



Audit Report

Scottish Qualifications Authority (SQA)

21 and 22 March 2018

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1 Background

This was the fourteenth audit of the Scottish Qualifications Authority (SQA) since it was approved as an awarding body by SQA Accreditation in 1990.

SQA's functions are set out in the Education (Scotland) Act 1996 as amended by the Scottish Qualifications Act 2002. This audit applied to the awarding function in relation to all elements of the SQA accredited provision.

SQA offers a range of accredited provision, most notably with respect to Scottish Vocational Qualifications (SVQs) but also offers regulatory and licensing qualifications.

The Audit Team was provided with full access to the awarding body's premises, staff and documentation.

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 SQA, 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 SQA 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 SQA'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

SQA audit date: 21 and 22 March 2018

Audit Report approved by
Accreditation Co-ordination Group on: 18 April 2018

Audit Report to be signed by SQA: 31 May 2018

Action Plan to be e-mailed
to regulation@sqa.org.uk by SQA: 31 May 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 SQA 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, four Issues have been recorded and four Recommendations have been noted.

| Issue | Detail of Issue recorded | Risk rating |
|---------------------------|---|-------------|
| 1. Principles 1, 4 and 15 | The significant period of time it has taken for the awarding body to resolve the situation which has arisen for this Partnership Agreement and failure to keep SQA Accreditation notified demonstrates a weakness in SQA's processes for reviewing its partnership agreements. This has been recorded as Issue 1. | Medium |
| 2. Principles 1, 7 and 14 | SQA failed to notify SQA Accreditation that it had uncovered the existence of construction SVQs which were not authentic. | Medium |
| 3. Principles 4 and 15 | The awarding body must develop procedures which ensure that certification matters which require corrective action are dealt with consistently and in line with a risk based approach. | Medium |
| 4. Principles 7 and 10 | The awarding body has made changes to the assessment methodology which it submitted at the time of accreditation for its Construction SVQs. | High |

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. Principles 4 and 15 | It is recommended that the awarding body includes a stage in its process where it consults with SQA Accreditation when dealing with non-routine or complex certification matters which lead to the recall or reissue of certificates. |
| 2. Principles 4 and 15 | The awarding body should consider how any late certification quality assurance matters are escalated internally, and should review its procedures so that providers are required to provide robust evidence in support of late certification claims. |
| 3. Principles 5 and 10 | SQA should produce specific guidance on the use of video evidence as an assessment instrument in SVQs. |
| 4. Principle 14 | The process for centre malpractice and the <i>Malpractice: Information for Centres</i> guidance document should allow for corrective and preventative action to be taken after the outcome of the Malpractice Panel findings stage where it is deemed that malpractice has not taken place. |

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 SQA'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 1. The awarding body shall have clearly defined and effective governance arrangements.

and

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

and

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

SQA has awarded Scottish Vocational Qualifications in the food and drink sector in partnership with Improve Limited since 2004. In June 2015, Improve Limited and the National Skills Academy for Food and Drink merged to become one company, a new single entity known as the National Skills Academy for Food and Drink (NSAFD).

It took SQA a further two and a half years to sign a new Qualification Partnership Agreement with NSAFD in February 2018 which superseded its Joint Certification Agreement with Improve Ltd, the Food and Drink Sector Skills Council. Between the period June 2015 to February 2018 SQA continued to issue SVQ certificates containing the Improve logo despite the fact that the awarding partner had changed its name legally to the National Skills Academy for Food and Drink.

In accordance with Regulatory Principle 1 SQA Accreditation would have reasonably expected SQA to communicate problems in moving towards a new partnership arrangement if there were issues but it has failed to keep the Regulator informed. The significant period of time it has taken for the awarding body to resolve the situation which has arisen for this Partnership Agreement and failure to keep SQA Accreditation notified demonstrates a weakness in SQA's processes for reviewing its partnership agreements. This has been recorded as Issue 1. This has been recorded as **Issue 1**.

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

and

Regulatory Principle 7. The awarding body shall have effective arrangements for communicating with its staff, stakeholders and SQA Accreditation.

and

Regulatory Principle 14. The awarding body and its providers shall ensure that it has safeguards to prevent and manage cases of malpractice and maladministration.

The Audit Team reviewed the centre malpractice log during the audit and found three recent entries where SQA had been alerted by the Construction Industry Training Board (CITB) to the existence of SVQ certificates which were not authentic.

The logs contained information relating to three different construction SVQs within a close time proximity and evidence that SQA had established and verified to CITB that the certificates were not authentic. SQA failed to notify SQA Accreditation that it had uncovered the existence of construction SVQs which were not authentic. This has been recorded as **Issue 2**.

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

and

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

During 2017 there had been three recorded instances where SQA had either recalled or reissued certificates. The Audit Team and Operations Manager discussed the circumstances surrounding each case and the decisions leading up to the point where SQA had chosen to recall, reissue or take no further action.

SQA Accreditation's stance is that where a certificate has been issued with incorrect or incomplete certification information as specified in *Regulatory Principles Directive RPDIR - 3 Logos and certificate requirements for SQA accredited qualifications*, then the awarding body must make reasonable efforts to inform learners, recall the incorrect certificate, and reissue them with a corrected certificate.

The consistency of the decision making on whether to recall or reissue certificates was also examined by SQA Accreditation. On one occasion SQA had chosen to send candidates a corrected certificate to include the SQA Accreditation logo, which was originally missing. The correspondence sent with the letter was considered weak by SQA Accreditation, and did not state the awarding body's reason for recalling the certificate or the implications of why candidates should return it to the awarding body.

On a separate occasion certificates were issued with a joint partner's logo after the agreed date for the termination of the partnership and when SQA was the sole awarding body. SQA chose not to recall certificates, but in SQA Accreditation's opinion SQA should have taken steps to recall the wrong certificates from learners and reissue corrected ones.

The awarding body must take a risk-based approach and make reasonable efforts to recall incorrect certificates first before reissuing, as this could lead to security issues and potentially leave SQA exposed. For example, it has meant that there are currently two versions of one SVQ certificate in circulation. It could also lead to the authenticity of a learner's certificate being questioned by an employer where it contains a missing logo, incorrect partnership logos or the wrong SCQF level.

The awarding body must develop procedures to ensure that certification matters which require corrective action are dealt with consistently and in line with a risk-based approach. This has been recorded as **Issue 3**.

Regulatory Principle 7. The awarding body shall have effective arrangements for communicating with its staff, stakeholders and SQA Accreditation.

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.

During 2017 SQA took over sole awarding arrangements for the Construction SVQs and assumed responsibility for the quality assurance arrangements of the skills test.

SQA Accreditation has conducted several Provider Monitoring Visits recently, including visits to two providers who are delivering Construction SVQs. Both providers raised concerns around changes to the way in which SQA was proposing to assess the learners. A further provider contacted SQA Accreditation directly to raise the same concern.

SQA Accreditation obtained the presentation slides used during recent support visits for the *Implementation of the new Construction Craft SVQs*. The presentation states clearly that assessors 'will not be expected to carry out observations in the candidate's working environment'. This clearly conflicts with the assessment methodology proposed by SQA at the time of accreditation.

It has also raised concern amongst providers that it is possible to assess a Construction SVQ offsite in its entirety without an assessor ever carrying out direct observation of workplace activities by using video as an assessment instrument to generate evidence.

The assessment strategy, under the heading 'Aspects to be assessed through performance in the workplace', clearly states that 'direct evidence produced through normal performance in the workplace is the primary source for meeting the requirements'. SQA documentation is very focused on the assessment evidence being generated in the workplace but actual assessment of the evidence taking place away from the workplace.

At the time of accreditation the contents of the AC2 submission made clear reference to the requirements of *Consolidated Assessment Strategy for the Construction and the Built Environment* approved by Accreditation Coordination Group (ACG) in May 2017. The additional guidance document *Requirements for assessment of Scottish Vocational Qualifications (SVQs) in Construction* also confirmed that SQA's assessment methodology was that direct evidence would be produced and assessed in the workplace. The awarding body has made changes to the assessment methodology which it submitted at the time of accreditation for its construction SVQs. **This has been recorded as Issue 4.**

2.2 Recommendations

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

and

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

In relation to Issue 3, it is recommended that the awarding body includes a stage in its process where it consults with SQA Accreditation when dealing with non-routine or complex certification matters which lead to the recall or reissue of certificates. In doing so, this could mean that potential Issues involving retrospective intervention from SQA Accreditation are avoided. **This has been noted as Recommendation 1.**

The Audit Team discussed the late certification process with SQA and how this has embedded within the awarding body. Both SQA Accreditation and SQA acknowledged that further work needs to be undertaken to simplify the procedures to enable a more streamlined and less bureaucratic process. Work to address this will be conducted post audit.

The Audit Team also queried why all late certification request forms submitted to SQA Accreditation contained the words '*Rationale: Administrative Error*' as standard. Information sent to the Audit Team showed that this statement was being added to the form by SQA and that the provider had not stated this as part of their rationale. The awarding body should not be making this decision on behalf of the provider. Furthermore, if all the rationales are due to administrative error, SQA Accreditation would expect the awarding body to indicate maladministration, but none of the forms ever indicate this.

The awarding body's late certification log was reviewed prior to the audit. There were no immediate concerns from the log, but the Audit Team noted that individual providers put in very similar rationales for the same qualifications over a period of time. It is important that the awarding body asks providers to support their request with evidence where required, for example, where the provider rationale states that a learner should have completed a unit which has expired, the provider should be able to produce records and evidence of achievement to support its claim. The awarding body should submit appropriate evidence from providers to validate claims.

The awarding body should also consider how themes or issues which emerge during the late certification process are escalated to the appropriate department(s) in SQA where quality assurance concerns are identified.

The awarding body should consider how any late certification quality assurance matters are escalated internally and review its procedures so that providers are required to provide robust evidence in support of late certification claims. **This has been noted as Recommendation 2.**

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.

During discussion with SQA staff around the assessment of the Construction SVQs, it became evident that the awarding body is very keen to promote the use of video as an assessment instrument.

SQA should produce specific guidance on the use of video evidence as an assessment instrument in SVQs. The guidance should cover where its use may be appropriate (in line with assessment strategy requirements), what types of media and formats are acceptable, how authenticity, validity and integrity of the assessment evidence can be maintained, standardisation across assessors using video evidence and guidance to external verifiers using video evidence as part of the external verification process. This has been noted as **Recommendation 3.**

Regulatory Principle 14. The awarding body and its providers shall ensure that it has safeguards to prevent and manage cases of malpractice and maladministration.

The Audit Team met with staff from the Strategic Planning and Governance Team and reviewed the centre malpractice process. The process for centre malpractice and *Malpractice: Information for Centres* guidance document should allow for corrective/preventative action to be taken or improvement to be made after the outcome of the Malpractice Panel findings stage where it is deemed that malpractice has not taken place. This has been noted as **Recommendation 4.**

3 Acceptance of Audit Findings

For and on behalf of SQA:

For and on behalf of SQA Accreditation:

Print name

Print name

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George Brown

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Signature

Signature

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Designation

Designation

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Head of Accreditation

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Date

Date

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18 April 2018

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