foundational education (with greater opportunities for specialisation at Levels 2 and 3). The RAS ties the package together by defining the content and structure of NCEA's key building blocks. The RAS to a greater or lesser extent is also required separately of the Change Programme as the Achievement Standards began expiring from 2017, and have been rolled-over in anticipation of the Review.

4. We had been preparing to launch the full scale RAS by April 2020, with plans for extensive face-to-face meetings of the 400+ teachers who would steer the work, and finalisation of the NCEA Level 1 subject list. COVID-19 and the lockdown from March 2020 mean that these meetings were postponed, and consultation on the subject list extended. While work in other areas (e.g., literacy and numeracy and the design of the Vocational Entrance Award) has continued, the RAS has had to be re-planned.
5. Budget 2020 did not include investment in the NCEA Change Programme. To continue with the Change Programme this financial year, even at a slower pace, the Ministry will need to undertake significant reprioritisation within baselines to free-up between \$17 million - \$21 million. A significant proportion of this is due to the RAS. This will require us to stop or delay other work. Exact trade-offs are not yet known as the Ministry's budget is still being finalised following the different Budget 20 waves.
6. This report provides two options for the NCEA Change Programme
 - a. **Option 1:**
 - i. Agree the final NCEA Level 1 subject list prior to the Election. Consultation on the list closes Monday, 20 July so we will be in a position to give you an indicative steer at the agency meeting on this date and more fulsome advice by the following week. Depending on the subject list decision this may generate some reactions from affected stakeholders. We cannot continue the RAS without this decision.
 - ii. Direct us to immediately begin the ramping-up of sector-driven RAS development and resume delivery at scale during 2020. Under this option, full implementation can be completed by 2025, but it requires the largest reprioritisation of funding (up to \$21 million) without clarity yet on work programme trade-offs.
 - b. **Option 2:** Defer all decisions on the NCEA Level 1 subject list (and by proxy the Change Programme) until after the Election. Under this option the Ministry would continue with the non-RAS components (e.g., literacy and numeracy, Vocational Entrance), but a full re-planning and rescheduling of the RAS will be required under this option, including further considering funding options.
7. While we would attempt full implementation by 2025 under Option 2, the earliest full implementation of the NCEA Change Programme is likely to be able to be completed in 2026. In particular, all Level 1 standards are unlikely to be trial ready until 2023. This will also depend on decisions made about available funding, which may include waiting for funding from Budget 21.
8. You could make the decision on the Level 1 subjects ahead of the election, but defer decisions on implementation timelines until a later date, but this may cause confusion and build expectations.
9. While the education sector continues to deal with the impacts felt by COVID-19, our assessment is that the sector is eager for delivery of the Change Programme to continue, and keen for certainty about the future of NCEA and the status of the RAS. This is, of course, contingent on no further significant COVID-19 disruptions.
10. The sector's appetite to continue work has been confirmed with your Professional Advisory Group and also through informal testing with ongoing Subject Expert Groups (teachers working on Trial & Pilots subjects). Supporting teachers with the NCEA changes also remains a top focus for November's Teacher Only Day (as agreed with

the Accord, a total of eight days are to be focused on the NCEA Change Programme over the next three years).

11. We recommend taking an oral item to Cabinet to confirm your preferred approach.
12. We also note that NZQA is proposing to test with your NCEA Professional Advisory Group a change to assessment moderation processes. The change NZQA intends to explore would increase the level and timing of moderation progressively in line with the implementation of the RAS. We are supportive of this being tested.

Recommended Actions

The Ministry of Education recommends that you:

- a. **Note** that, in February 2020, Cabinet approved the NCEA Change Programme (SWC-20-MIN-0001 and SWC-19-MIN-0045 refer) together with an indicative timeline and list of provisional NCEA Level 1 subjects; [para 13]
- b. **Note** that the Government's objectives of the NCEA Change Programme include to:
 - i. provide meaningful pathways and opportunities for young people retained in education for longer, with potential for prolonged labour market weakness
 - ii. promote coherent programmes of learning focused on the most important knowledge and skills required for further study or training and meaningful work
 - iii. address longstanding system challenges, including the connections between the schooling and vocational education and training systems, graduate literacy and numeracy issues, and the undervaluing of mātauranga Māori. [para 19]
- c. **Note** that as New Zealand adapts to the new economic and social environment created by COVID-19, the NCEA Change Programme's focus on holistic wellbeing, equity and inclusion, coherence, pathways and credibility remain important; [paras 15]
- d. **Note** that public engagement closes on the NCEA Level 1 subjects on 20 July 2020, and the below options are open to you; [para 21]
- e. **Note** that any option that continues the Change Programme commits the Ministry to a multi-year programme of implementation, and so decisions about commencement this year carry financial implications for future years;
- f. **Indicate** your preferred option for proceeding with the NCEA Change Programme: [paras 23-31]
 - a. **Option 1:**
 - i. Agree the final NCEA Level 1 subject list prior to the Election. Consultation on the list closes Monday, 20 July so we will be in a position to give you an indicative steer at the agency meeting on this date and more fulsome advice by the following week. Depending on the subject list decision this may generate some reactions from affected stakeholders. We cannot continue the RAS without this decision.
 - ii. Direct us to immediately begin the ramping-up of sector-driven RAS development and resume delivery at scale during 2020. Under this option, full implementation can be completed by 2025, but it requires the largest reprioritisation of funding (up to \$21 million) without clarity yet on work programme trade-offs.

Agree / Disagree

OR

- i. **Option 2:** Defer all decisions on the NCEA Level 1 subject list (and by proxy the Change Programme) until after the Election. Under this option the Ministry would continue with the non-RAS components (e.g., literacy and numeracy, Vocational Entrance), but a full re-planning and rescheduling of the RAS will be required under this option.

Agree Disagree

- g. **Note** that both options carry risks, with Option 1 presenting funding risks and sector risk (as subject decisions cannot possibly satisfy all in the sector) and Options 2 presenting lesser funding risks but increase sector risks (as it creates a perception risk that the Government is “stepping back” from its NCEA changes);

- h. **Note** You could make the decision on the Level 1 subjects ahead of the election, but defer decisions on implementation timelines until a later date, but this may cause confusion and build expectations.

- i. **Agree** to inform Cabinet by taking an Oral Item, on the options and associated risks and what your preferred option is; [para 32]

Agree / Disagree

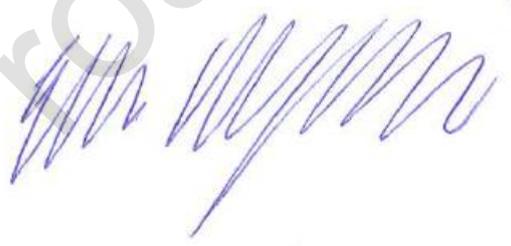
- j. **Note** that NZQA intends to consult the Professional Advisory Group on potentially changing assessment moderation processes to increase the level and timing of moderation progressively in line with the implementation of the RAS; [para 36]

- k. **Forward** this report to your Associate Ministers (Education) for their information;

Yes No

- l. **Agree** to proactively release this report only after final decisions have been made on the NCEA reset, timeline and Level 1 subject list. [para 39]

Agree / Disagree



Ellen MacGregor-Reid
Deputy Secretary
Early Learning and Student Achievement

15/07/2020



Hon Chris Hipkins
Minister of Education

19/7/2020

Background

13. In February this year, Cabinet agreed to the NCEA change package (SWC-20-MIN-0001 and SWC-19-MIN-0045 refer). The changes were informed through co-design with the education sector, and have cross-Party support. The seven key changes are summarised in the diagram below, with further detail in **Appendix A** (including an overview of emerging priorities post COVID-19 lockdown and the projects we have established to deliver the Change Programme).

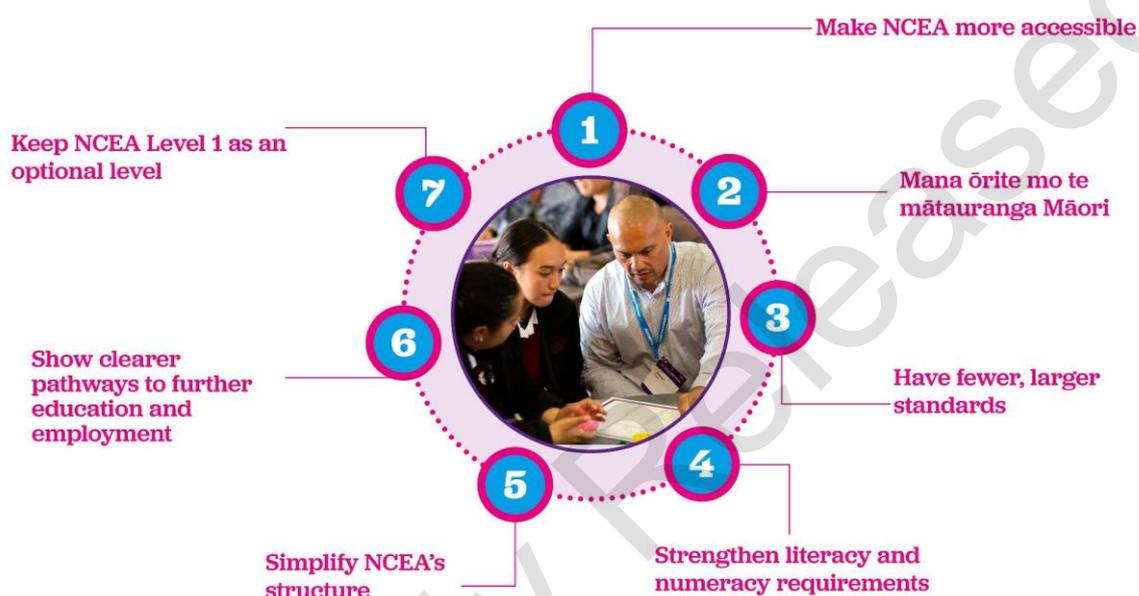


Figure 1: NCEA changes

14. The NCEA changes are an important part of broader system changes underway across the curriculum work programme, reflecting the impact NCEA has on local curriculum design and secondary schooling priorities and teacher practices.
15. The NCEA Change Programme has been designed to embed the objectives of the wider curriculum work programme in senior secondary education and teaching, and to support our wider objectives across the pathway by driving shifts across the education system and achieving better outcomes for all New Zealanders:

	The status quo	Our desired future state
Wellbeing	Excessive NCEA workload for students and those who teach them – constant assessment and excessive credit counts.	Fewer, more meaningful assessments reduce volume and open up space for curriculum-first learning.
Inclusion and equity	NCEA often excludes learners' identities, cultures and aspirations from the assessment process.	Learning and assessment in NCEA are more inclusive of knowledge, language, and culture where appropriate.
Coherence	NCEA often breaks up learning, making it hard to identify and connect up the most important learning.	NCEA drives a focus on the most important learning in each discipline.
Pathways	Some young people are denied access to empowering pathways to succeed in life.	Diverse pathways in every school are well-supported; potentially harmful practices such as undervaluing of vocational learning and streaming are reduced.

Credibility	It's hard to understand what a young person with an NCEA is capable of and not all New Zealanders believe that NCEA graduates are ready for the world.	Everyone understands NCEA and has confidence in what it signifies about a student's education and readiness to succeed in work, study, and life.
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Table 1: NCEA principles

16. Prior to COVID-19, we released a draft list of NCEA Level 1 subjects for public engagement, and were preparing to launch the full-scale Review of Achievement Standards in April 2020, with plans for extensive face-to-face meetings and training of the 400+ teachers who would steer the work, and finalisation of the NCEA Level 1 subject list.
17. COVID-19 was an unprecedented event that impacted on nearly every aspect of New Zealander's everyday lives. We took the necessary step of cancelling a raft of face-to-face training and other meetings of the teachers and other experts appointed to serve on Subject Expert Groups for the Review of Achievement Standards. We directed the majority of our resource into supporting the COVID-19 response.
18. In May 2020, Budget 2020 was released and it confirmed that the Government cannot, at this time, invest in the NCEA Change Programme. Our original investment plans for the NCEA changes were for a large part of the Ministry's and NZQA's costs to be funded from new investment, with some costs funded from baselines and reserves where possible.
19. The Ministry considers that as New Zealand adapts to the new economic and social environment created by COVID-19, the Government's objectives underpinning the NCEA change programme remain important and are reinforced. We know from the NCEA Review, that NCEA can be strengthened to:
 - a. Provide meaningful pathways and opportunities for young people retained in education for longer, with potential for prolonged labour market weakness.
 - b. Promote coherent programmes of learning focused on the most important knowledge and skills required for further study or training and meaningful work.
 - c. Address longstanding system challenges, including the connections between the schooling and vocational education and training systems, graduate literacy and numeracy issues, and the undervaluing of mātaruanga Māori.
20. For these reasons, the NCEA system shifts continue to remain relevant if the education system is to adapt to better support the generations of young people going through secondary education now or in the next five years. However, a review and reset of the timeline for implementing the NCEA changes is required.

NCEA Change Programme Reset - Options

21. Where possible during lockdown, the Ministry and NZQA have been proceeding as planned with delivery of the Change Programme. This means that the key end dates for our literacy and numeracy, pathways and accessibility projects remain the same as described in the previous indicative timeline that was most recently included in the February 2020 Cabinet paper (**Annex 2**).
22. However, changes to the timing of the RAS are required, as our initial April 2020 date for commencing sector-facing work is no longer viable.

23. Two options are presented below:
- a. **Option 1:**
 - i. Agree the final NCEA Level 1 subject list prior to the Election. Consultation on the list closes Monday, 20 July so we will be in a position to give you an indicative steer at the agency meeting on this date and more fulsome advice by the following week. Depending on the subject list decision this may generate some reactions from affected stakeholders. We cannot continue the RAS without this decision.
 - ii. Direct us to immediately begin the ramping-up of sector-driven RAS development and resume delivery at scale during 2020. Under this option, full implementation can be completed by 2025, but it requires the largest reprioritisation of funding (up to \$21 million) without clarity yet on work programme trade-offs.
 - b. **Option 2:** Defer all decisions on the NCEA Level 1 subject list (and by proxy the Change Programme) until after the Election. Under this option the Ministry would continue with the non-RAS components (e.g., literacy and numeracy, Vocational Entrance), but a full re-planning and rescheduling of the RAS will be required under this option, including further considering funding options.
24. You could make the decision on the Level 1 subjects ahead of the election, but defer decisions on implementation timelines until a later date, but this may cause confusion and build expectations.
25. Both options include process improvements developed during lockdown, including providing more pre-production support to the sector leaders in our Subject Expert Groups with more opportunities to meet online so there is less reliance on flights to Wellington for meetings.
26. Option will 1 allow for the Level 1 Achievement Standards to be trialled in schools in 2022 (prior to COVID-19 our target date was 2021). While we would attempt full to deliver a full suite of trial-ready standards by 2022 under Option 2, the earliest full delivery is likely to be possible is 2023.
27. Both options would need to be funded through reprioritisation from Ministry baselines, unless a decision was made under Option 2 to make a call on Budget 21. Option 1 carries more financial risk than Option 2 (at the cost of momentum and sector expectations). Trade-offs here also impact on available flexibility to fund other priorities.
28. We have tested the idea of resuming the sector-driven NCEA work this year with the Professional Advisory Group and Trial & Pilot Subject Expert Groups. Based on their responses, our assessment is that the sector expects the work to continue.
29. Broadly, this reflects a desire to realise the shorter-term benefits of the changes (including relief for teacher workload), to continue to participate in the design of the future state of their subjects (for Subject Expert Group members), and to tackle the longstanding equity and coherency challenges that were identified during the Review process. The sector also wants certainty on the future of NCEA and the status of the Change Programme.
30. There is also interest in the outcome of the Level 1 subject list consultation. Although not all will be satisfied with the outcomes, continued delay will likely attract criticism (for continued uncertainty).

31. Compared to the February timeline, both options have a reduced emphasis on transition years for implementation of the new Achievement Standards. Advice from NZQA is that transition years (where old standards remain available for a year) should be positioned as a transition tool for some learners undertaking multi-year programmes, rather than a way for schools and kura to delay implementing the new standards. While we always expected nearly all schools to adopt the new standards in the first year they were available, our new timelines clarify this point, which also confirms that the final implementation date (under Options 1) will remain 2025.

Cabinet and Financial Implications

32. We recommend you take an Oral Item to Cabinet before confirming your preferred approach.
33. As we have previously advised, implementing the NCEA Change Programme requires external funding of approximately \$60 million to \$80 million over five years. Without new funding this will require significant reprioritisation from within baselines.
34. There is a risk that confirming activity now is perceived as overreaching into areas that are the rightful domain of the incoming Government after the 2020 Election. In this regard, the Ministry's advice is that NCEA policy decisions have already been taken and that an indicative timeline was already in place (and the reset and revised timeline are not significant changes to either policy or timeline). It remains a matter for ensuring public transparency that operational corrections like this can be made and they are not forbidden under pre-Election conventions.

Next steps

35. Depending on your preferences, we can provide advice from next week on the NCEA Level 1 subjects to finalise. We will have information on our provisional findings and recommendations available at your agency meeting on 20 July 2020. For the Level 1 Science alternatives we are exploring with the sector, the public engagement process closes on 10 August 2020. Advice on science may be required separately.
36. NZQA is proposing to test with your NCEA Professional Advisory Group (PAG) a change to assessment moderation processes. The change NZQA intends to explore would increase the level and timing of moderation progressively in line with the implementation of the RAS. We are supportive of this being tested.
37. We are continuing to develop advice and a draft Cabinet paper to extend the terms of reference and membership of the PAG [METIS 1232319].

Proactive Release

38. We recommend that you approve this Education Report for release only after final decisions have been made on the NCEA subject list, the reset and timeline.

Appendix A – NCEA Change Package and emerging priorities

NCEA Changes

1. Change one: Make NCEA more accessible, by ensuring that standards are inclusive by design and that Special Assessment Conditions provide equity for NCEA learners.
2. Change two: Mana ōrite mō te mātauranga Māori; parity for mātauranga Māori, by strengthening standards derived from Te Marautanga o Aotearoa and ensuring New Zealand Curriculum derived standards better incorporate Māori knowledge, so that ākonga Māori can see themselves in their learning.
3. Change three: Strengthen literacy and numeracy requirements, by developing a new set of literacy and numeracy standards that are a co-requisite to the qualification.
4. Change four: Have fewer, larger, standards for each subject. Subjects will be made up of four standards worth twenty credits and matrices are 50:50 internal/external split. This change is largely implemented through the Review of Achievement Standards (RAS).
5. Change five: Simplify NCEA's structure, by removing the 20 credit carryover from a lower NCEA level, and limiting resubmissions so that they can only move a grade up from Not Achieved to Achieved.
6. Change six: Show clearer pathways to further education and employment, by implementing a Vocational Entrance Award, introducing new vocational subjects to NCEA, and developing packages of coherent learning that contribute towards clear vocational pathways.
7. Change seven: Keep NCEA level one as an optional, broad foundational, level, by rebuilding Level 1 to reflect foundational subjects.

Emerging priorities

Emerging priorities	Description	Next step
The Accord	Government committed to Teacher Only Days through Collective Agreement negotiations. Eight days are specifically ear-marked to give the sector structured opportunities to provide input into the NCEA changes. 2020 – one teacher only day 2021 – three teacher only days 2022 – four teacher only days	In 2020 the priority is making the most of the teacher only days as NCEA design work is commencing and/or underway (Table 2 refers).
School Leavers' Toolkit	This platform has a growing reach with young people in senior secondary and post-senior secondary. Young people can use the platform to access a range of advice to support their wellbeing more holistically, as supporting their wellbeing contributes to better education outcomes.	Work continues to improve the breadth of advice we aim to support young people who are going through NCEA.
New NCEA Subjects	Initial policy design work has been completed and advice will be provided later in 2020. Priorities include recognising learning, but may potentially include better support for vocational pathways; the Government could use this process to support relations with Realm Countries.	A process to determine what subjects get supported and how investment can be provided. Māori Performing Arts was included as a pilot new subject on the Level 1 subject list.

Quality assurance process changes (NZQA)	NZQA has been considering changes to the quality assurance processes for school-based NCEA assessment as part of preparations for the implementation of the NCEA Change Programme. Proposals include increasing the level and timing of moderation progressively in line with the implementation of the RAS. This is to ensure critical support to teachers as the new standards are embedded	NZQA intends to provide advice to you in mid-July to outline the approach to change and to sector engagement later this year and in early 2021.
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Table 2: Emerging priorities

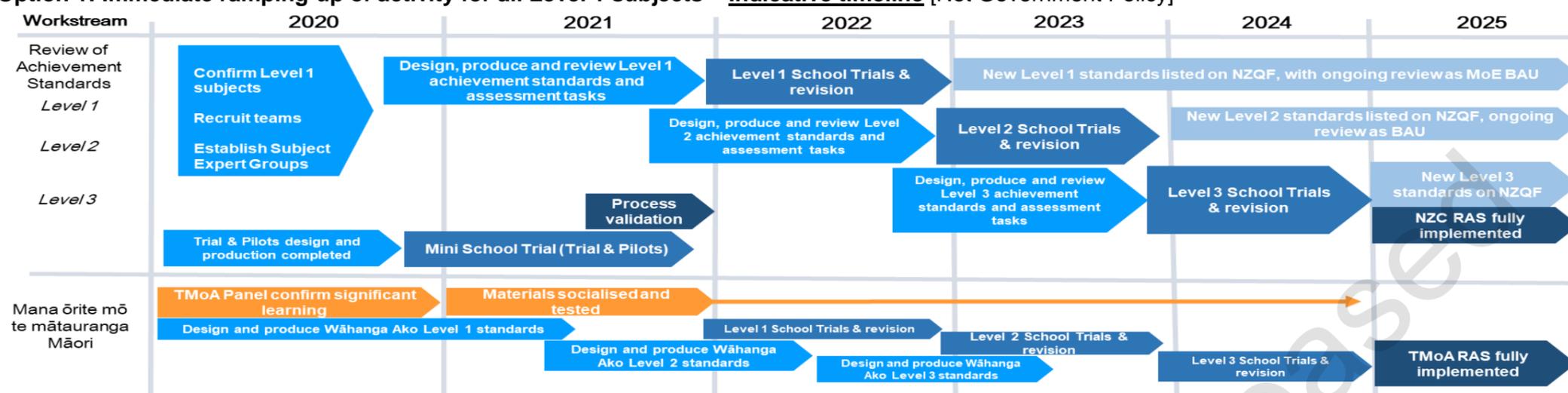
Key projects

Key Projects	Description	Main contribution to NCEA Changes
Review of Achievement Standards (RAS) for NZC and TMOA	Major multi-year project to systematically rebuild the NCEA qualifications across Levels 1-3, with design and production of 500+ new achievement standards (aligned to the National Curriculum), associated assessment materials and supporting resources for teachers. Sequential development process in partnership with NZQA, level-by-level, with school trialling and change support for schools and teachers.	Front-end: centrepiece to all changes Main contributors to Changes 2, 4 and 5
Literacy & Numeracy	Seeks to develop literacy and numeracy standards pre-senior secondary that become co-requisites for NCEA over time. Highly dependent on sector readiness.	Change 3
Accessibility	Development of new Special Assessment Conditions processes to improve access (administered by NZQA). Training and support provided to the Review of Achievement Standards to ensure universal design	Change 1
Pathways	Development of the Vocational Entrance Award and explore enhancements to vocational pathways through the Review of Achievement Standards and alignment to the Reform of Vocational Education	Change 6
Supporting the implementation of the changes <i>Secondary Tertiary Online (ST Online)</i> <i>NCEA Online</i>	With the design and production work completed through the RAS, this work supports the sector to embed the new standards and associated materials, create feedback loops for continuous improvement and support transformational change across all NCEA changes. Important platforms incl: ST Online: Investment is required before the rebuild of Te Kete Ipurangi (TKI) can get underway. In the interim, to support the NCEA changes, we are designing a website to house the new NCEA achievement standards and associated material as good quality access to materials for the sector is critical to our success. Investment has been committed to NZQA's NCEA Online, enabling it to continue to grow in response to demand for digital learning and assessment. 200 schools participated in the system in 2019.	Back-end: centrepiece to all changes. <i>Work is well advanced and completion is needed for when Level 1 standards are ready for testing in 2021.</i> <i>As the RAS produces NCEA achievement standards, they can be included in online offerings.</i>

Table 3: Key projects

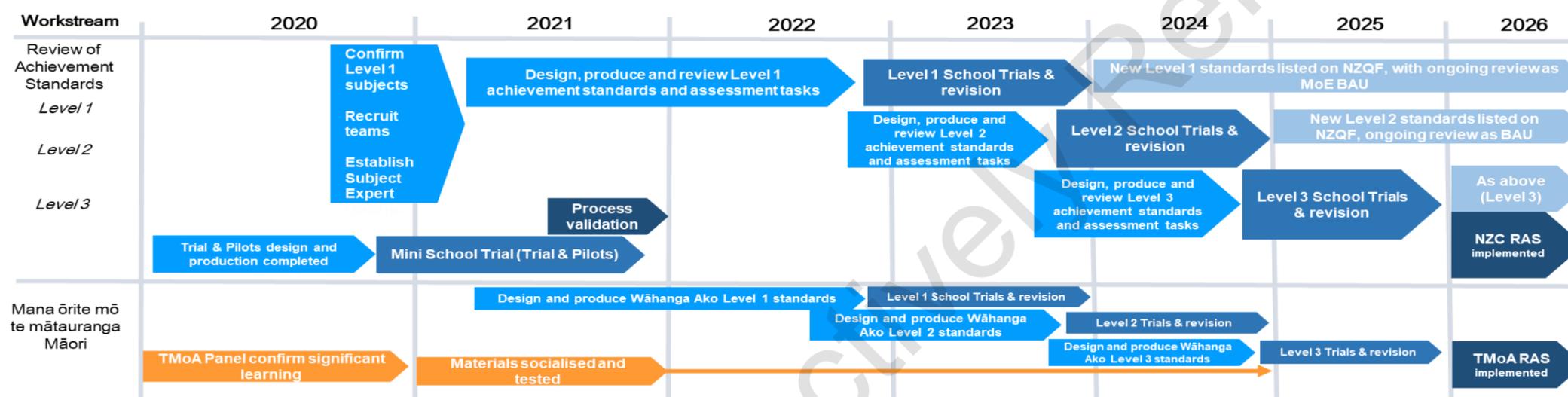
Annex 1 – Indicative timelines for each option

Option 1: Immediate ramping-up of activity for all Level 1 subjects – Indicative timeline [Not Government Policy]



- Option 1**
- Continue to ramp-up sector-facing activity from August for all Level 1 subjects
 - Requires subject list decisions to be made prior to the Election.
 - Allows the Change Programme to continue on previous overall timeframes and is consistent with current sector expectations.
 - However, proceeding with this option places the greatest demand on Ministry baselines this year, and will have significant funding demands for Budget 2021.

Option 2: Defer activity on the RAS in 2020 and re-plan – Indicative timeline [Not Government Policy]



- Option 2**
- Defer activity on the RAS in 2020 and re-plan it, and make decisions on the NCEA Level 1 subject list until after the election.
 - This is similar to Option 2 and significantly lessens funding risks but by going for a full deferral it risks sector perceptions that the Government is effectively “stepping back” from the NCEA changes it committed to and adds a year to final implementation.
 - Option 3 provides more scope for wider curriculum priorities to be supported. Option 4 provides the most scope.

Annex 2: previous indicative timeline

