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# Statement of Compliance 2019 Review

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## 1. Introduction

Qualifications Wales is the independent regulator of general and vocational qualifications in Wales. We regulate to achieve our principal aims of ensuring that qualifications, and the Welsh qualifications system, are effective for meeting the reasonable needs of learners in Wales and promoting public confidence in qualifications and the Welsh qualifications system.

We regulate awarding bodies against our Standard Conditions of Recognition. Condition B2.1 of our Standard Conditions of Recognition requires all recognised awarding bodies to submit an annual statement of compliance to us. The statement of compliance is based on the awarding body's self-evaluation of their compliance status against all the Standard Conditions of Recognition. We expect awarding bodies to have an effective process in place to monitor their compliance on an ongoing basis. Awarding bodies with effective self-evaluation processes in place may identify a current and/or likely future non-compliance. Depending on the nature of the non-compliance, this may not be a significant cause for concern if they have a clear plan in place to address the issue and to return to full compliance.

The statement of compliance is a key monitoring tool that supports our intelligence led and risk-based approach to regulation. We use the information and evidence collected from statements of compliance, alongside other information and evidence, to monitor awarding bodies' compliance with our Standard Conditions of Recognition.

This report describes how we reviewed the statements of compliance for 2019 and summarises our main findings.

## 2. Statement of compliance process

In the 2019 statement of compliance we asked awarding bodies to confirm whether they were:

- fully compliant with all our Standard Conditions of Recognition; and
- likely to be non-compliant with any of our Standard Conditions of Recognition within the next 12 months.

If an awarding body declared that they were non-compliant, or likely to be non-compliant over the next twelve months, we required them to submit an action plan detailing the steps that they were taking and/or planning to take to become compliant.

For 2019, we included additional lines of inquiry requests for information and evidence within the statement of compliance. We asked awarding bodies to:

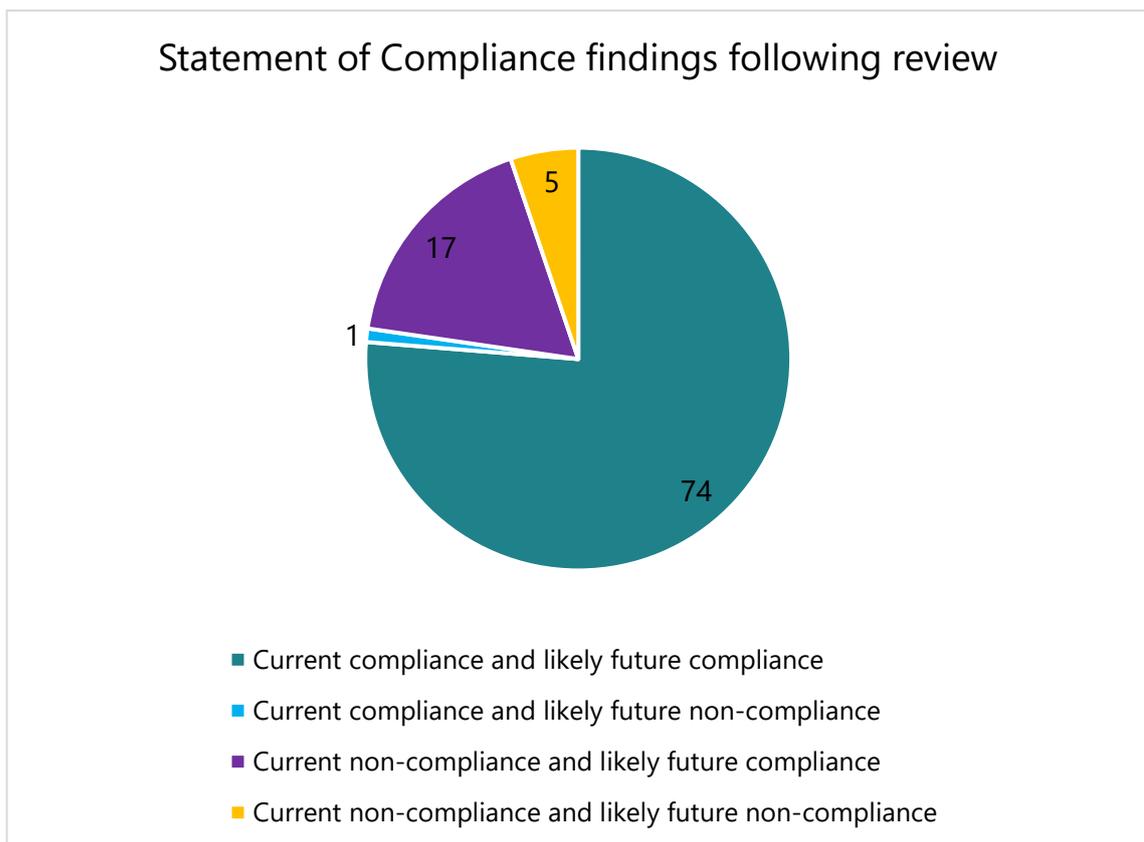
- describe their procedures for publishing all their current specifications and ensuring specifications meet sub-conditions E3.2(a) to (m) (Condition E3 – Publication of a Qualification Specification).
- describe their processes for ensuring assessments are fit for purpose, appropriate for the method of assessment chosen, and consistent with the specification; and provide written documentation in relation to assessments which sets out clear and unambiguous criteria against which learners' levels of attainment will be differentiated (Condition G1 – Setting the assessment).

Awarding bodies submitted their statement of compliance electronically through our Qualifications in Wales (QiW) database.

### 3. Compliance

#### 3.1 Summary of compliance

97 of the 98 awarding bodies that we regulated on the closing date of the statement of compliance submission window (30th September 2019) submitted statements of compliance to us. One awarding body had agreed a date for surrendering their recognition by Qualifications Wales, prior to the closure of the submission window and we agreed that they were not required to provide a submission. We reviewed all 97 statements of compliance in detail and considered the evidence submitted alongside all other relevant intelligence we hold on each awarding body. Our findings are presented in the graph below.



Graph 1: Statement of compliance findings following review

We found that 76% (74 of 97) of awarding bodies were compliant with all Standard Conditions of Recognition and were likely to comply with all Standard Conditions of

Recognition for the next 12 months. This is consistent with the 76% rate of compliance in 2018 (81 of 106). 24% (23 of 97) of awarding bodies were non-compliant and/or likely to be non-compliant in the future, consistent with the 24% rate in 2018 (25 of 106).

Following submission of their statements, three awarding bodies surrendered recognition in Wales. Two of these awarding bodies had declared current compliance and likely future compliance, the other had declared current non-compliance.

Three awarding bodies which had declared current non-compliance in 2018 declared continued non-compliance with some of the same conditions in their 2019 statements. Continued monitoring of these action plans has provided us with satisfactory assurances that these issues are being addressed. One awarding body has now declared compliance and the other two are moving towards achieving compliance.

This data excludes non-compliances declared by awarding bodies against Condition H2 (Moderation) in response to Ofqual's advice in their RO66<sup>1</sup> Statement of Compliance communication. Ofqual published its consultation 'Moderation and verification of centre assessment judgements' in February 2019. It noted that some awarding bodies were not consistently conducting moderation of centre assessment judgments, but instead relied on other methods of quality assurance for the centre judgements they relied on. Ofqual advised in their RO66 communication that no matter how rigorous these other approaches to quality assurance may be, any awarding body routinely issuing results on the basis of assessment decisions made by centres without first checking the accuracy of a sample of those results was likely to be in breach of Condition H2. Ofqual advised awarding bodies that believed they had in place a quality assurance process for centre assessment decisions in which they had confidence, but which did not include the essential elements of moderation, to

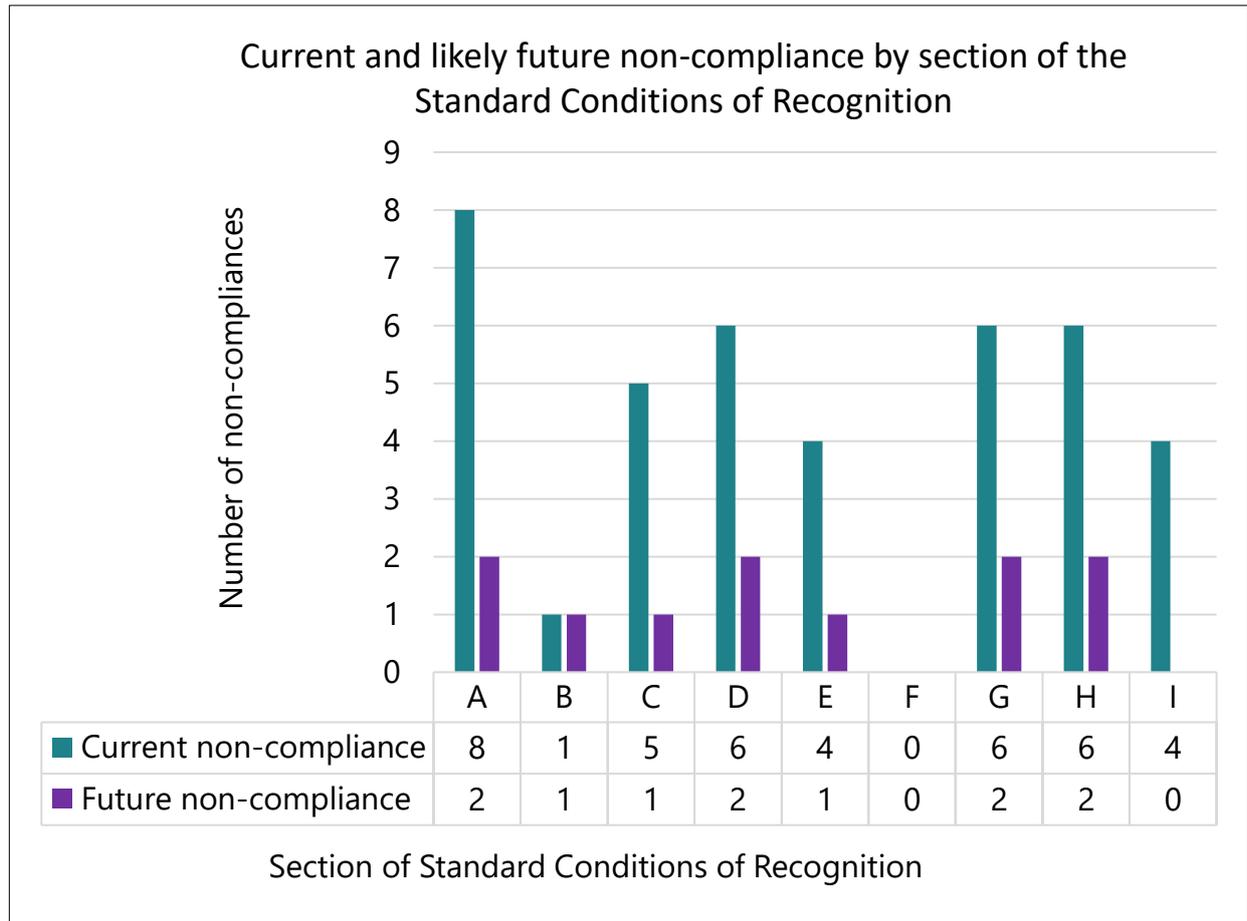
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<sup>1</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/802707/RO66\\_Statement\\_of\\_Compliance\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/802707/RO66_Statement_of_Compliance_2019.pdf)

indicate non-compliance with Condition H2, and add as explanation the word 'verification'. Ofqual did not require a non-compliance action plan for these declarations. In June 2019 we informed awarding bodies that all declarations of non-compliance against Condition H2 (Moderation), which are a direct response to the Ofqual guidance, would not be monitored, whilst we considered the outcomes of the Ofqual consultation and potential changes to our Standard Conditions of Recognition. Twelve declarations of non-compliance with Condition H2 (Moderation) in response to the Ofqual guidance were made.

### 3.2 Non-compliance and/or likely future non-compliance by section of our Standard Conditions of Recognition

For the 23 current non-compliant and/or likely future non-compliant awarding bodies, the graph below shows the instances of non-compliance/likely future non-compliance by each section of our Standard Conditions of Recognition.



Graph 2: Current and likely future non-compliance by section of the Standard Conditions of Recognition following review

As for the previous three years, the most frequent section of our Standard Conditions of Recognition with which awarding bodies were non-compliant and/or likely future non-compliant is Governance (section A). A total of eight awarding bodies were non-compliant with Governance conditions. All eight declared current non-compliance with this section and two of these also declared likely future non-compliance. The declared non-compliances were connected to Condition A4 (Conflicts of Interest), Condition A5 (Availability of adequate resources and arrangements), Condition A6

(Identification and management of risks), Condition A7 (Management of Incidents) and Condition A8 (Malpractice and Maladministration).

The second most frequent category of non-compliance and/or likely future non-compliance was section G (Setting and delivering the assessment). Six awarding bodies declared current non-compliance. One of these also declared future likely non-compliance while one other awarding body declared likely future non-compliance only. The non-compliance declarations were linked to Condition G1 (Setting the assessment), Condition G4 (Maintaining confidentiality of assessment materials), Condition G5 (Registration of learners) and Condition G9 (Delivering the Assessment). The third most frequent categories of non-compliance and/or likely future non-compliance were section D (General requirements for regulated qualifications) and section H (From marking to issuing results).

An increased number of awarding bodies declared non-compliance and/or likely future non-compliance with section D compared to previous years. Six awarding bodies declared current non-compliance and two of these also declared future likely non-compliance with this section. Declarations of non-compliance focussed on fitness for purpose of qualifications, accessibility of qualifications, reviewing its approach to the development, delivery and award of qualifications and responding to enquiries from users of qualifications within reasonable time.

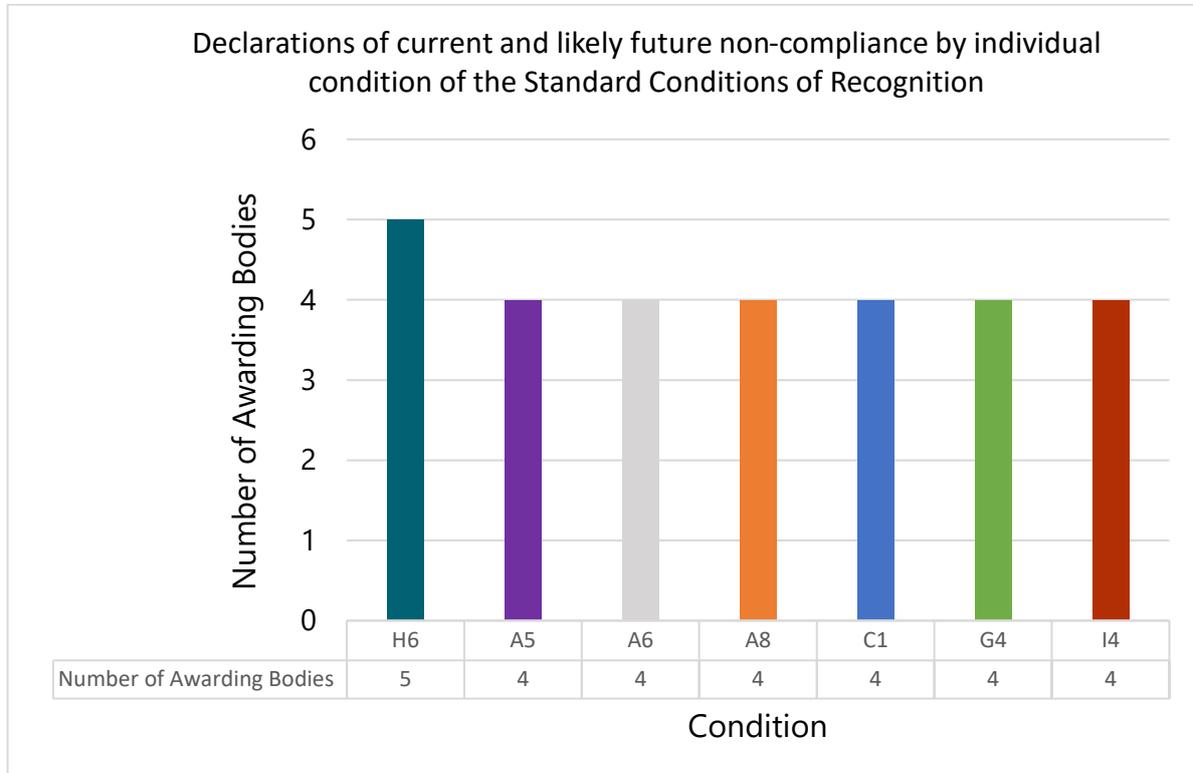
Six awarding bodies declared current non-compliance with Section H and two of these also declared future likely non-compliance. Four declarations for section H related to issuing results which accurately reflect the marking of assessments.

During the review it was noted that some awarding bodies had misinterpreted Conditions B2.2 and B2.3 regarding declarations of current non-compliance and likely future non-compliance. Several awarding bodies declared both current non-compliance and likely future non-compliance for the same issue of non-compliance. Condition B2.2(b) states that current non-compliance declarations should be made by awarding bodies who at the time of submission consider themselves to be non-

compliant with one or more of the Standard Conditions of Recognition. Only awarding bodies who are currently compliant with specific Standard Conditions of Recognition at the time of submission but foresee a potential to fail to comply with these conditions over the following 12 months are required to state likely future non-compliance. Therefore, awarding bodies should not state both current non-compliance and likely future non-compliance with the same condition in relation to the same issue of ongoing non-compliance.

### 3.3 Non-compliance and likely future non-compliance by individual conditions

The graph below shows the most frequently identified conditions of non-compliance and/or likely future non-compliance.



Graph 3: Current and likely future non-compliance by individual condition of the Standard Conditions of Recognition

The most frequent individual condition of current non-compliance and/or likely future non-compliance was H6, relating to issuing results. Five awarding bodies declared non-compliance and/or likely future non-compliance with this condition. Four of the five awarding bodies specifically declared non-compliance and/or likely future non-compliance with Condition H6.1(d), compared to one declaration in 2018. One awarding body declared non-compliance against this condition for a second year. Condition H6.1(d) requires awarding bodies to issue results which accurately and completely reflect the marking of assessments (including the outcome of any Centre Assessment Standard Scrutiny and any other quality assurance process). Stated reasons for the non-compliance included manual errors in setting up answer keys and mark sheets, examiner marking errors and incidents of malpractice by third parties.

These specific declared non-compliances had previously been reported to us through our event notification process.

The awarding bodies declaring non-compliance and/or likely future non-compliance with this condition have provided evidence within their action plans of investment in automated infrastructure to remove potential for human error, improvement in marking arrangements and an increase in compliance personnel to help detect potential malpractice by third parties that can compromise the issuing of results.

Three of the most frequent non-compliances and/or likely future non-compliances by individual condition were related to the Condition A Governance section. These were Conditions A5 (Availability of adequate resources and arrangements), A6 (Identification and management of risks) and A8 (Malpractice and maladministration). Four awarding bodies declared non-compliance and/or likely future non-compliance with each of these conditions. The number is consistent with 2018 for A5, and there is a slight decrease for A6 (five in 2018) and A8 (six in 2018).

In relation to Condition A5, Condition A6 and Condition A8 most of the awarding bodies concerned declared non-compliance as a result of issues identified during regulatory activity by Ofqual. These included audits into awarding body Centre Controls or action resulting from reported incidents of malpractice. Issues highlighted included insufficient resource for centre monitoring, gaps in systems for planning and internal control, internal systems not in place for monitoring conflicts of interest, and inadequate risk management of approved centres. The awarding bodies concerned have since provided action plans and taken appropriate action to address the issues of non-compliance which has included increasing staffing levels for centre monitoring, improving conflict of interest monitoring processes, implementing training programmes for staff in incident reporting, and improvements in actions taken to prevent malpractice.

Given the potential significant impact of non-compliance with Conditions A6 and A8, we included both conditions within the statement of compliance lines of inquiry in

2016 and 2018. In addition, all awarding bodies declaring non-compliance and/or likely future non-compliance with these conditions have provided evidence of the steps that they are taking to strengthen the external quality assurance and risk assessment processes they have in place. We are regularly reviewing each awarding body's progress against their action plans to ensure they return to full compliance as soon as possible and reduce the likelihood of an adverse effect for learners.

Conditions C1 (Arrangements with third parties), G4 (Maintaining confidentiality of assessment materials) and I4 (Issuing certificates and replacement certificates) also had four awarding bodies declare non-compliance and/or likely future non-compliance.

Some of the declared non-compliances with Condition C1 again resulted from the Ofqual audits into Centre Controls. Issues highlighted related to Conditions A5, A6 and A8 above including insufficient resource for centre monitoring, inadequate monitoring of centre conflicts of interest and weaknesses in the systems of internal controls.

With regards to Condition G4, four awarding bodies identified shortcomings in their arrangements to ensure confidential assessment materials remain secure at all times.

The declarations of non-compliance with Condition I4 related to erroneous issuing of certificates including incorrect candidate name, releasing certificates to learners yet to complete the qualification assessment and failure to meet published service level agreements for issuing certificates.

Awarding bodies declaring current or future non-compliance with all of these conditions provided action plans to develop their centre approval processes, revise external quality assurance checks, roll out training for the handling of confidential assessment materials, design certification automated systems, and strengthen arrangements they have in place with subcontractors.

As has happened in previous years, there appeared to be a correlation between areas of non-compliance and monitoring activity undertaken by CCEA, Ofqual and Qualifications Wales. Awarding bodies who declared non-compliance following regulatory activity identified this within their action plans.

## **4. Lines of inquiry responses**

### **4.1 Summary of responses**

Overall, the standard of the lines of inquiry responses was good. However, the quality of responses still varied significantly from one awarding body to another. Awarding bodies with submissions considered as strong organised their text response into sub-headings by condition sub-sections. Beneath these headings a concise explanation of how the awarding body met compliance with the sub-condition was provided. These explanations clearly sign-posted relevant sections of the supporting evidence. Across all lines of inquiry, stronger responses provided evidence of regular policy and process reviews.

Awarding bodies with weaker submissions provided text responses that lacked structure and detail, and did not clearly sign-post relevant sections of the supporting documentation. There was often an over-reliance on providing multiple supporting documents that were not always clearly linked to the condition. In some cases, multiple supporting documents needed to be reviewed to establish the process and systems an awarding body had in place.

### **4.2 Publication of a qualification specification**

Awarding bodies were required to describe their procedures for publishing all their current specifications and ensuring that they set out the requirements of sub-conditions E3.2(a) to (m); (Condition E3 - Publication of a qualification specification).

They were also instructed to provide the specification for their qualification with the highest number of awards in Wales as supporting evidence.

The stronger responses outlined clear processes that covered all aspects of the development of qualifications, with helpful signposting to the sections specifically relevant to the design, development and publication of specifications. Supporting evidence detailed the personnel involved, clearly identifying their roles in the procedure and task ownership. Details of stakeholder and user consultation during the specification development process was explained. The procedures included quality assurance undertaken by specific appropriately qualified experts, staff or working groups. There was a clear sign off process of the specification publication by a person with appropriate authority within the awarding body and the associated timeframes were evidenced. The specification for the qualifications with the highest number of awards in Wales was provided and helpful signposting of where sub-conditions E3.2(a) to (m) were set out was offered. The specifications were set out and ordered in a clear and accurate way to enable learners to understand the qualification requirements.

Weaker responses did not detail a process for developing and publishing a specification. References may have been made that procedural documents existed but no summary of the process or the actual documents were provided. Some responses failed to mention consultation with users and appropriate stakeholders during the specification development process. Specifications provided did not always meet the requirements of sub-conditions E3.2(a) to (m) and information for learners about the qualification requirements was not always easily accessible.

### **4.3 Setting the assessment**

Awarding bodies were required to describe their processes for ensuring assessments are fit for purpose, appropriate for the method of assessment chosen and consistent

with the specification (Condition G1 – Setting the assessment). They were also asked to describe their procedures for creating, reviewing and updating mark schemes.

Stronger responses clearly outlined a process when creating and reviewing assessments that checked the validity of what was being assessed. Detailed explanations of assessment trialling and continued monitoring for reliability were provided. Comparability was included as a planning exercise to ensure the qualification level was appropriate and its standard maintained. The processes involved users throughout to ensure manageability and to minimise bias. Procedures included standardisation activity both at creation and throughout the assessment cycle in order to support accurate differentiation.

The better responses evidenced a programmed review process looking at both the assessment and mark schemes. The personnel involved were identified and clear timescales for the process evidenced. Reviews involved quality assurance personnel and had appropriate levels of scrutiny by experts, included user consultation, and had appropriate sign off from senior staff.

The stronger responses typically showed mark schemes created at the outset alongside the assessment. Evidence was provided of checks to ensure the assessment criterion and learning objectives were covered. Clarity of mark schemes was evidenced through trialling by markers and review by appropriate experts and personnel such as Chief Examiners. Marking moderation and standardisation activities were detailed as part of the assessment cycle programme. Post marking reviews of mark schemes were identified as an ongoing activity along with corrective updates for clarity where required. A mark scheme for the highest awarded qualification was also provided to evidence the process was implemented.

For practical vocational skills assessments where mark schemes were not used, evidence of robust external quality assurance activities was provided and standardisation activity before marks and certification were authorised for release.

Commentary was also provided on the review of the assessment criterion and learning objectives.

Weaker responses stated assessments were checked for fitness for purpose, but failed to detail the review or what fitness for purpose meant. Some responses omitted any reference to fitness for purpose checks. Where assessments were set by centres, the poorer responses did not explain how they ensured comparability or standardisation or advised of any sign off process of the centre's assessment strategy. Some responses failed to explain any review procedures for assessments and/or mark schemes. Other responses commented on mark schemes and articulated the creation and review processes well but did not provide the requested exemplar mark scheme to demonstrate that the process was implemented.

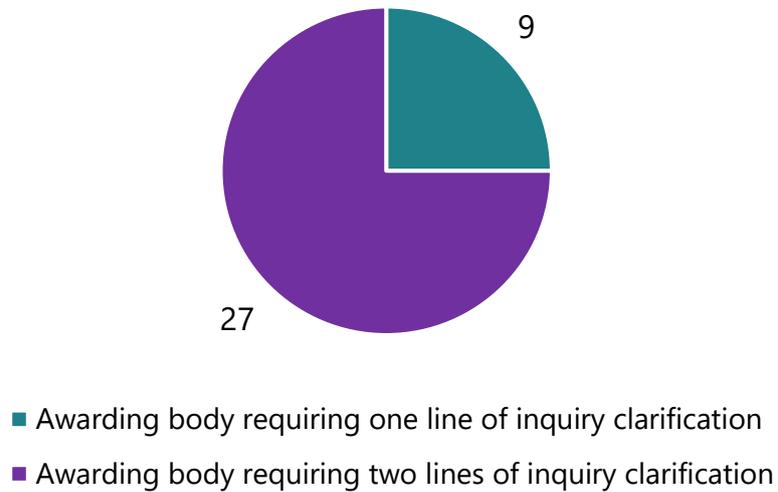
## **5. Our response to the statements of compliance**

### **5.1 Requests for further information**

The general quality of responses was similar to last year, but responses varied across awarding bodies. Some awarding bodies included minimal information which was not supported by evidence, whilst others provided very detailed and evaluative information, with clear linkage between the text response and supporting evidence.

Therefore, we requested additional information from 37% (36 of 97) of all awarding bodies, primarily due to their statements being unclear or containing insufficient evidence. This can be compared to the 2018 figure of 26% (28 of 106). Some awarding bodies were required to provide further information on both lines of inquiry, as shown in the graph below.

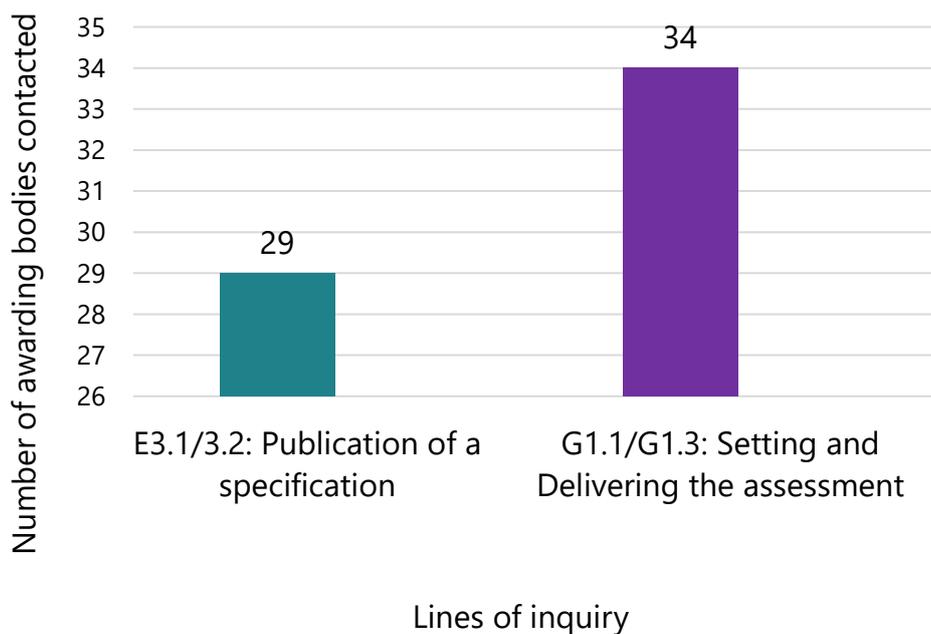
### Further information requested by number of lines of inquiry (2019)



Graph 4: Further information requested by number of lines of inquiry

The graph below illustrates the categories of requests for further information for both lines of inquiry. The most common category which required additional clarification was the line of inquiry relating to setting and delivering assessment.

### Further information requested by line of inquiry category



Graph 5: Further information requested by line of inquiry category

We received satisfactory responses to all our requests for further information and/or evidence from awarding bodies. In a minority of cases, awarding bodies identified during this review that their specifications or existing policies or processes did not adequately address the conditions and provided us with evidence that these had subsequently been updated.

## **5.2 Action plans**

We required all (23) awarding bodies that were declared non-compliant and/or likely to be non-compliant over the next 12 months to produce action plans. We are regularly monitoring these action plans and, where appropriate, will conduct follow-up monitoring activity over the next year to validate the completion of the action plans. We will use the outcomes and the evidence from the 2019 statement of compliance process to inform our future awarding body monitoring programme.

## **5.3 Reference to the regulator**

During the review we identified that a number of awarding bodies (43%, 42/97) had either omitted or made inaccurate references to Qualifications Wales within their supporting evidence. This is an improvement on the 2018 figure of 61% (65/106). Of these 42, 95% (40) did not reference Qualifications Wales and/or the Standard Conditions of Recognition when other regulators had been specifically mentioned (this figure was 54 in 2018). The remaining 5% (2) of awarding bodies made inaccurate references, referring to Qualifications Wales as QiW, a marked improvement on the 11 identified in 2018. Qualifications Wales is an independent regulatory body and QiW is our database of approved and designated qualifications.

Both awarding bodies who made inaccurate references to Qualifications Wales were contacted and have since provided written assurance that any inaccuracies will be amended as soon as possible or when policy revision allows. For all other awarding bodies, we did, as previously in 2018, send out a formal email outlining best practice

and issues identified during the 2019 review upon official closure of their statement of compliance submissions. This communication highlights that all awarding bodies should ensure they include accurate reference to Qualifications Wales in their documentation. We will continue to monitor this in future statement of compliance submissions.

## **6. The 2020 statement of compliance process**

We recognise that awarding bodies are focusing their efforts on managing significant and complex challenges in light of the issues resulting from Covid-19. In many cases, awarding bodies have understandably reallocated internal resources or deprioritised certain activities in order to rise to these challenges.

We fully appreciate the efforts that the regulated community is making to develop appropriate and timely responses to these challenges. We are keen to reduce any non-essential regulatory burden on awarding bodies at this most challenging of times. As a result, we will be suspending the requirement for awarding bodies to submit their full 2020 Statement of Compliance until further notice.

We may lift the suspension later in the year and ask awarding bodies to provide a shorter and more focused statement on areas that will be key to inform our ongoing regulation. If we decide to do this, we will give awarding bodies advanced notice and information about how to make any return before we lift the suspension.

This position has been agreed by the three regulators of CCEA, Ofqual and Qualifications Wales.

## 7. Appendix 1 – Standard Conditions of Recognition Headings

<b>Part 1 – The awarding body</b>	
<b>Section A</b>	<b>Governance</b>
<b>Section B</b>	<b>The awarding body and Qualifications Wales</b>
<b>Section C</b>	<b>Third parties</b>
<b>Part 2 – The regulated qualification</b>	
<b>Section D</b>	<b>General requirements for regulated qualifications</b>
<b>Section E</b>	<b>Design and development of qualifications</b>
<b>Section F</b>	<b>Providing qualifications to purchasers</b>
<b>Section G</b>	<b>Setting and delivering the assessment</b>
<b>Section H</b>	<b>From marking to issuing results</b>
<b>Section I</b>	<b>Appeals and certificates</b>
<b>Section J</b>	<b>Interpretations and definitions</b>