Audit Report

Pearson Education Limited

26 June 2019

Contents

1 Background

This was the seventh audit of Pearson Education Limited (Pearson) since it was approved as an awarding body by SQA Accreditation in November 2006. Pearson headquarters is situated in London.

1.1 Scope

SQA Accreditation carries out quality assurance activity in line with its *Quality Assurance of Approved Awarding Bodies Policy*. This states the type and frequency of our quality assurance activities, describes our reporting procedures and indicates how the awarding body's Quality Enhancement Rating is calculated.

As this was a full audit of Pearson all regulatory requirements were included within the scope of the audit. Our quality assurance activities are conducted on a sampling basis and, consequently, not all aspects of the awarding body's systems, procedures and performance have been considered in this report to the same depth.

SQA Accreditation audit reports are written by exception focusing only on those areas where corrective action is required or recommended. Consequently, this approach to audit reporting does not detail areas where compliance or good practice was found.

The audit was designed to ensure Pearson complies with SQA Accreditation's regulatory requirements namely:

- SQA *Accreditation's Regulatory Principles* (2014)
- all *Regulatory Principles* Directives
- the awarding body's Accreditation Licence

Awarding body documentation considered for review by the Audit Team includes all documents banked on Pearson's SharePoint site at the time of audit and information supplied to support audit activity. Restricted or commercially sensitive information gathered during SQA Accreditation's quality assurance activities is treated in the strictest confidence.

1.2 Audit Report and Action Plan Timescales

Pearson audit date: 26 June 2019

Audit Report approved by
Accreditation Co-ordination Group on: 7 August 2019

Audit Report to be signed by Pearson: 18 September 2019

Action Plan to be emailed
to regulation@sqa.org.uk by Pearson: 18 September 2019

The process will apply in relation to the timescales specified above:

♦ The awarding body will be sent two signed copies of the Audit Report by post.

♦ The awarding body must sign both copies of the Audit Report and return one by post to SQA Accreditation in accordance with the timescale specified above.

♦ The awarding body will also be emailed a copy of the Audit Report (for information only) and an electronic copy of the Action Plan.

♦ The awarding body must complete and return the Action Plan in accordance with the timescale specified above and email this in Microsoft Word format to regulation@sqa.org.uk.

♦ SQA Accreditation will confirm when the Action Plan is appropriate to address the Issues and present it to Accreditation Co-ordination Group (ACG) for approval.

♦ Following approval by ACG, the awarding body will be sent two signed copies of the approved Action Plan by post.

♦ The awarding body must sign both copies of the Action Plan and return one by post to SQA Accreditation.

The findings of this Audit Report and the associated Action Plan will be published on SQA Accreditation's website following signed agreement.

SQA Accreditation will continually monitor progress towards completion of the proposed actions identified in the Action Plan and update the awarding body's Quality Enhancement Rating as appropriate.

1.3 Summary of Audit Issues and Recommendations

An Issue has been recorded where evidence shows that the awarding body is not compliant with SQA Accreditation's regulatory requirements. The awarding body must address the Issues and specify corrective and preventative measures to address them through its Action Plan.

The Action Plan is emailed to Pearson as a separate document to the Audit Report, and must be submitted to SQA Accreditation in accordance with the timescale specified in 1.2.

As a result of the audit and post-audit activities, three Issues have been recorded and one Recommendation has been noted.

Issue	Detail of Issue recorded	Risk rating
1. Principle 3	There was no evidence to demonstrate that the awarding body is actively reviewing their business strategy in relation to meeting objectives. Also, the diminishing number of providers suggests that these objectives are not being met, therefore it is not apparent that awarding body's management are demonstrating their commitment to SQA accredited qualifications.	Medium
2. Principle 4	The Accreditation Auditors identified a gap within their internal incident process, in terms of there not being a specified process to enable ad hoc issues to route formally into the lessons learned stage.	Low
3. Principle 15	The awarding body does not collect the basic of candidate contact details.	Medium

A Recommendation has been noted where SQA Accreditation considers there is potential for enhancement. The awarding body is advised to address any Recommendations in order to reinforce ongoing continuous improvement. However, measures to correct or prevent these are not mandatory and therefore do not form part of the Action Plan.

Recommendation	Detail of Recommendation noted
1. Principle 4	It would be useful to define, as far as possible, the criteria which would make an issue an 'incident' and therefore subsequently fall into the incident escalation process.

1.4 Risk Rating of Issues

SQA Accreditation assigns a rating to each Issue recorded, depending on the impact on or risk to the awarding body's operations, its SQA accredited qualifications and/or the learner. Issues recorded during the audit will count towards Pearson's Quality Enhancement Rating which will, in turn, contribute towards future quality assurance activity. Further detail on how the Quality Enhancement Rating is calculated can be found on the [SQA Accreditation website](#).

2 Detail of Audit Issues and Recommendations

The following sections detail Issues recorded and Recommendations noted against SQA Accreditation's regulatory requirements.

2.1 Issues

Regulatory Principle 3. The awarding body shall have clearly defined business planning processes which show evidence of management commitment, decision making and ongoing review.

During the awarding body's audit last year, an Issue was raised in relation to the lack of an overarching business plan, or objectives in relation to SQA accredited qualifications. The awarding body did produce a strategy sufficient to close out this Issue at the time. This included as its main objectives to 'sustain' and 'grow-new channels'. However, during this year's audit, there was no evidence to demonstrate that the awarding body is actively reviewing this strategy in relation to meeting these objectives. Also, the diminishing number of providers suggests that these objectives are not being met, therefore it is not apparent that awarding body's management are demonstrating their commitment to SQA accredited qualifications.

This has been recorded as **Issue 1**.

Regulatory Principle 4. The awarding body shall continually review the effectiveness of its business services, systems, policies and processes.

The Accreditation Auditors reviewed the awarding body's internal incident escalation process. This was reviewed in light of an incident, concerning incorrect qualification credits, that the awarding body had informed SQA Accreditation of in advance of the audit. The Accreditation Auditors expected the incident to have followed the awarding body's incident escalation process which would include a lessons learned stage.

However, the awarding body representative noted that the referenced incident didn't fall under their incident escalation process and was handled outside of this process informally as an ad hoc issue, but did however end up going into the lessons learned process. The Accreditation Auditors identified a gap in terms of there not being a specified process to enable these ad hoc issues to route formally into the lessons learned stage.

This has been recorded as **Issue 2**.

Regulatory Principle 15. The awarding body and its providers shall have effective, reliable and secure systems for the registration and certification of learners.

The awarding body does not collect basic candidate contact information. This is left for the providers to collect. This has potential to cause problems for the awarding body for example if a provider closes and the awarding body is unable to contact the provider to acquire contact details to provide learner certifications; or where the awarding body may need to

recall certificates from candidates and the provider is no longer a Pearson approved provider.

This has been noted as **Issue 3**.

2.2 Recommendations

Regulatory Principle 4. The awarding body shall continually review the effectiveness of its business services, systems, policies and processes.

Following on from Issue two raised above, it would be useful to define, as far as possible, the criteria that would make an issue an 'incident', and therefore subsequently fall into the incident escalation process.

This has been noted as **Recommendation 1**.

3 Acceptance of Audit Findings

For and on behalf of Pearson: For and on behalf of SQA Accreditation:

Print name   **Print name**

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Signature   **Signature**

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Designation   **Designation**

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Date   **Date**

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