



The Third Report of the Chief Regulator

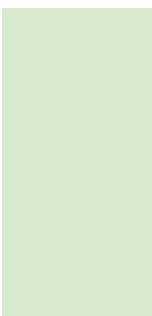
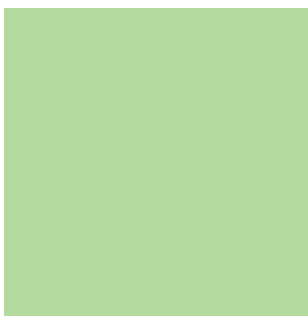
December 2010

Foreword

We are pleased to present the Third Report of the Chief Regulator. Under the legislation establishing the Office of Qualifications and Examinations Regulation (Ofqual), the title of Chief Regulator is held by the Chair. For the first half of 2010 the Chair and Chief Regulator was Kathleen Tattersall, who had led the organisation since 2008. This report draws on her work. At the time of writing, the appointments of Ofqual's new Chair and Chief Executive are still in progress. The organisation is carrying forward the responsibilities of the Chief Regulator – to be the public face of Ofqual – with particular emphasis on its role as the guardian of standards. In addition, Ministers have announced their intention to legislate to make the role of Chief Regulator an executive role in future.

In this report we set out the reasons why the regulation of qualifications and assessments is important, how we intend to regulate and the lessons learned from developments in which Ofqual has had a part over the past two years when the organisation was in its interim form.

Ofqual has existed as a separate statutory body since April 2010. The election, in May 2010, of the coalition Government has led to changes in the national policy context for qualifications and assessments which Ofqual regulates in England. We have also established our extended role as regulator of all vocational qualifications in Northern Ireland. As this report was nearing completion, English Ministers published two documents of crucial importance to Ofqual – Skills for Sustainable Growth (Department for Business, Innovation & Skills)¹ and the Schools White Paper, The Importance of Teaching, (Department for Education).² These documents define Ministerial policy directions within which Ofqual



will regulate. Our report is not a response to the White Papers but should be read alongside them. We set out key principles, which we intend to apply as we exercise our regulatory role in future. We commend these principles to you and would welcome your views on them.

This report selects some themes, arising from work which Ofqual has been doing, and seeks to contribute to professional and public thinking about them. We shall submit our first annual reports to the UK Parliament and the Northern Ireland Assembly after the end of the current financial year.

1. Department for Business, Innovation and Skills (2010) www.bis.gov.uk/assets/biscore/further-education-skills/docs/s/10-1274-skills-for-sustainable-growth-strategy

2. Department for Education, Cm 7980, November 2010, www.education.gov.uk/schools/teachingandlearning/schoolswhitepaper/b0068570/the-importance-of-teaching/



Those reports will cover all of our activities in the previous year. In contrast, this report is deliberately selective. Future Chief Regulator's reports will no doubt select different themes, for example conclusions drawn from the important work we have recently started, comparing the standards of certain English qualifications with those offered overseas. We shall apply the principles set out in this report to that work and to the other regulatory activities we undertake.

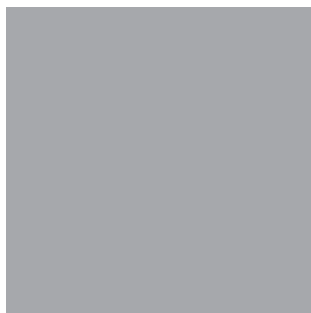
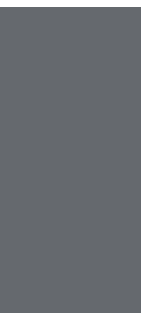
The interests of learners are of paramount importance. They need a qualifications currency which is trusted and respected by universities, employers and the wider public. That need is arguably even more important when the national policy context is changing than when it is stable. We hope that this report will provide a framework for making sure that future learners have access to qualifications and assessments which stand up to comparison with the best in the world.



Dame Sandra Burslem DBE – Deputy Chair



Isabel Nisbet – Chief Executive



Executive summary

2010 has been a year of significant change. In May, a new Government was elected and the new Secretary of State for Education announced his intention to enable Ofqual to be an even stronger guardian of standards and confidence in qualifications and regulated assessments. At a time of governmental change and vigorous scrutiny of resources, it is particularly appropriate for us to look carefully at what we do and set out clear principles for the future.

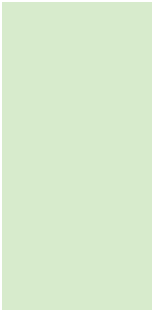
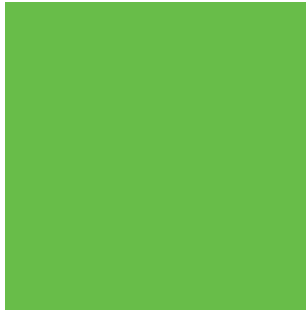
Why we need to regulate

As the regulator of qualifications, examinations and assessments in England, and of vocational qualifications in Northern Ireland, we need to be sure that our regulation is necessary and that the benefits of regulation outweigh the costs.

An independent regulator of qualifications is necessary because:

- users need to be able to make informed choices between qualifications
- without regulation, users might be tempted to choose qualifications for the wrong reasons (for example, because they are cheaper or users think they may be easier)
- without regulation, awarding organisations (suppliers) might be tempted to compromise quality for commercial reasons
- external pressures may affect confidence in qualifications
- the public needs to be assured that standards and rigour are being maintained
- users need to be assured that the system is offering value for money to users and the taxpayer.

In relation to National Curriculum assessments, Government relies upon an independent regulator to reassure the public, and other users, that the materials and systems provided by its agents are of appropriate quality and rigour, and that the results are valid and reliable.



How we intend to regulate qualifications

Ofqual, as an independent regulator, is working to secure efficiency and value for money with no compromise on standards. Chapter 2 of this report describes how we intend to regulate by:

- placing responsibility firmly with awarding organisations
- regulating according to risk
- simplifying the system
- emphasising fitness for purpose
- acting transparently when things go wrong
- allowing space for innovation
- ensuring value for money
- dealing fairly and openly with complaints, enquiries and appeals.



Lessons learned for the future

This summer the new A* grade at A level was awarded for the first time, allowing universities and employers to identify exceptional candidates. In addition, the majority of A levels moved from a six-unit to a four-unit structure. Throughout these changes, fairness to all learners and consistency of outcomes remained Ofqual's priorities. Our robust monitoring programmes, and our work with awarding organisations in the months preceding the first awards, helped to make sure the awarding season passed successfully. Lessons learned for the future included the importance of early planning, transparency about all aspects of grading and awarding, and the importance of monitoring before awards are finalised to make sure that they are fair and consistent.



Ofqual's principles for the future

Ofqual is independent of Ministers and of those who develop the qualifications and assessments we regulate. Ofqual does not seek to occupy the policy-making space rightly occupied by Ministers, nor are we the sole repository of expertise and experience about qualifications, examinations and assessments. We are a regulator, charged by Parliament with providing an independent assurance that standards are maintained in the qualifications and assessments we regulate, promoting confidence in qualifications and assessments, and ensuring that regulated qualifications are value for money. It is from that vantage point that we offer the following principles – ranked in order of importance – to be borne in mind as new policies and initiatives are announced and implemented.



Chapter 3 of this report also identifies lessons learned from other developments in which Ofqual has been involved, such as, functional skills qualifications, the Qualifications and Credit Framework (QCF) and the Diploma. We reiterate our belief that properly evaluated pilots, although initially slowing the introduction of new or revised qualifications, can reduce the risk that large numbers of learners suffer from poor-quality assessments. All the developments described in this chapter have considerable strengths, and it is essential that we do not lose these strengths as new developments are introduced.

Principle 1: The interests of learners are paramount

Qualifications are for learners. They rely upon them to open doors for the future and it is essential that the qualifications available to them are the best we can offer and that the currency which they represent commands confidence. Learners need to be supported in completing and building on the learning on which they have embarked. There is a particular responsibility on regulators, and Government to protect the interests of learners at times when qualifications are being changed. Other users also need to be assured of the quality and integrity of the qualifications and assessments they rely upon.



Principle 2: Fitness for purpose is key to quality

Ofqual has published five requirements for regulated national assessments: validity, reliability, comparability, minimising bias, and manageability. These requirements are equally applicable to assessments in all regulated qualifications, whether academic, vocational or professional. To an extent, there will always be some trade-off between these demands, although all are important. However, in championing fitness for purpose as the most important requirement, we are here extending and emphasising the importance of validity.

Principle 3: Each awarding organisation is responsible for its qualifications

It is the role of each awarding organisation to make sure that its qualifications are fit for purpose, at an appropriate level, efficiently administered and rigorously assessed. It should take on that responsibility and be held to account for it.

Principle 4: Content and potential for progression must be clear

All the users of regulated qualifications, examinations and assessments should be able to understand clearly what knowledge and skills have been assessed, what the learner's level of attainment means and what progression it supports. This principle applies to learners, their teachers/lecturers/trainers, their families, higher and further education institutions where the learners might wish to go, and to current or future employers.

Principle 5: There must be a consistent approach to standards in all qualifications

All regulated qualifications should be of the highest quality, and the public will rightly expect Ofqual to monitor that this is so. The standards required for the qualification - and for the grades and marks awarded, must be secure. The public also has a right to expect its regulator to report openly its findings on standards and to take action

where problems are found. In carrying out this remit we seek to apply a consistent approach to all qualifications, whether academic or vocational, but in a way that takes into account genuine differences in the purposes and candidature of different qualifications.

Principle 6: Qualifications must offer value for money

All regulated qualifications should offer value for money. This means that in addition to being fit for purpose, and of a sufficient standard, they should be provided and purchased as efficiently as possible. Awarding organisations need to be able to invest in the research and development that is essential to make sure that they keep pace with change. However, it is also important that learners and those purchasing qualifications can be reassured that costs are being appropriately controlled and that they are not being charged for inefficiencies in the supply chain. Purchasers of qualifications need sufficient information and incentives to procure qualifications efficiently. We do not believe that the market alone is a sufficient guarantee that qualifications offer value for money.

Principle 7: We must learn lessons from the past

We are now entering a new era of Government-stimulated policy development which will affect regulated qualifications and assessments. In Ofqual's view, it is essential to apply lessons from the past, and to retain the strengths of some of the recent initiatives, while improving on what went less well.

As the independent regulator, Ofqual strives to secure qualifications, examinations and assessments that are valued and trusted by learners, users and the wider public. We want a system that allows learners to flourish, confident in the knowledge that their achievement is accurately measured and valued by employers and higher education institutions all over the world. As new Government policies are announced and implemented, the regulatory principles set out in this report should help to sustain standards, confidence and value for money.



Chapter 1. Why we regulate

Introduction

Ofqual formally came into existence on 1 April 2010 under the Apprenticeships, Skills, Children and Learning Act 2009 (the Act), though we operated in interim form for two years before that.

The Act lays down our statutory objectives and powers. It provides the structure within which we regulate awarding organisations and the qualifications they offer. It also defines our role in relation to national assessments – for the National Curriculum and the Early Years Foundation Stage – which are the responsibility of Government.

In relation to national assessments, Government³ relies upon an independent regulator to reassure the public, and other users, that the materials and systems provided by its agents are of appropriate quality and rigour and that the results are valid and reliable.

Regulation of national assessments

Under the Act, Ofqual has an objective of “promot[ing] the development and implementation of regulated assessment arrangements which (a) give a reliable indication of achievement, and (b) indicate a consistent level of attainment (including over time) between comparable assessments.”⁴ Government has direct responsibility for the development and delivery of assessment of the National Curriculum and the Early Years Foundation Stage. All national assessments are under the control of a single agency – currently the Qualifications and Curriculum Development Agency (QCDA). QCDA, on behalf of the Government, develops the curriculum, commissions the assessment materials, develops the marking schedules and determines the cut-off scores for each level. Among the many uses of the assessment results, Government relies upon them to provide reliable



As the regulator of qualifications, examinations and assessments in England, and of vocational qualifications in Northern Ireland, we at Ofqual need to be clear that our regulation is necessary and that the benefits of regulation outweigh the costs. In this chapter we lay out why we think it is necessary to regulate.

3. In this report we largely use the term “Government” to refer to the collective responsibilities of Ministers. As a non-Ministerial Government Department, Ofqual is technically part of “Government” in a wider sense, but distinct from Ministers.

and valid information about the outcomes of the education for which it is responsible. In these circumstances, an independent regulator can provide independent assurance that the standards of the assessments are sound.

4. Apprenticeships, Skills, Children and Learning Act 2009, s128(3) www.legislation.gov.uk/ukpga/2009/22/section/128



The new Government has emphasised the need for an independent regulator of national assessments, at arm's length from the Government and its agencies. In a letter to Ofqual's Deputy Chair about Lord Bew's review of assessment at Key Stage 2⁵, the Schools Minister, Nick Gibb, stated: "Given that the new Agency [to take over statutory assessment and testing functions from QCDA] will bring testing arrangements much closer to Ministers, we will rely on [Ofqual] to be scrupulous in ensuring the integrity and impartiality of National Curriculum tests."

Regulation of qualifications

There is a lot at stake in the business of providing qualifications and examinations. Estimates suggest the market is worth about £1 billion⁶ a year. It involves a diverse (and growing) range of awarding organisations – up from 92 in 2002 to 163 in 2010. In 2009/10 these organisations offered 14,700 different, regulated qualifications, generating 14.8 million attainments.

Regulation is most needed in areas where market forces do not, on their own, produce the best outcomes for purchasers of services or where vulnerable consumers may need protection from bodies that could have incentives to cut quality to reduce costs. The qualifications sector is such an instance. Qualifications are hugely important to individual learners, employers and other users. They also support progression to higher education and improve the skills of the workforce, contributing to the economic prosperity of the nation.

Users need to be able to make informed choices between qualifications

An independent regulator is necessary where markets cannot be relied upon to regulate themselves. In an efficient market there is a

balance between the power of the suppliers and that of the consumers. Consumers know enough about the product they are purchasing to enable them to make genuine choices. They may choose a cheaper version, knowing and accepting that the quality is lower. They can research different products and identify the strengths and weaknesses of each against their needs. If the product does not live up to their expectations on one occasion, they can show their dissatisfaction by returning the product or choosing another next time.

In the qualifications sector there is much less evidence of such balance. Users do not have the knowledge to judge between what is offered. In most cases the end-users – the learners



themselves – do not have any choice at all; the qualification is chosen for them by their school, college or employer. Even those who are making that choice cannot know the detail of the development process, the quality assurance processes or level of research that has been undertaken to underpin the qualification. In addition, there are other users of the results of qualifications – other schools, employers, further and higher education institutions and Government – who are not involved in the choice of which qualification a learner should take, but who rely upon the results to make important decisions. Qualifications – and assessments – must be trusted to do what is required of them first time. The consumer cannot take them back if they are not satisfactory.

5. www.education.gov.uk/inthenews/inthenews/a0066617/michael-gove-announces-review-of-key-stage-2-testing

6. Ofqual (2010) *Annual Qualifications Market Report*. www.ofqual.gov.uk/files/2010-03-19-Annual-Market-Report.pdf



Without regulation, users might be tempted to choose qualifications for the wrong reasons

There is also a danger that those who decide which qualifications learners should take could deliberately choose qualifications that they thought were easier or cheaper rather than those of an appropriate quality and standard to maximise the status of the institution, for example in inspection reports or performance tables. It is in the longer-term interests of all – and essential if



the currency of the qualification is to command respect – for standards to be maintained. Learners need to be able to take as read that the standard of the qualification is robust.

Without regulation, suppliers might be tempted to compromise quality

On the supply side, awarding organisations could be tempted to promote their qualifications by making them easier or cutting corners to reduce costs. Incentives for awarding organisations to behave in particular ways may differ, reflecting the diversity of their structures, ownership, governance arrangements and commercial or charitable interests. This diversity gives users more choice but also adds to the complexity of the system. The English qualification system benefits from the richness of the experience and different styles and strengths of the awarding organisations involved. Awarding organisations have a strong educational ethic, and this is an importance safeguard for standards. But the complexity of the models involved, together with the commercial pressures experienced, means that the public needs the assurance that the regulator provides.

External pressures may affect confidence in qualifications

External factors have an impact on the operation of the sector. Qualifications and national assessments are important to Government. Government will wish to devise education policies that serve its medium- and long-term goals. It may wish to strengthen certain aspects of the curriculum and use qualifications as a means not only of measuring the achievements of the young people themselves, but as a proxy for the quality of the education system and the strengths of its policies. Government policy, higher education, employers and their representative bodies rightly influence the design and choice of qualifications. An independent regulator can offer the Government and the public the reassurance that these influences are appropriate and that standards are being properly maintained.

The public needs to be assured that standards and rigour are being maintained

Even if the market could secure standards, the public might not trust those standards without independent assurance. Such concerns have been around for generations, as the following letter from a headteacher to the Times in May 1872 indicates:

“Oxford pitches her standard, if not too high, higher than her Sister University. No junior can pass at Oxford without satisfying the Examiners, in addition to the preliminary subjects, as to his knowledge in a foreign language, mathematics or chemistry; while at Cambridge the subjects of an English education only may suffice. And again, in the case of seniors, Oxford sets no special books to be read in Latin, Greek, French, or German; whereas Cambridge does. As the public value of the Oxford and Cambridge certificates is much the same, masters, parents, and pupils naturally prefer entering for Cambridge⁷.”

7. Letter to The Times by an unnamed headmaster, annotated by G.F. Browne as May 1872, in *Graces Book 1857–1887*, Cambridge Assessment Archive, EX/UC 1, reprinted in *Techniques for monitoring the comparability of examination standards* QCA London 2007 p46



Ofqual has a statutory objective to promote confidence in regulated qualifications⁸, and a credible, independent voice is required to provide assurance on those perennial issues.

Users need to be assured that the system is offering value for money to users and the taxpayer

A regulator is also necessary to secure value for money for the consumer. This means that, in addition to qualifications being fit for purpose, they should not be unduly costly, and purchasers should have the information and processes to be able to purchase qualifications efficiently. The costs of qualifications largely fall on schools, colleges and employers, and most of these costs are funded by the taxpayer, although some costs are also met by individual students, their parents or employers. All need reassurance that what they are being charged is reasonable. At the same time, the awarding organisations have a multitude of costs to cover – not all of them immediately obvious to the users of their services – and they need a reasonable return to enable them to maintain the quality of the service they provide and to invest in developments for the future.

Conclusion

The prime function of regulation is to protect users. In the case of qualifications, the principal end-users are the learners themselves. For national assessments, the prime users are schools, parents and Government. But qualifications and assessments are used for a wide range of purposes⁹ and all users – including teachers, parents, employers and universities – need to be sure that they can have confidence in the results. In addition, Government, and the public at large, need reassurance that the money spent on qualifications is not being wasted, that the system is efficient and that the level of fees charged is justified. To provide the necessary assurances, Ofqual must be – and must be seen to be –

independent of both providers and users, including Government, while maintaining good working relationships with all.

In this chapter, we have looked at the rationale for an independent regulator of qualifications. Regulation involves cost and burden to the system and needs to be justified. The complexity of the qualifications market and the involvement of Government in national assessments makes it essential to have an independent regulator that can provide the necessary assurances to users and the public.



Why we regulate

- **Users need to be able to make informed choices between qualifications.**
- **Without regulation, users might be tempted to choose qualifications for the wrong reasons.**
- **Without regulation, suppliers might be tempted to compromise quality.**
- **External pressures may affect confidence in qualifications.**
- **The public needs to be assured that standards and rigour are being maintained.**
- **Users need to be assured that the system is offering value for money to users and the taxpayer.**

8. Apprenticeships, Skills, Children and Learning Act 2009, S128(4)

9. Qualifications and Curriculum Authority (QCA) (2007) *Evaluating Assessment Systems* www.qca.gov.uk/resources/assets/Evaluating_Assessment_Systems1.pdf



Chapter 2. How we intend to regulate awarding organisations and their qualifications

In this chapter we put forward our proposals for the way in which we will regulate in the future. The onus for quality sits squarely on the shoulders of the governing bodies and accountable officers of each recognised awarding organisation. Our role as regulator is to lay down clearly what they are required to achieve, to give them space to do so, and then to hold them to account.

Accordingly, we want to make our regulation as focused as possible, putting more resources where the risk is greatest while having contingency plans to deal with problems wherever they may arise. Qualifications should encourage best practice in teaching and learning in the classroom and reflect current industry standards in the workplace. Our regulation should therefore be as strategic and transparent as possible. It must leave room for



awarding organisations to try out new ways of assessing to reflect developments in the curriculum and the workplace. The qualifications we regulate must be of an appropriate standard, be fit for purpose and offer value for money, and we must have transparent and independent

10. From Transition to Transformation: Strategic Regulation of Awarding Organisations and Qualifications. To read the full text of the document and to respond to the consultation (by 31 January 2011) go to our website: <http://comment.ofqual.gov.uk/from-transition-to-transformation/>

systems to deal with complaints, whether about those we regulate or about us.

Placing responsibility firmly with awarding organisations

We are currently consulting on our approach to regulation.¹⁰ Our starting point is that, once recognised, an awarding organisation must take responsibility for the quality and standards of its qualifications, and the value for money provided by the qualifications and services it provides. To secure recognition, awarding organisations must meet defined criteria.

Awarding organisations choose to become recognised and, in doing so, accept the responsibilities that recognition entails. They agree to follow the requirements of the statutory regulations¹¹ and the relevant codes of practice for the qualifications they wish to offer.

We will require the governing body of each awarding organisation we regulate to:

- **make sure the organisation behaves in accordance with the conditions of recognition to which it is subject and that it has the expertise and resources to do so**
- **be accountable for the quality and standards of the qualifications it awards and the efficiency with which it operates**
- **respect our role as a regulator and cooperate with us**

11. QCA, ACCAC, CEA (2004) *The Statutory Regulation of External Qualifications in England, Wales and Northern Ireland* www.ofqual.gov.uk/public-download/category/16?download=187%3Athe-statutory-regulation-of-external-qualifications-2004



- **take remedial action if things go wrong and make sure we are informed promptly.**

It is not the role of the regulator to get involved in the day-to-day operations of the development or delivery of qualifications. We have to specify clearly what is required and put in place systematic checks that the required outcomes are being achieved.

Regulating according to risk

We will use risk assessment to decide when and how we should intervene. This approach will enable us to fulfil our commitment to be both targeted and proportionate in our activities. We will intervene to make sure that:

- **an individual awarding organisation is meeting the recognition conditions – securing the standards of its awards and ensuring the value for money of its qualifications and related services**
- **the standards of qualifications are consistent, both between awarding organisations (if they purport to offer comparable qualifications) and over time.**

We will therefore need to identify risks specific to a single awarding organisation and system-wide risks.

In assessing risk, we will gather evidence from a range of sources, including the outcomes of an awarding organisation's self-evaluation and its data reports, its complaints profile and our own due diligence enquiries. We will also use the findings from our other regulatory interventions such as the quality of qualifications submitted to us for accreditation. Findings from other regulatory, quality assurance and funding bodies will feed into our assessment of an awarding organisation's capacity to fulfil its awarding role properly.

Horizon scanning of the sector as a whole, including incentives that might affect standards and efficiency, will help us understand system-wide risks. For example, we will model: examination results; research into the comparability of qualifications (between

qualifications and over time); thematic research; sampling of compliance with qualification criteria; and research on trends in fees. We will also compare the standards of selected qualifications we regulate with those offered by our international competitors.

Where we identify risks specific to an awarding organisation, we will investigate the risks further before deciding whether any, and if so what, enforcement action is necessary.



Where we identify systemic risks, we may undertake an audit of a particular qualification or set of units. We may undertake visits to the awarding organisations that offer the affected qualifications to explain the concerns and gain each awarding organisation's agreement to take any necessary action. We may write publicly to accountable officers of all awarding organisations, alerting them to the risks and asking them to take action.

An awarding organisation that is assessed as a low risk will be subject to lower frequency and intensity of intervention from us. Where we consider an awarding organisation to be a high risk, we will monitor it much more closely and frequently. We will look carefully at other qualifications it offers – a deficiency in one qualification could be an indication of a risk to others. Information gained in one awarding organisation may reveal aspects of the system as a whole that need investigation.

We believe this approach should provide an incentive for awarding organisations to operate effective and efficient practices across all of their awarding functions.



Simplifying the system

In focusing on the role of the awarding organisations, we also need to simplify the system of regulation, removing any unnecessary regulations and requirements.

At present, regulated qualifications can be referenced to either the National Qualification Framework (NQF) or the Qualifications and Credit Framework (QCF). The NQF and the QCF both provide a means of describing and comparing the level of demand that a qualification places on learners. In addition, the QCF enables learners' achievements' to be recognised through the award of credit. Learners can accumulate and transfer credit from a variety of recognised sources towards a regulated qualification. The QCF also allows awarding organisations to incorporate within their qualifications units other than their own.

The majority of vocational qualifications are designed to meet the regulatory requirements of the QCF. On occasion, the organisations awarding a minority of qualifications (including some specialised professional qualifications) have considered the NQF more appropriate, but the

regulators in Wales and Northern Ireland if we are to simplify the system. Unnecessary differences between the three countries add complication and burden.

Emphasising fitness for purpose

Discussion of the standards of qualifications often ends up in a rather futile debate in which examinations in the same subject are compared with those in past decades, and vocational qualifications are compared (often to their detriment) with academic qualifications.

These discussions ignore the important fact that the roles served by qualifications are often very different and that requirements may justifiably change. For example, technological change and changed industrial practices need to be reflected in changed content of National Occupational Standards and professional qualifications. The language and literature of modern foreign languages, and the equivalents in the arts, change over time, as do methodologies, theories and empirical evidence in the sciences. Our understanding of best practice in teaching, and our ambitions for what can be expected of young



potential benefits of the QCF have strong attractions for many in vocational fields. Most of the qualifications taken by learners in schools, such as GCSEs and A levels, are referenced to the NQF.

As part of transforming how we regulate, Ofqual wants to bring all qualifications into a single framework that is coherent and flexible. We are currently consulting on this with the aim of removing repetition and ensuring clarity and coherence. We must work with our fellow

people and adult learners can change as we learn from outstanding examples in this country and overseas.

What we need to concentrate on is fitness for purpose. It is well documented that outcomes of national assessments and qualifications are used for many purposes¹², some of which (such as holding educational institutions to account) are extrinsic, compared to the intrinsic purposes of the assessment. However, at their core, regulated

12. QCA (2007) *Evaluating Assessment Systems* www.qcda.gov.uk/resources/assets/Evaluating_Assessment_Systems1.pdf



qualifications and national assessments aim to measure validly and reliably the required knowledge, skills and understanding displayed by learners at the time of the assessment. In our view, qualifications of the standards required by a regulator should also provide a firm basis for progression and support the best teaching and learning. And we believe that, in many circumstances, it is more important that they do that, than remain unchanged.

When Ofqual was launched in its interim form, we initiated an important programme of work about reliability, aiming to increase professional and public understanding of the inevitable variability involved in assessing and marking. This programme has shed light on a difficult area and will help us to explain to users the degree to which they can have confidence that a similar assessment, repeated in different circumstances, would produce similar results.

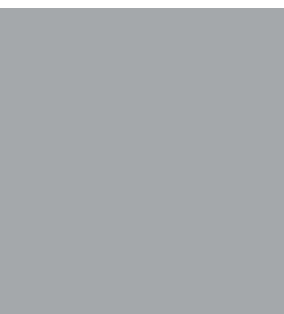
Comparability is also important for the regulator. Where different awarding organisations offer the same qualification, fairness to candidates and public confidence require that the qualifications are comparable. Comparability over time can be

However, in championing fitness for purpose as the most important requirement, we are here extending and emphasising the importance of validity as the standards debate moves forward. We reflect this emphasis in the principles set out in chapter 4.

Acting transparently when things go wrong

To retain public confidence, it is essential that the system is transparent – an open box, not a black box. We need to shine a light on the evidence and not expect the public to be satisfied with blind faith or half-truths. We must be trusted to report what we find, even when those findings are uncomfortable to us, Government or those we regulate.

For example, in the autumn AQA alerted us to an error in the way in which some of their examination scripts had been scanned for online marking, which had led to some pages in candidates' scripts being unmarked. Quite clearly this error should not have happened, and AQA's systems should have spotted the problem much earlier. We immediately required AQA to assure us



crucial when candidates from different years are competing for selection, and to reassure the users of qualifications that assessment standards are not being allowed to drift. Ofqual carries out comparability studies each year, concentrating on groups of qualifications where there is heightened public or professional interest to monitor the consistency of standards across the awarding organisations and across time.

that affected candidates were treated fairly and received the marks their work merited as soon as possible. AQA also gave this the highest priority, once the problems were discovered. They launched an internal inquiry, and we also considered it appropriate to carry out a regulatory inquiry, headed by a member of the Ofqual Board. We will publish our findings.

These problems are rare, and the delivery and marking of millions of papers each summer is now

a well-oiled and efficient system. However, even where only a small proportion of candidates are affected, problems of this kind can damage confidence in the system as a whole. It is important that any problems are investigated, that the findings are made public, and that we and the awarding organisations are seen to learn from the experience.

Allowing space for innovation

The world is constantly changing, and it is essential that the assessment and qualifications systems change with it. The Act establishing Ofqual gives us a general duty of “[having] regard to the desirability



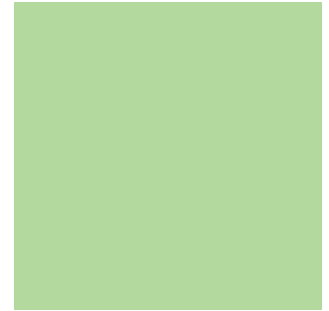
of facilitating innovation in connection with the provision of regulated qualifications.”¹³ This duty is a much-needed counterweight to the danger that regulation may lead to stagnation in which the status quo is maintained because it is felt to be too dangerous to move forward. We must work with our fellow regulators in Wales and Northern Ireland to prevent that from happening.

Our broad working definition of innovation is the creation, development and implementation of something new. It could be a product, process or service with the aim of improving efficiency, effectiveness, validity, reliability or the learner’s experience.

We have included in one of our current consultations¹⁴ a proposal to carry out a stocktake of innovation over the coming year.

The study will seek to answer the following questions:

- **In practice, what do we mean by innovation in the qualifications sector?**
- **Why is innovation important to awarding organisations, purchasers and end-users of qualifications?**
- **What have been the most successful innovations to date and have there been any failures?**
- **What are the key drivers of, and barriers to, innovation in the qualifications sector?**



- **What steps might characterise innovative processes?**
- **As a regulator, when should we intervene to encourage innovation, rather than relying on markets to do so?**

As part of the study, we will need to listen to awarding organisations to understand as fully as possible their attitude to, and use and perceptions of, innovation.

13. Apprenticeships, Skills, Children and Learning Act 2009, S129(2)(g) www.legislation.gov.uk/ukpga/2009/22/section/129

14. To read the Consultation on Economic Regulation and the Fee-capping Process go to our website: <http://comment.ofqual.gov.uk/economic-regulation-and-fee-capping/>



Ensuring value for money

Another aspect of our work where we are currently conducting a consultation is economic regulation.¹⁵ Such regulation is particularly important in the current financial climate.

Expenditure on qualifications has increased significantly in recent years. Between 2002/3 and 2008/9 secondary schools' expenditure on qualifications increased by 83 per cent.¹⁶ This increase partly reflects the impact of the modularisation of examinations, the greater variety and volume of qualifications being taken, early entries and more resits.

The bulk of these costs are met by the taxpayer, but whoever foots the bill has a right to expect value for money. At a time when school and college budgets, and the training budgets of employers, are under increasing strain, it will not be sustainable for qualification costs to continue to rise at this rate. Schools, colleges and employers will look to awarding organisations to make sure that they get value for money. But the purchasers of qualifications also have a responsibility to look at their own actions to make sure that they are not using qualifications excessively or more than is best to support the education of their learners.

the heart of our approach to securing efficiency and value for money. A system in which standards were not maintained, qualifications were not fit for purpose and which the public distrusted could not be truly efficient. Therefore, we cannot undertake our approach to securing efficiency in isolation from our other regulatory functions. Reducing fees at the expense of standards is wholly unacceptable. Awarding organisations must also be allowed to earn sufficient income to allow them to offer valuable qualifications in areas that may only have a small market.

It is in this complex and changing environment that we set out our proposals for our approach to securing efficiency and value for money.

For a qualification to offer value for money it must:

- **be fit for purpose and be of a sufficient quality and standard to meet the needs of purchasers and end-users**
- **be provided by awarding organisations as efficiently as possible and be purchased as efficiently as possible**
- **have a fee level that appropriately reflects the costs involved.**



Ensuring value for money does not mean simply reducing costs, which could be to the detriment of standards, quality and public confidence. Our standards and public confidence objectives lie at

15. To view the Consultation on Economic Regulation and the Fee-capping Process go to www.ofqual.gov.uk/files/2010-10-19-4777-consultation-on-economic-regulation.pdf. The consultation continues until the end of January 2011.

16. Data on school expenditure, including expenditure on examination fees, is collected from local authorities by the Department for Education under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009 and published on an annual basis. Aggregate data for England is contained in the annual Outturn summary and can be accessed from www.dcsf.gov.uk/everychildmatters/strategy/financeandfunding/informationforlocalauthorities/section251/dataarchive/s52da/. Previously this data was collected under Section 52 of the School Standards and Framework Act 1998.



Our overall approach to securing the efficient provision of regulated qualifications includes proposals aimed at:

- **promoting the efficiency of individual awarding organisations**
- **incentivising efficiency within the system**
- **remedying inefficiency when it occurs.**

Dealing fairly and openly with complaints, enquiries and appeals

Under the Act, Ofqual has a duty to investigate complaints about qualifications and assessment arrangements within its brief, and we published our policy on this aspect of our work earlier this year.¹⁷

In 2010 we have had to respond to an issue about qualifications in English for speakers of other languages (ESOL), offered by City & Guilds. Some centres appeared to be offering certificates with virtually no training having taken place, and with insufficient rigour in the assessment process. The malpractice was identified by City & Guilds and action was taken.



However, in view of the fact that immigrants coming to the UK can use ESOL qualifications in conjunction with citizenship qualifications as a means to apply for permanent residency in the UK, we published an open letter to all awarding organisations that offer ESOL to raise their awareness of the potential problem.¹⁸

17. Ofqual (2010) *Policy for Conducting Enquiries into Complaints about Awarding* www.ofqual.gov.uk/files/2010-04-policy-for-enquiries-into-ao-and-qualification-complaints.pdf

Another issue raised this year was bogus colleges¹⁹, which were selling courses to potential students abroad and purporting to offer recognised qualifications. When the students arrived in the UK they found that the courses did not exist and the awarding organisation had no knowledge of the colleges. This case was primarily one of fraud, but, as it could damage the reputation of the UK in an important market, we thought it important to take action. What was necessary was a mechanism by which overseas students who were seeking an appropriate course in this country could avoid being taken in by such fraudsters. We now publish advice on our website about bogus colleges; what they are, how to recognise the warning signs, how to check that qualifications are genuine and who to consult. We think that in this way we are acting in the interests of all learners, even those who are not yet learning in the UK. We intend this material to be useful to immigration advisers and organisations supporting those seeking to enter this country to study. We are also working with other agencies to protect vulnerable students from these deplorable practices.

We are currently conducting a consultation²⁰ into the most appropriate approach to appeals. The Examinations Appeals Board (EAB) exists to

18. For the full text of the letter, got to www.ofqual.gov.uk/news-and-announcements/127-news-and-announcements-open-letters/213-open-letter-regarding-esol-qualifications

19. The advice on bogus colleges can be found at www.ofqual.gov.uk/help-and-support/166/308

20. The Consultation on Complaints and Appeals for Regulated Qualifications and details of how to respond (by 31 January 2011) can be found at: <http://comment.ofqual.gov.uk/complaints-and-appeals/>



consider appeals from England, Wales and Northern Ireland about grading decisions for GCSEs, A levels and the Diploma Principal Learning and project components. The EAB is independent of the awarding organisations and of the qualifications regulators. The availability of an independent panel such as the EAB is highly valued, and our consultation proposes that similar arrangements are retained. Any new arrangements must retain the strengths of the current system.

Conclusion

In this chapter, we have looked at our proposals for regulating qualifications, recognising that awarding organisations carry the responsibility for ensuring that standards are maintained and that the services they offer are provided efficiently and are value for money.

How we will regulate

- **Placing responsibility firmly with awarding organisations.**
- **Regulating according to risk.**
- **Simplifying the system.**
- **Emphasising fitness for purpose.**
- **Acting transparently when things go wrong.**
- **Allowing space for innovation.**
- **Ensuring value for money.**
- **Dealing fairly and openly with complaints, enquiries and appeals.**



Overall, our approach to regulation is one of maintaining a balance between our expectations of awarding organisations and the powers we retain to investigate and enforce. Our risk-based approach will allow us to focus on those areas of the system that are most critical, or those awarding organisations that are the most vulnerable, and to use our powers efficiently and effectively. We will try to simplify the regulatory system to make it easier to understand. We will expect recognised awarding organisations to make use of the space we give them to develop and maintain qualifications that are fit for purpose and provide value for money.



Chapter 3. Lessons learned for the future

Introduction

Ofqual is independent of Ministers past and present. At a time of change in educational policies and the launch of new initiatives, it is particularly appropriate for an independent regulator to consider objectively lessons learned from its involvement in initiatives stimulated by the previous Government and feed those lessons into current thinking.

For example, previous Ministers set up a pilot of Single Level Tests in English (reading and writing) and mathematics at Key Stage 2, which could be sat when the teacher judged that the pupil was ready. Ministers asked Ofqual to review the pilot and we have been doing so. More recently, new Ministers have established a review, to be led by Lord Bew²¹, into assessment at Key Stage 2. The Single Level Tests initiative was suspended pending Lord Bew's conclusions. The Schools Minister wrote to Ofqual on 5 November 2010 inviting us to send an observer to Lord Bew's panel. We look forward to advising Lord Bew on the regulatory issues, including the findings of our review of the Single Level Tests pilot.

The remainder of this chapter considers qualifications initiatives in which Ofqual has been involved:

- **New A levels**
- **The Qualifications and Credit Framework**
- **Functional skills**
- **The Diploma**

We identify what went well and what was more challenging, and set out the lessons learned for the future.

New A levels

It was clear from the problems that followed the introduction of the revised AS and A level examinations in 2001 and 2002, that great care must be exercised when changing the system in ways that require new standards to be set.

In 2008 students started new A level courses which held out for the first time the prospect of an A* grade. In addition, in many subjects there was a change from six to four modules. It was obvious, therefore, that the clear lesson from the past was that the first awards would need to be very carefully managed to carry forward standards and develop appropriate new standards for A*.

We took the decision then that we would be open and honest about the challenges we and the awarding organisations faced. In March 2009 Kathleen Tattersall, then Chief Regulator, wrote to secondary schools and colleges explaining the changes that were taking place and how the regulator was working with the awarding organisations to maintain standards of existing grades and to set appropriate standards for the new grade. In the summer 2009 cycle of examinations we monitored the grades awarded on the new AS specifications and found them to be fair and consistent.

In February 2010 we again wrote to all secondary schools and colleges, giving them more detail on the way that the new A* grade was to be awarded. Throughout the summer we worked

21. www.education.gov.uk/inthenews/inthenews/a0066617/michael-gove-announces-review-of-key-stage-2-testing



closely with the awarding organisations to reassure ourselves that our regulatory requirements were being followed, that the standards set were appropriate, and that the A* rewarded learners who performed consistently well across their A level units and outstandingly well on the A2 units, which include the most challenging questions.

As a result of this work, the grading of the new A levels passed off smoothly this summer and we believe that this approach – working closely with the awarding organisations from the outset and explaining the processes clearly to schools and colleges – could form the basis of a strategy for managing such changes in the future. The awarding organisations are responsible for standards, but the regulators can create an environment within which the awarding organisations can maintain standards across the system when a change to the status quo presents such a challenge. At the same time, it is essential to keep users informed of what is being done, even though that information may draw attention to the challenges being faced. Details of our approach were made public on Ofqual's website



in the months before and during the exam season. When enquiries and concerns were raised, the replies were also published on the web, however technical the issues were. Large numbers of people read this material, and we are sure that such transparency is essential to retain public and professional confidence when changes such as this are made.

pathways that are most relevant to them while building up a qualification that has currency in the marketplace. The benefits of the QCF should be to give students greater choice, increase their motivation and enable them to build up a qualification over time. The QCF also allows different sectors and individual employers to configure qualifications that are most meaningful for their employees. The employees in turn are provided with the maximum flexibility and range of opportunities for recognition of prior learning,

Lessons Learned

- **Early planning is essential.**
- **There is a need for transparency about all aspects of grading and awarding.**
- **The regulator must monitor before awards are finalised to make sure that they are fair and consistent.**

The Qualifications and Credit Framework

The introduction of the QCF represents a major change to the way in which the majority of vocational qualifications are awarded. Under the QCF, all qualifications are unitised and achievement is recognised through the award of unit credits accumulated and combined to lead to qualifications. The QCF gives learners more flexibility; they do not have to make a commitment to a specific qualification at the start of their studies but can accumulate units that are relevant to them. Learners can decide on the



thus saving time and money by not duplicating previous achievement. So far, a lot of effort has gone into the back-office work of converting qualifications into the structures required by the QCF. We all now need to work to realise the benefits for learners and employers.

Units are the basis of all QCF qualifications and have to be able to fit together to form meaningful qualifications, even when those units are developed by different organisations from those offering the qualification. We have concerns, however, that the quality of a unit in the context of a complete qualification may not be entirely determined by considering the unit in isolation.



We must therefore have regard for the quality of the qualifications as a whole.

A very large number of qualifications have been redesigned and adapted to meet new occupational standards and to fit the QCF. Many awarding organisations have worked well with Sector Skills Councils to make sure these new qualifications meet employers' needs. However, deadlines set initially by the previous Government, have put pressure on delivery which may have compromised quality in some sectors.

We will expect each awarding organisation to take responsibility for the quality of any qualifications it owns in the QCF. We would be concerned if arrangements to make sure that qualifications meet the needs of employers blurred this accountability and resulted in a limited range of qualifications being available within particular sectors, or if the accessibility of

qualifications were reduced. We will take action on those matters where necessary.

For example, The Children's Workforce Development Council (CWDC)/Skills for Care and Development developed and own the National Occupational Standards in their sector and have determined the structure and size of the new Level 3 Diploma for the Children and Young People's Workforce. As a result of our programme of qualifications monitoring, we have concluded that this new provision does not adequately prepare less experienced learners for the workplace, nor does it provide appropriate progression opportunities to higher education. As a result we recommended changes in a report that has recently been published, including modifications to cater for the needs of full-time learners preparing for employment or to enter higher education.

The complexity of the system means that our current regulatory arrangements²² are very detailed. We are evaluating these arrangements – and our process for recognising awarding organisations to operate in the QCF – with a view to reducing the administrative burden to the minimum needed to enable learners to achieve credit for the units they study and transfer it when required.

Lessons Learned

- **The benefits of a new approach for learners and employers take time to be realised.**
- **We need to consider the quality of whole qualifications, not just units.**
- **We need to use our standards monitoring function to make sure that standards are not compromised.**
- **We need to reduce regulatory burden.**

22. Ofqual, Welsh Assembly and CEA (2008) *Regulatory Arrangements for the Qualifications and Credit Framework* www.ofqual.gov.uk/files/Regulatory_arrangements_QCF_August08.pdf



Functional skills

Functional skills qualifications in English, mathematics and information and communication technology (ICT) are stand-alone qualifications available to a range of learners in schools, colleges and employment. They are designed to enable learners to work effectively and independently, demonstrating functionality in the core subjects of English, mathematics and ICT from Entry 1 to Level 2 of the NQF. Functional skills are also a component of the Diploma qualification and of apprenticeships and foundation learning.

In the Chief Regulator's first report we put forward a set of principles for introducing new, or heavily revised, qualifications, including a requirement that they be properly piloted.²³ The aim is to identify problems in time to rectify them before the majority of candidates embark on the courses. With a small number of candidates involved in the pilots, steps can be taken to safeguard their interests if things go wrong.

In this exercise, the numbers of candidates involved in the pilot were much higher than usual to make sure that there was a wide evidence base to consider. However, successive attempts to establish effective qualifications in this important area have encountered problems and this exercise was no exception. The difficulties encountered included tensions between the need for comparability and quality assurance of assessments, and the wish, particularly by employers, for assessments to be flexible and available when needed in the workplace. Difficulties of this kind can be exacerbated if the design and introduction of the qualifications is rushed, or if there is insufficient time to evaluate the pilot before the qualifications are rolled out nationally.

The quality of the functional skills qualifications improved markedly during the period of the pilot. At one stage Ofqual was so concerned about the quality of a minority of the assessments that the

Chair of Ofqual called in the Chairs of the awarding organisations concerned to discuss actions to address the identified issues. The response was very positive and constructive and the assessments benefitted from that level of scrutiny.

Ofqual has now accredited more than 140 functional skills qualifications which are to be offered nationally and we are satisfied that they meet our requirements. Opinion is still divided, however, over whether the assessments now in place meet the needs of all users, including addressing the different needs of young people and adults. Some have found the assessments difficult, and some employers and colleges consider them too "academic". Against that, it is important not to compromise on the standards required for these important life skills, and some of the difficulties encountered may have reflected unfamiliarity with the kinds of teaching and learning required. Concerns have also been expressed about the capacity of the accredited qualifications to provide assessments immediately the candidate is ready and deliver results swiftly. This flexibility is particularly sought for workplace-based learners. Awarding organisations are developing their qualifications further to address these concerns, supported by our acceptance of proportionate risk.

Lessons Learned

- **There is a need for a clear focus on the requirements for pilot work.**
- **There is a need for pilots to be completed and fully evaluated on the basis of robust analysis of all data, before being rolled out nationally.**
- **There is a need for realistic timelines in the development and implementation of new qualifications.**

23. Ofqual (2009) *The First Report of the Chief Regulator* www.ofqual.gov.uk/files/2009-chief-regulators-report.pdf page 26.



The Diploma

The Chief Regulator's second report²⁴ reflected on the first Diploma awards in 2009. In both 2009 and 2010 the qualification was successfully delivered in that the results learners received were timely and accurate. Our monitoring of Principal Learning and project did, however, identify the need to give the highest achievers more opportunities to demonstrate their abilities in the assessments they undertake.

This year, to make sure that the qualification was delivered to the appropriate standard and on time, all involved, including Ofqual, had to manage a number of risks. These risks arose from the way in which the qualification is designed, administered and delivered. Working jointly with DfE, we oversaw an extensive programme of activity to support this, the first year in which a full complement of Diploma awards was made. This work sometimes required detailed operational

and sustainable without intensive central support or exceptional activity from the regulator and others.

In the Chief Regulator's second report we acknowledged that the qualification and its regulation were too complex. It specified a number of principles that should be used as a guide to improve the rules and procedures underpinning the Diploma. Our experience of regulating the qualification over the past year leads us to conclude that these principles are still relevant. In addition, a recent report from Ofsted²⁵ makes some similar observations, noting that: "The multiple component structure of the Diploma posed a number of challenges", and leading to the conclusion that the way this characteristic of the qualification is currently working should be reviewed.



engagement from DfE, QCDA, awarding organisations and us, to an extent that is not seen for the other qualifications we regulate, and which is neither appropriate for the regulator, nor sustainable in the future. However, we believe it was right to give highest priority to making sure that learners who completed the qualification got their Diplomas on time.

The evidence from previous years has made it clear that it will continue to be necessary for us to work with partners to put in place activity to safeguard the delivery of the Diploma in 2011. Building on our experience this year, we need to consider any regulatory changes which are necessary to make the qualification manageable

We must consider how the design of the Diploma can be revised to make its delivery manageable without intensive or expensive central support. It will need to be possible for learners to combine components of the Diploma (which are already accredited as stand-alone qualifications) with other qualifications to meet their curricular needs. But at the same time, we must make sure that learners who are studying for the Diploma in its present format are supported and that they receive the rewards their work deserves.

We will work with Government, awarding organisations and other key stakeholders to implement these regulatory messages in the future development of the Diploma.

24. Ofqual (December 2009) *The Second Report of the Chief Regulator* www.ofqual.gov.uk/files/2009-12-chief-regulators-report.pdf

25. Ofsted (October 2010) *Diplomas: The Second Year*. www.ofsted.gov.uk/Ofsted-home/Publications-and-research/Browse-all-by/Documents-by-type/Thematic-reports/Diplomas-the-second-year



Lessons Learned

- There is a need for continued monitoring to make sure that grading standards are consistent and fair.
- There is a need to safeguard awards to current learners.
- Our regulatory requirements should be simplified.
- Delivery should be manageable without intensive or expensive central support.
- If changes are made to the qualification, we need to give clear messages to schools, colleges and students starting Diploma courses.



Conclusion

In this chapter, we have identified some aspects of our work over the past year where we learned lessons as to what went well and should be emulated in future, and what needs careful thought and planning to avoid potential problems. We have reiterated our belief that where qualifications are new or heavily changed, properly evaluated pilots – although initially slowing the introduction of new or revised qualifications – can reduce the risk that large numbers of learners suffer from poor-quality assessments. All the developments described in this chapter had considerable strengths, and it is essential that we do not lose these as new developments are introduced.



Chapter 4. Ofqual's principles for the future

Ofqual is independent of Ministers and of those who develop the qualifications and national assessments we regulate. Ofqual does not seek to occupy the policy-making space rightly occupied by Ministers, nor are we the sole repository of expertise and experience about qualifications, examinations and assessments. We are a regulator, charged by Parliament with providing an independent assurance that standards are maintained in the qualifications and assessments we regulate, promoting confidence in qualifications and assessments and making sure that regulated qualifications are provided



efficiently and represent value for money. In this chapter we set out seven principles which we will apply as regulator as new policies and initiatives are announced and implemented.

Principle 1: The interests of learners are paramount

Learners of all ages rely on qualifications to open doors for the future and it is essential that the qualifications available to them are the best we can offer. Learners need to be supported in

completing and building on the learning on which they have embarked. Criticism of, or controversy about, individual qualifications or systems should not be allowed to detract from the achievement of students who gain the qualifications. Their attainment is real and deserves respect. It is also in learners' long-term interest that when things go wrong we take immediate action to make sure it is put right and we report publicly on what has happened.

As we enter into a further era of change, priority needs to be given to the interests of learners who have embarked on qualifications or assessments which are due to change, or who have obtained new qualifications whose public reputation is not yet secure. These learners need to be supported and their achievements given full recognition.

Principle 2: Fitness for purpose is key to quality

Ofqual has published the five requirements for regulated, national assessments: validity, reliability, comparability, minimising bias, and manageability. They are applicable to assessments in all regulated qualifications, whether academic, vocational or professional.

To an extent, there will always be some trade-off between these demands, although all are important. As we indicated in chapter 2, in championing fitness for purpose as the most important requirement, we are here extending and emphasising the importance of validity. It is not only important that national assessments and regulated qualifications accurately measure what they are meant to measure (validity in its narrower



sense). They must also encourage the best teaching and learning, recognise learners' current competences and skills, and prepare candidates for the future – whether in education, employment or lifelong learning.

Structure

In our view, the structure of a qualification should be what is most appropriate for the purposes of the particular qualification. All qualifications should not be forced into the same mould. For example, a unitised structure, as required by the QCF, offers flexibility and support to learners seeking to enhance their knowledge and skills as they move through work or education. Many employers and employees have welcomed the facility for tailored pieces of training to count towards recognised qualifications.

However, a unitised structure does not fit all purposes. The knowledge or skills required may be better assessed together in a single, longer and more extended assessment. Also, while some qualifications must require the successful candidate to display every one of the skills required, in others a fairer indication of the candidate's attainment across the range of the knowledge and skills required can be obtained through a "compensatory" model, which allows greater strength in one area to compensate for less in another.

Credit

The availability and usefulness of credit can be of considerable value in comparing or combining qualifications and units. On balance, however, we think it would be disproportionate and burdensome for the regulator to require all qualifications to have a credit value. For that credit value to be meaningful, consistent and trusted there would need to be a degree of central/state oversight and "policing" that we would regard as inappropriate. Where credit rating enhances the fitness for purpose of a qualification, it should be done, and the regulator should be assured that it

is appropriate and can command confidence. But, as in higher education, we consider that a credit framework should not be mandatory.

Principle 3: Each awarding organisation is responsible for its qualifications

It is the role of each awarding organisation to produce qualifications that are fit for purpose, at an appropriate level, efficiently administered and rigorously assessed. As regulator we will work with awarding organisations to help make our requirements clear and to reduce, as far as possible, the burdens that our regulatory procedures place upon them. We will intervene only where our risk assessment indicates that action is needed.



Principle 4: Content and potential for progression must be clear

All the users of regulated qualifications, examinations and assessments should be able to understand clearly what knowledge and skills have been assessed, what the learner's level of attainment means and what progression it supports. This principle applies to learners, their teachers/lecturers/trainers, their families, higher and further education institutions where the learners might wish to go, and to current or future employers. It is quite unacceptable for learners of any age to be encouraged to study for a qualification in the belief that it will support progression to, say, A level or university entrance, only to find that the qualification does not command respect or does not prepare them adequately for progression to the next stage.



For the purposes of university entrance, applicants offer a wide range of qualifications. Individual universities and their departments fiercely defend their autonomy and resist being drawn into generalised arrangements determining which qualifications they will prefer when selecting for their programmes. However, the outcome can be unfair to students, who require detailed advice on which qualifications are required by different departments in the universities they are considering. Students are not clairvoyants, and we call on the higher education sector to redouble its work to send clear and helpful messages to potential applicants, and to base its judgements about particular qualifications – including vocational qualifications – on hard evidence.

It is Ofqual's responsibility to play its part in enabling regulated qualifications to be a fair basis for selection by universities and progression to higher education. We welcome UCAS's review of their tariff for qualifications²⁶, and we look forward to contributing to it.

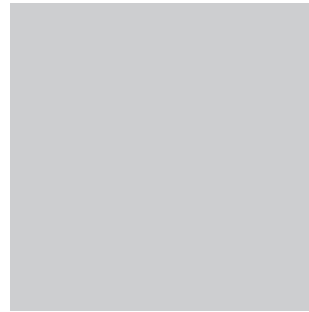


There is a responsibility on regulators, awarding organisations and users to set out clearly what each qualification or examination assesses, and what attainment is required in terms of specified levels or grades. If a qualification is all or part of the requirement for a licence to practise in a trade or profession, or meets a Government requirement for an employment sector, that should be clearly stated and known in the same terms to all. Ofqual is required to publish a register of regulated qualifications, and this is available on the Ofqual website.²⁷ However, we have a duty under the Act to have regard to the need to

26. www.ucas.ac.uk/about_us/policyservices/tariffreview/

27. Ofqual Register of Regulated Qualifications: <http://register.ofqual.gov.uk/>

ensure that the number of qualifications is appropriate and we will seek to simplify the current plethora of combinations of titles, descriptions and levels, which are confusing to users.



Principle 5: There must be a consistent approach to standards in all qualifications

The Standards Group in Ofqual leads our work to make sure that standards are secure in all the qualifications we regulate. We monitor the awarding of grades in GCSEs, A levels and Diploma Principal Learning and project in real time to make sure that the awards are consistent and fair across awarding organisations and over time. We also carry out retrospective reviews of qualifications, and we select the qualifications for review on the basis of risk. In the past year we have included more vocational qualifications than ever before in our standards reviews.

All regulated qualifications should be of the highest quality, and the public expects the regulator to check that that is so, to report its findings openly and to take action where problems are found. In carrying out this remit we seek to apply a consistent approach, but in a way that takes into account genuine differences in the purposes and candidature for different qualifications. The fitness for purpose of a qualification requiring evidence from observed activities in the workplace imposes different requirements from the fitness for purpose of an academic qualification, which can be assessed in an examination. Consistency does not mean



sameness. But rigour and high quality are required for all.

Principle 6: Qualifications must offer value for money

In chapter 2 we describe how we will regulate to promote efficiency in the regulated qualifications markets and value for money in the fees charged for qualifications. We also explain that this objective is consistent with rigorous monitoring of standards. A qualification that cuts corners on standards cannot be value for money.

Principle 7: We must learn lessons from the past

In chapter 3 we reviewed lessons learned from a range of initiatives undertaken in recent years, largely stimulated by Government. All had strengths and weaknesses, and in many cases the strengths directly benefitted learners who were not well catered for before. Evaluation of some of these developments is in progress, while in other cases evaluation work has been discontinued.

We are now entering a new era of Government-stimulated policy development, which will affect regulated qualifications and assessments. In Ofqual's view it is essential to apply lessons from the past, and to seek to retain the strengths of some of the recent initiatives, while improving on what went less well. Archiving important central material on qualifications and assessment development in the past decade will be crucial, as organisational changes result in loss of historic memory. Systematic documentation of the recent past should not be prohibitively expensive.

The Chief Regulator's first report set out draft "principles for piloting new or heavily changed national qualifications" and stipulated that "no new national qualification [should be] introduced without being piloted and modified as necessary in the light of the lessons learned from the pilot." We repeat that statement here, as policy is developed by a new administration. We need to

recognise that time taken in the early stages of developing and piloting a qualification may in fact reduce the overall time it takes to implement a reform fully by reducing the need for late revisions which can take even longer to take effect.

Conclusion

In this report we have addressed:

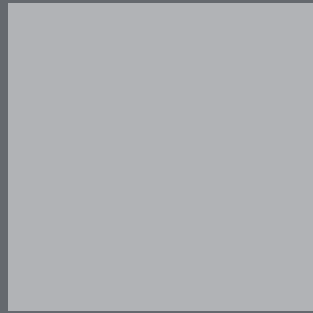
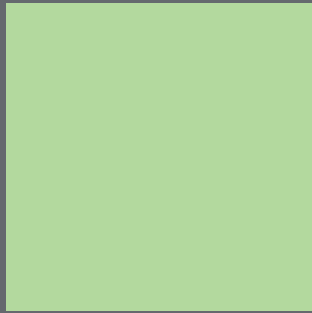
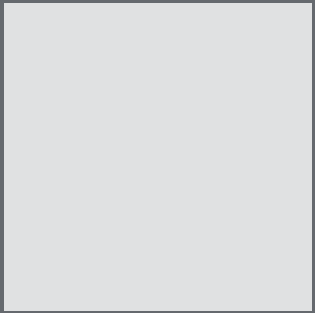
- **why we need to regulate (chapter 1)**
- **how we intend to regulate (chapter 2)**
- **lessons learned for the future from recent developments in regulated qualifications and national assessments (chapter 3).**



We offer a set of principles, developed from the perspective of an independent regulator, which will inform our regulatory policy and practice in the years ahead, and which we hope will also inform Government policy development and implementation in relation to qualifications and assessments. Ofqual will apply these principles as it works to assure standards, inspire confidence in regulated qualifications and assessments and secure efficiency and value for money. Above all, we shall seek to assure learners, their teachers and families, employers, universities and the wider public that the qualifications and assessments that we regulate are fit for purpose.









**The Office of Qualifications
and Examinations Regulation**

Spring Place
Coventry Business Park
Herald Avenue
Coventry CV5 6UB

2nd Floor
Glendinning House
6 Murray Street
Belfast BT1 6DN

Telephone 0300 303 3344
Text phone 0300 303 3345
info@ofqual.gov.uk
www.ofqual.gov.uk

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