Audit Report

Qualifications for Industry (QFI)

22 May 2018

Contents

1 Background

This was the first audit of QFI since it was approved as an awarding body by SQA Accreditation on 22 June 2016.

QFI describes itself as an awarding body specialising in qualifications for those who work in or aspire to work in Construction, Engineering and Extractives.

QFI's headquarters are in Edinburgh.

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 QFI, 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 QFI 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 QFI'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

QFI audit date: 22 May 2018

Audit Report approved by
Accreditation Co-ordination Group on: 4 July 2018

Audit Report to be signed by QFI: 16 August 2018
Action Plan to be e-mailed
to regulation@sqa.org.uk by QFI: 16 August 2018

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 e-mailed 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 e-mail 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 e-mailed to QFI 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 seven Recommendations have been noted.

Issue	Detail of Issue recorded	Risk rating
1. Principles 5 and 10	QFI's *Centre Handbook, Version 3, May 2018,* states that 'DCS is granted to centres (not to individual assessors or qualifications)'. It would appear that the published guidance directly contradicts awarding body practice in respect of qualifications.	Low
2. Principle 10	It was noted that there appeared to be no specified requirement within the *Process for Appointing External Verifiers, Version 1, May 2015* and the *External Verifiers Responsibilities and Code of Conduct, Version 2, July 2017,* to include the relevant Sector Skills Organisations (SSO) Assessment Strategies as a benchmark document within the appointment process.	Low
3. Principle 15 and Regulatory Principles Directive RPDIR – 3	A review of certificate templates during the audit highlighted the inappropriate use of the SVQ logo on unit certificates issued for Workplace Core Skills.	Low

A Recommendation has been noted where SQA Accreditation considers there is potential for improvement. The awarding body is advised to address any Recommendations noted as good practice. 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 1	The awarding body may wish to update *QFI Board of Directors, Appointment and Person Specification, Version 3, August 2017,* to reflect the fact that Board members are no longer required to complete a Senior Officer Declaration.
2. Principle 1	QFI may wish to consider the completion of a conflict of interest form by self-employed/independent contractors as a means of emphasising responsibilities within the *Terms of Engagement for Self-Employed/Independent Contractors, Version 1, May 2015*, as well as ensuring that self-employed/independent contractors are present within the awarding body's risk register where appropriate.
3. Principle 3	QFI may wish to consider reviewing the remaining content of its *Product Development Plan 2018–19* and provide SQA Accreditation with an amended version which includes indicative timescales for possible future accreditation submissions.
4. Principle 6	Ongoing availability of current documentation on SQA Info Centre is a requirement for awarding bodies. Therefore, QFI may wish to consider amending its approach to document review to include the timely uploading of documentation to SQA Info Centre, even where this is not part of audit preparation.
5. Principles 9 and 15	QFI may wish to provide an interim update on candidate registration and certification against accredited provision, to offset any ongoing concerns around the increasing size of the qualification portfolio. The awarding body may also wish to give due consideration within its own qualification review policy to the timescales associated with SQA Accreditation's *Zero Uptake Policy, Version 5, 27 September 2016,* to ensure that it has an appropriate rationale at hand for addressing qualifications with no uptake.
6. Principle 10	As QFI's Accountable Officer may not have the necessary occupational competence to directly identify appropriate assessors and internal verifiers, the awarding body may wish to ensure that the appropriate evidence is supplied by the External Verifier for consideration, bringing an element of robustness to the two-stage approval process and allowing the Accountable

	Officer to scrutinise the decision-making process more thoroughly.
7. Principle 11	QFI may wish to consider a review of the wording used in the *Centre Handbook, May 2018,* and the *Equality and Diversity Policy, Version 2, May 2017,* to ensure that a consistency of definition and approach to special considerations is evident and relevant to current practice.

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 QFI'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 5. The awarding body shall provide clear information on its procedures, products and services and ensure that they are accurate and appropriate to SQA accredited qualifications.

and

Regulatory Principle 10. The awarding body shall ensure that it has the necessary arrangements and resources for the effective delivery, assessment and quality assurance of SQA accredited qualifications.

On the day of the audit, QFI representatives provided the audit team with an explanation of how centres are allocated direct claim status (DCS). The detail provided largely corresponded with that provided in the awarding body's *Centre Handbook, Version 3, May 2018,* with one important exception*.*

QFI's representatives explained that no approved centres currently hold DCS status. However, should that situation change, it was stated that the policy is to grant DCS on a qualification by qualification basis. This is an approach that SQA Accreditation would consider to be good practice.

However the *Centre Handbook, Version 3, May 2018,* states that 'DCS is granted to centres (not to individual assessors or qualifications)'. Therefore, it would appear that the published guidance directly contradicts awarding body practice in respect of qualifications.

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

Regulatory Principle 10. The awarding body shall ensure that it has the necessary arrangements and resources for the effective delivery, assessment and quality assurance of SQA accredited qualifications.

QFI currently operates with a single appointed External Verifier across all accredited provision. Using QFI's *Process for Appointing External Verifiers, Version 1, May 2015* and the *External Verifiers Responsibilities and Code of Conduct, Version 2, July 2017,* the audit team were able to view the relevant occupational competence, qualifications and experience of the External Verifier.

Although no concerns were occasioned by the appointed External Verifier in respect of current accredited provision, it was noted that there appeared to be no documented requirement to include the relevant Sector Skills Organisations (SSO) Assessment Strategies as a benchmark document within the appointment process.

As noted in Recommendation 5, QFI continues to expand its portfolio of accredited qualifications into areas in which the current External Verifier may not be able to demonstrate the required occupational competence. It may become necessary to appoint further External Verifiers and compliance with the relevant SSO Assessment Strategy will be fundamental to this process.

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.

and

Regulatory Principles Directive RPDIR – 3 Logos and certificate requirements for SQA accredited qualifications

A review of certificate templates during the audit highlighted the presence of the SVQ logo on unit certificates issued for Workplace Core Skills, which is in breach of SQA Accreditation's *Regulatory Principles Directive RPDIR – 3 Logos and certificate requirements for SQA accredited qualifications, V8, October 2016* and QFI's *Certificate Design and Templates, Version 1, May 2015.*

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

2.2 Recommendations

Regulatory Principle 1. The awarding body shall have clearly defined and effective governance arrangements.

A review of the *QFI Board of Directors, Appointment and Person Specification, Version 3, August 2017,* noted that Board appointments 'include a requirement for the new member to sign a Senior Officer Declaration upon appointment and annually thereafter'.

The audit team sought to verify this process through access to the most recently completed forms but were advised that they are no longer used in respect of QFI Board members. The last versions available for review are those submitted in 2016 as part of the QFI awarding body approval submission.

As the *QFI Board of Directors, Appointment and Person Specification, Version 3, August 2017,* states that the awarding body is required to carry out due diligence checks on all Board members, QFI representatives considered completion of the form to be superfluous.

Therefore, the awarding body may wish to update *QFI Board of Directors, Appointment and Person Specification, Version 3, August 2017,* to reflect this fact.

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

On reviewing QFI's *Terms of Engagement for Self-Employed/Independent Contractors, Version 1, May 2015*, the audit team noted that the QFI's *Conflict of Interest Register* was noted as an associated document. However, discussions with QFI's representatives at the audit highlighted the fact that self-employed/independent contractors are not currently required to complete a QFI *Conflict of Interest Declaration, Version 1, May 2015.*

The audit team has noted that the terms of engagement document contains the following clause:

You shall not directly or indirectly carry on or assist in carrying on or be employed or engaged in any business which competes directly with us unless we have given our prior consent in writing.

As the document is signed by an individual it constitutes an agreement.

However, QFI may wish to consider the completion of a conflict of interest form at some point within the contract as a means of reinforcing the message contained within the above clause, as well as ensuring that self-employed/independent contractors are present within the awarding body's risk register where appropriate.

This has been noted as **Recommendation 2**.

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

The audit team were provided with a copy of QFI's *Business Plan, 1 April 2018–31 March 2019,* dated 16 February 2018.

As an annex to the business plan, the audit team noted a *Product Development Plan 2018–19.* Although the awarding body has already made accreditation submissions in respect of some of the content of the plan, it may wish to consider reviewing what remains and providing an amended version to SQA Accreditation with indicative timescales for possible future submissions. This would allow the relevant Accreditation Managers to schedule accordingly in terms of time for review.

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

Regulatory Principle 6. The awarding body and its providers shall maintain accurate documents, records and data.

Prior to the audit date, the audit team sought to review QFI policies, procedures and guidance documentation held on SQA Info Centre within SharePoint.

It was noted that there were a number of Regulatory Principle folders that contained no documentation, or documentation that may not have been the most current version.

The QFI documentation that was available to the audit team displayed, in the main, evidence of appropriate revisions through a document control log where appropriate, and links to the relevant Regulatory Principles, as well as other associated QFI policies and procedures. All of this is consistent with the information held in QFI's document register which the audit team viewed on the day of the audit.

Through discussion, it became clear that, prior to the audit, QFI's Accountable Officer had tried to update documentation on SQA Info Centre, but with varying degrees of success, due to difficulties in uploading documents. At the time of the audit, this remained an issue and accounted for some of the problems regarding currency and availability.

However, ongoing availability of current documentation on SQA Info Centre is a requirement for awarding bodies and QFI may wish to consider amending its approach to document review to include the timely uploading of documentation to SQA Info Centre, even where this is not part of audit preparation.

This has been noted as **Recommendation 4**.

Regulatory Principle 9. The awarding body shall ensure that it has robust systems and processes for the identification, design, development, implementation and review of qualifications, which meet the needs of users.

and

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

Prior to the audit, a review of QFI qualification accreditations since approval in 2016, alongside candidate registration and certification data, appeared to show a quickly expanding portfolio of qualifications, but no corresponding evidence of candidate uptake.

This was discussed at length during the audit, with the focus being upon a number of SVQ qualifications that were accredited very soon after awarding body approval was granted in 2016 and that appeared to have no registrations. QFI representatives took some time to explain the steps that were being undertaken to make such qualifications 'active' and it was noted that qualifications such as the *SVQ in Winter Services (Construction) at SCQF Level 5, GM08 45,* and the *SVQ in Temporary Traffic Management at SCQF level 5, GM6N 45*, now had uptake. Consequently, QFI may wish to provide an interim update on candidate registration and certification against accredited provision, to offset any ongoing concerns around the increasing qualification portfolio.

Part of the discussions also focussed upon the process of reviewing qualifications as documented in QFI's *Qualification Review Process, Version 1, May 2015* and the fact that part of the review process involves a check on candidate uptake as part of ensuring that there remains a demand for the qualification. The process notes that such reviews 'normally take place at least once during the life cycle of the qualification unless feedback indicates that a review needs to be undertaken sooner'.

The audit team were content with the process as documented and described, but would suggest that QFI gives due consideration within its own qualification review policy to the timescales associated with SQA Accreditation's *Zero Uptake Policy, Version 5, 27 September 2016,* to ensure that it has an appropriate rationale at hand for addressing qualifications with no uptake.

This has been noted as **Recommendation 5**.

Regulatory Principle 10. The awarding body shall ensure that it has the necessary arrangements and resources for the effective delivery, assessment and quality assurance of SQA accredited qualifications.

QFI representatives provided the audit team with a detailed explanation of how the approval process works for potential assessor and internal verifiers identified by centres.

The representatives detailed a two-stage process where applications were reviewed by an appropriate External Verifier and then separately by QFI's Accountable Officer. The former checked for evidence of required occupational competence and sector expertise, while the latter checked the decision-making process.

However, through discussion it became apparent that, in practice, the second stage of the process was often simply a matter of the Accountable Officer ratifying the decision made by the External Verifier. This was largely because the communication from the External Verifier to the Accountable Officer was often little more than a statement to the effect that an identified assessor and/or internal verifier did, or did not, have the necessary requirements to undertake the role. What appeared to be missing from such communications was a clear identification of the evidence noted by the External Verifier to support their decision.

As QFI currently operates with a single appointed External Verifier, the audit team fully appreciates that there is regular communication between said External Verifier and the Accountable Officer over a range of factors, which includes centre staff approval.

However, as the Accountable Officer may not have the necessary occupational competence to directly identify appropriate assessors and internal verifiers, the awarding body may wish to ensure that the appropriate evidence is supplied by the External Verifier for consideration. This would bring an element of robustness to the two-stage approval process and allow the Accountable Officer to scrutinise the decision-making process more thoroughly.

This has been noted as **Recommendation 6**.

Regulatory Principle 11. The awarding body shall ensure that its qualifications and their assessment are inclusive and accessible to learners.

A review of Annex 2 of QFI's *Centre Handbook, May 2018,* and the awarding body's *Equality and Diversity Policy, Version 2, May 2017,* noted an inconsistency in the awarding body's approach to special consideration in assessment, with the former noting that 'special consideration will not be given for QFI qualifications', while the latter notes that 'special consideration will not normally be given for QFI qualifications'.

Both documents cite the Joint Council for Qualifications (JCQ) publication, *A guide to the special consideration process – General and Vocational Qualifications (2013)*, which states that in respect of vocational qualifications:

It is important to note that it may not be possible to apply special consideration where:

- *An assessment requires the demonstration of a practical competence;*
- *The assessment criteria have to be fully met;*
- *Units/qualifications confer 'Licence to Practice'*

Where an assessment has been missed or is in the form of an on-demand test, such as an electronic test set and marked by a computer, the centre should offer the learner the opportunity to take the assessment at a later date.

However, while the policy document adheres to the spirit of the JCQ guidance by implying that requests for special consideration may be given due attention, the centre handbook uses more uncompromising language and, in the opinion of the audit team, does not convey such a supportive approach to learners, as it categorically states that special consideration will not be given.

At the same time, both awarding body documents lack a clear definition of what constitutes 'special consideration'.

Following discussions, the audit team were satisfied that there is a consistent and logical approach to special consideration at QFI, based upon the JCQ guidance, which does support learners through a sensible approach to achieving competence within the context of vocational qualifications.

However, QFI may wish to consider a review of the wording used in the awarding body's published policy and guidance documents, to ensure that a consistency of definition and approach to special considerations is evident and consistent with current practice.

This has been noted as **Recommendation 7**.

3 Acceptance of Audit Findings

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

Print name   **Print name**

                                              LAURA WALKERDINE

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Signature   **Signature**

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Designation   **Designation**

                                              SENIOR REGULATION MANAGER

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Date   **Date**

                                              05/07/2018

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