

**Education Report: Partnership Schools | Kura Hourua:  
NCEA Performance Standards**

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**Recommendations**

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We recommend that you:

a. **note** the issues related to the current NCEA performance standards as being applied to Partnership Schools

b. **agree** the following revised performance standards:

- NCEA level 1, level 2 and level 3 and University Entrance roll-based pass rates as reported by NZQA

AGREE / DISAGREE

- Percentage of all students leaving the school and the schooling system over the age of 15 who achieve NCEA level 2 or above

AGREE / DISAGREE

c. **agree** that sponsors also be required to report *Leaver Destination*

AGREE / DISAGREE

d. **note** that one of the round 3 schools has expressed concern about the achievability of an NCEA Level 2 leaver rate of 85% in its first two years of operation, given the cohort of students it will be dealing with. On the basis that we have negotiated agreement to an 85% roll based pass rate from 2018, we recommend that you agree that the 85% Level 2 leaver target apply from 2019.

e. **agree** the following performance standards for round three contracts:

- a. *Pass rates* – minimum of 85% roll based pass rates for NCEA levels 1 and 2 from 2018, 2017 pass rates to be negotiated
- b. *Leaver rates* – minimum of 85% of students leaving the schools and the schooling system achieving NCEA level 2 in 2019. 2017 and 2018 leaver rates to be negotiated.

AGREE / DISAGREE

f.





Lisa Rodgers  
Deputy Secretary  
Early Learning and Student Achievement

Encls

NOTED



Hon Hekia Parata  
Minister of Education

197, 16

David Seymour  
Under-Secretary to the  
Minister of Education

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## **Education Report: Partnership Schools | Kura Hourua: NCEA Performance Standards**

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### **Purpose of Report**

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1. The purpose of this report is to:
  - a. advise you of some issues related to the current NCEA performance standards as being applied to Partnership Schools
  - b. seek your approval to revised performance standards.

### **Background**

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2. In our report to you on the analysis of the 2015 Quarter Four and Annual Reports for 2015 for Partnership Schools [METIS 978682], we advised that the current Partnership School NCEA performance standards give an imperfect representation of overall school performance.
3. We recommended that the standards be reviewed and undertook to provide you with further advice on this matter.

### **Current NCEA Performance Standards**

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4. The Partnership Schools agreements include provision for the following performance standards:
  - School Leavers with NCEA level 1
  - School Leavers with NCEA level 2
  - School Leavers with NCEA level 3
  - School Leavers with University Entrance
5. The targets move progressively to 85 percent for NCEA Level 2 by 2017 (aligned to the Better Public Services target for 18 year olds) and 90 percent by 2017 for NCEA Level 1. No performance standards have yet been set for NCEA Level 3 or University Entrance.
6. These measures have been interpreted as relating to the NCEA pass rate for students who were enrolled for (participating in) NCEA at each NCEA level and who left the schooling system when they left the school. This is effectively a blend of 'participation' and school-leaver measures.
7. The way that the schools' results have been calculated can be illustrated by the following hypothetical example:
  - Twenty students left the school and the schooling system at NCEA level 1, sixteen achieved level 1, four did not, resulting in a level 1 outcome of 80%.
  - In the same year, ten students left the school and the schooling system at level 2, nine achieved, one did not, resulting in a level 2 outcome of 90%.
8. Schools have been required to report their results by 31 January each year.



## Comparison with Results published on Education Counts

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9. The way that the Partnership Schools performance standards for school leavers have been calculated is not aligned to the methodology used for Education Counts.
10. School leaver achievement figures released on the Education Counts website are reported as 'leavers achieving NCEA level 1 *and above*, NCEA level 2 *and above*, and NCEA level 3 or equivalent'. This means that a student leaving with NCEA level 2 will be counted in the figures for 'leavers achieving level 2 and above', and also in the figures for 'leavers achieving level 1 and above'.
11. Percentages of leavers achieving a certain NCEA level on Education Counts are also calculated using the total of all school leavers for the year over the age of 15, not those leaving at an NCEA level, who have participated at that level.
12. Applying the Education Counts measures to the example given in paragraph 7 produces different results:
  - Twenty students left the school and the schooling system at NCEA level 1 and ten students left the school and the schooling system at level 2, resulting in a total of 30 leavers for the year.
  - Nine students left having achieved NCEA level 2, resulting in an outcome of 30% of leavers (9 out of 30) achieving level 2 or above
  - Sixteen students left having achieved NCEA level 1 or above (as level 2 leavers will also be counted), resulting in an outcome of 83% (25 out of 30)

## Policy Intent

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13. The original policy papers refer to the targets for Partnership Schools not being lower than for state schools. It was therefore agreed that 'targets for Partnership Schools be set based on the 85% system-level targets.'
14. Partnership Schools' 2017 performance standards for NCEA Level 2 were set as the Better Public Service (BPS) target figure of 85% and were stated as non-negotiable. Schools were able to negotiate targets for 2015 and 2016 to map their trajectory to reach the 2017 BPS target.
15. The performance standards in the Partnership School agreements for 2014 NCEA level 1 and 2 were to be based on the 2012 system-level results for decile 3 state schools.
16. The performance standards were set for three years on the premise that there would be a mid-term review of the contract that would set new targets.
17. Whilst the policy intent is to align with the BPS target, which is that, by 2017, 85% of 18 year olds will have achieved NCEA level 2 or equivalent, this is not a leaver target, as it relates to the whole of the population of 18 year olds, whether still in education or not. There is also no BPS target for NCEA level 1.
18. Leaver results provide the best proxy for the BPS system-level target at a school level. However, this assumes that NCEA level 1 leavers do not go on to achieve NCEA level 2 elsewhere by age 18.

## Application of the Leaver Measure in the Partnership School Agreements

19. The school leaver performance standards in the Partnership School agreements for 2014 NCEA level 1 and 2 were set at 80.9% and 66.9% respectively, based (as per the agreed policy) on the 2012 system-level results for decile 3 state schools.
20. The state school results used appear to have been the Education Counts leaver figures for level 1 and above and level 2 and above (Hornby High is a decile 3 school which can be used to identify the comparable measures for 2012 of 81.2% and 67.1%.)
21. It would therefore appear that the Partnership Schools agreements should have described the performance standards as:
  - School Leavers with NCEA level 1 and above
  - School Leavers with NCEA level 2 and above
  - School Leavers with NCEA level 3 and above (including a UE award)
22. Measurement of performance on this basis results in different outcomes to the methodology that has been used to date. It is much harder to achieve the NCEA level 2 measure as in 2017, as 85% of *all* leavers are expected to achieve NCEA level 2, rather than just 85% of those students participating in NCEA level 2 and leaving at that level.

## Impact on Performance Assessment

23. In our analysis of the 2014 annual reports for partnership schools, we advised that both Vanguard Military School and Te Kura Hourua o Whangarei Terenga Paraoa had met their NCEA leaver targets and recommended payment of the 1% retention amounts on that basis. Te Pūmanawa o te Wairua did not receive a 1% payment.
24. Had the performance standards been applied as per paragraph 21 above in assessing the 2014 performance, Vanguard Military School would not have met its level 2 target and Te Kura Hourua o Whangarei Terenga Paraoa would not have met either its level 1 or level 2 targets.
25. The following table sets out the position for all three round 1 secondary schools:



	Target	Result as reported	Outcome as Reported	Result using Education Counts methodology	Revised Outcome
<b>Vanguard Military School</b>					
Level 1	80.9%	92%	Exceeded	91.4%	Met
Level 2	66.9%	100%	Exceeded	60%	Not Met
<b>Te Kura Hourua o Whangarei Terenga Paraoa</b>					
Level 1	80.9%	82%	Met	77.8%	Almost Met
Level 2	66.9%	80%	Exceeded	55.6%	Not Met
<b>Te Pūmanawa o te Wairua</b>					
Level 1	80.9%	35.7%	Not met	40.0%	Not met
Level 2	66.9%	93.3%	Exceeded	6.7%	Not met

25. In our analysis of the sponsors' Annual Reports for 2015 for Partnership Schools [METIS 978682], we have applied the current interpretation of the measure in assessing performance.
26. We have not made any recommendations yet regarding the 1% retention amounts for 2015. The Authorisation Board has previously considered this issue on the basis of the current methodology, but will be discussing this matter again at its next meeting on 13 July, taking into account the proposed changed approach.

### Data Accuracy

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27. We have responded to a number of information requests from Bill Courtney of Save our Schools on this matter and understand that he is intending to publish an article.
28. In preparing a response to the most recent request from Mr. Courtney, we have identified that the figures reported for 2014 for Te Kura Hourua o Whangarei Terenga Paraoa and Te Pūmanawa o te Wairua were incorrect. This reinforces the need to use centralised data sources.

### Limitations of current Measures

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29. Under the performance assessment framework as currently applied, only leavers are being reported on, excluding consideration of the majority of NCEA Level 1 students who pass NCEA Level 1 and stay on to sit level 2. These are likely to be the school's most successful students, yet they are not reported on until they leave the schooling system.
30. This can also create anomalies, as demonstrated by Pacific Advance Senior School for the 2015 year. It originally reported that 69.2 percent of students enrolled in NCEA level 1 passed and remained at the school to undertake NCEA level 2. It also reported that one student who did not gain NCEA level 1 left the schooling system. Under the current performance measure, the result would be a zero percent

success rate, which would not reflect the school's performance. Identification of data transfer errors then showed that two school system leavers had passed NCEA Level 1, and there were no leavers who did not achieve. This results in a 100 percent achievement rate based on two students.

31. To get a true picture of overall performance in any year, annual performance standards must cover all students, not just leavers (which are a small proportion of students in a school's early years.) Some form of pass rate measure is therefore appropriate.
32. Roll-based measures (pass rates as a percentage of the whole roll) are preferred to participation-based measures (pass rates as a percentage of the number of students enrolled for a certain NCEA level), as they capture every student.

### Recommendation

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33. The Ministry recommends the following performance standards:
  - *Pass rates*
    - NCEA level 1, level 2 and level 3 and University Entrance roll-based pass rates as reported by NZQA
  - *Leaver rates*
    - Percentage of all students leaving the schooling system over the age of 15 who achieve level 2 or above as calculated by the Ministry and reported on Education Counts
34. The leaver measures would be the Education Counts leaver measures.
35. The proposed measures would:
  1. provide a comprehensive picture of student achievement
  2. enable data to be collected centrally
  3. be simpler to understand
36. The following additional reporting requirement is also recommended:
  - *Leaver Destination*
    - This would provide evidence of students taking vocational pathways which may lead to NCEA Level 2.
37. One of the round three schools has expressed concern about the achievability of an NCEA Level 2 leaver rate of 85% in its first two years of operation, given the cohort of students it will be dealing with. On the basis that we have negotiated agreement to an 85% roll based pass rate from 2018, we recommend that you agree that the 85% Level 2 leaver target apply from 2019.
38. For round three schools, the following minimum performance standards are therefore recommended:
  - a. *Pass rates* – minimum of 85% roll based pass rates for NCEA Levels 1 and 2 from 2018, 2017 pass rate to be negotiated
  - b. *Leaver rates* – minimum of 85% of students leaving the schools and the schooling system achieving NCEA level 2 in 2019. 2017 and 2018 leaver rates to be negotiated.All measures to be renegotiated after three years, as per current contracts.

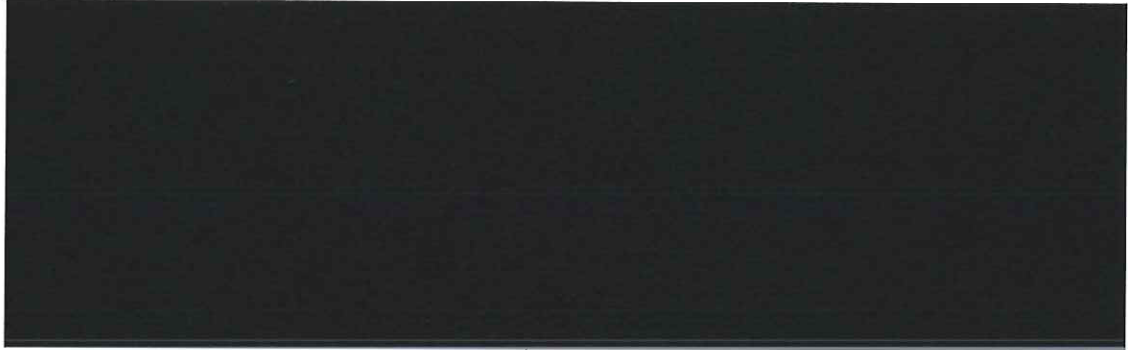
## Next Steps

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39. If approved, the revised performance standards will be incorporated into the Round three contracts for schools opening in 2017

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s 9(2)(j) OIA, s 9(2)(f)(iv) OIA