

Annual Statement of Compliance 2014

Template and Guidance for Completing and Submitting Your Annual Statement to Ofqual in 2014



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Guidance for the Annual Statement to Ofqual 2014

Introduction

Your annual statement to Ofqual describes and provides assurance of your levels of compliance with the General Conditions of Recognition including any Special Conditions that apply specifically to you (the Conditions).

All recognised awarding organisations are subject to Conditions of Recognition, and as a recognised awarding organisation you must be compliant with them. We therefore expect you to be able to evaluate and understand how well you comply with these Conditions. Your annual statement is your assurance to us that you do this.

Section A of the General Conditions of Recognition contains requirements relating to the governance of your organisation. These requirements are relevant to the assurance processes you use to ensure the accuracy of your annual statement. We have therefore asked you to provide some additional information in your annual statement related to your assurance processes.

This document is guidance for completing and submitting your annual statement to us for 2014, in accordance with Condition B2 (see Appendix 4).

What are we interested in?

We expect you, as a recognised awarding organisation, to objectively and critically evaluate your levels of compliance with the Conditions to which you are subject.

This is about being self-aware and understanding where you are and are not compliant. To achieve this, you should have systems and processes in place to compare what you do, and how you do it, with the requirements of the Conditions.

As stated in Condition B2.4, your statement must be accurate. This is why it is important to objectively evaluate your levels of compliance. When completing your statement, you should consider if we would find the same levels of compliance that you have declared in your statement when we conduct our monitoring activity.

Completing and supporting your statement

In response to feedback from awarding organisations, we have developed a template for completing your statement of compliance. There is also an option for you to provide key documentation evidencing your systems of assurance. This is not mandatory for 2014. It should be used to support your description of the systems and processes used for assurance of compliance.

Completing the template

The template is separated into six sections, each of which is designed to enable you to make an accurate and full statement to us. We have provided guidance for each section. Please complete this template to make your annual statement to Ofqual, as required by the Condition B2.5.

Annual Statement of Compliance

Section 1: Your statement

You are required to confirm one statement in part A and one statement in part B. In accordance with Condition B2.4, your statement must be signed and dated by both the chair of your governing body and your responsible officer.

As chair of the governing body, I confirm that (indicate with 'X' as appropriate):

Part A	X
We (the awarding organisation named below) are fully compliant with all of our Conditions of Recognition	
We are not fully compliant with all of our Conditions of Recognition and have indicated such non-compliance in Section 3	
Part B	X
We have no cause to believe that we are likely to fail to comply with any of our Conditions of Recognition within the next twelve months	
We are likely to be non-compliant with some or all of our Conditions of Recognition within the next twelve months and have indicated likely non-compliance in Section 4	

I also confirm that our governing body has reviewed and formally approved this statement, indicating its assent and confirming the accuracy of the statement.

I understand that should subsequent monitoring activity find that this statement is inaccurate, we may be in breach of Condition B2.4.

I further understand that in accordance with Condition B3.1, we will notify Ofqual if we subsequently identify a non-compliance or likely non-compliance that could have an Adverse Effect.

Awarding organisation	
Your name (chair of governing body)	
Your signature	
Your name (responsible officer)	
Your signature	
Date of statement	

Section 2: Your process of assurance

Please describe your systems, processes, controls and other arrangements (your systems) that enable you to objectively and critically evaluate your levels of compliance with the Conditions. In 2013, we found that it was not always clear what systems awarding organisations have in place to evaluate their levels of compliance, and how governing bodies were assured of this. This information is essential in providing us with assurance that there is sufficient oversight, scrutiny and challenge at governing body level, and that your statement can be relied upon as being both accurate and approved by your governing body, as required under Condition B2.4.

Describe your systems in a way that best suits your organisation. You must make clear the systems, processes, controls and other arrangements that you have in place which:

- are appropriate to the size and type of your organisation
- enable you to objectively and critically evaluate your levels of compliance
- evidence this compliance internally
- ensure that the evidence is valid and reliable
- ensure that your governing body has sufficient knowledge and oversight of your internal systems of compliance assurance
- give your governing body the authority and freedom to scrutinise and challenge any assurance of compliance.

A good example of this will fully describe the systems of control, processes, checks and balances that operate throughout your organisation to evaluate compliance. See Appendix 1 for some indicators of assurance.

**Please describe your systems and processes of assurance in the box below.
Continue on a new page if necessary.**

Section 3: Non-compliances

Go to section 4 if you have not stated any current non-compliances.

Please explain in the table below:

- which Conditions you are not currently compliant with
- why you are not compliant
- the actions that you are taking, or planning to take, to become compliant, including timescales.

Please use a new line for each Condition with non-compliances. See Appendix 2 for an illustrative example of how to complete this section.

Consider including:

- how or why you think you are non-compliant
- how your systems and processes, as described in Section 2, enabled you to identify the non-compliance or risk
- what actions you are taking or planning to take to become compliant
- who, within your organisation, is responsible for the action
- when the action will be taken, or the timescales for completion
- the processes by which the remedial action was decided upon and agreed or approved
- how you will monitor progress against the agreed actions and report on it
- how you will evaluate the effectiveness of the actions, that is, how you will know when compliance has been achieved
- what you will do if the actions taken do not work.

Condition	Details of non-compliance and actions that you are taking to become compliant

Add more rows if necessary.

Section 4: Potential non-compliance

Go to section 5 if you have not stated that you are likely to be non-compliant within the next 12 months.

Please explain in the table below:

- which Conditions you are likely to be non-compliant with
- why you are likely to be non-compliant
- the actions that you are taking, or planning to take, to address the potential non-compliance, including timescales.

Please use a new line for each Condition with potential non-compliance.

Consider including:

- how or why you think you will become non-compliant
- how your systems and processes, as described in Section 2, enabled you to identify the non-compliance or risk
- what actions you are taking or planning to take to address the potential non-compliance
- who, within your organisation, is responsible for the action
- when the action will be taken, or the timescales for completion
- the processes by which the remedial action was decided upon and agreed or approved
- how you will monitor progress against the agreed actions and report on it
- how you will evaluate the effectiveness of the actions, that is, how you will know when compliance has been achieved
- what you will do if the actions taken do not work.

Condition	Details of non-compliance and actions that you are taking to become compliant

Add more rows if necessary.

Section 5: Other information

If there is any other information that you wish to submit as part of this statement, please do so in the space below.

You could include, for example:

- updates on how you have addressed any areas of non-compliance that you identified in 2013
- any improvement that you have made to your systems, controls and processes of assurance of compliance
- any actual or planned growth in the number or type of qualifications that you offer.

Section 6: Documentation and evidence

This section allows you to record any documentation that you have chosen to submit with your statement. This is optional, but any documentation that you choose to send should support your statement. It should provide evidence of the systems and processes for evaluation and assurance of compliance that you have described in your statement. You could also include evidence of any remedial action to address any actual or potential non-compliance.

Anything that you send us should be in the context of supporting your statement and evidencing your systems and processes of assurance of compliance with the Conditions. If you send us other documentation, we might not look at it if it is not relevant to your annual statement or the systems and processes that you have described.

Name, number or title of evidence	What is this evidence supporting, and how?

Add more rows if necessary

Submitting your statement

To increase security, we are using our online portal for the submission of statements for 2014.

The online portal will be available from early March 2014 until the deadline date for submission. Instructions for how to access the portal will be sent to you.

The deadline date for submission of your statement is:

5pm on Friday 25th July 2014.

You need to make sure that you have submitted your completed and signed statement by this date, including any documentation that you have chosen to include. You can submit your statement before this date if you wish.

Following completion of this year's annual statement of compliance process, we will be conducting a range of evaluation activities, some of which will include involvement from awarding organisations. Please indicate below if you would like to be involved.

We would like to be involved	<input type="checkbox"/>
We are not interested in being involved	<input type="checkbox"/>

Appendix 1 – Indicators of assurance for Section 2

Area of assurance	Indicators of poor assurance	Indicators of adequate assurance
Consideration and evaluation of levels of compliance	<p>It is not clear what systems and processes you have in place to objectively and critically evaluate your levels of compliance.</p>	<p>You can fully describe your systems and processes for consideration and evaluation of compliance, including:</p> <ul style="list-style-type: none"> ■ Who is responsible ■ How they do it ■ Quality assurance arrangements <p>Your systems are properly controlled.</p>
How you evidence your levels of compliance	<p>It is not clear how you evidence compliance internally, or there are no systems or processes by which evidence is validated before being relied upon.</p>	<p>You have transparent systems and processes in place to collect and validate evidence before it is used to evaluate your levels of compliance.</p>
Non-compliance	<p>It is not clear that your systems and processes adequately identify non-compliance or manage the risk of it.</p>	<p>You have clear and robust risk management systems, clearly linked to the Conditions and your self-evaluation, which effectively identify and mitigate risks to compliance.</p>
Governing body oversight	<p>It is not clear how your governing body is sufficiently informed or empowered to be assured of your levels of compliance.</p>	<p>It is clear that your governing body has the authority and freedom to scrutinise and challenge the levels of compliance reported to them, and that it has done this before formally approving your statement.</p>

Appendix 2 – Illustrative example of stated non-compliance

Condition	Details of non-compliance and actions that you are taking to become compliant
C2.3(k)	<p>Our annual internal systems audit completed on 14th February 2014 identified that our centre agreements did not adequately specify the process to be followed in the event that the centre withdraws from its role in delivering our qualifications. We convened a meeting between the Head of Delivery Compliance and the centre policy manager on 20th February 2014 to agree necessary changes to the agreements. Our agreements already have provision for reasonable amendments to them. At this meeting, an additional form of words was agreed to be included in all centre agreements. The new centre agreements were drafted on 28th February 2014 and issued to all centres by 14th March 2014. Centres are required to sign and return the agreements by 11th April 2014. The centre policy manager will review all returned agreements by 25th April 2014 to ensure that they are correct. We expect to become compliant by 25th April 2014.</p>

Example for illustrative purposes only

Appendix 3 – Questions and answers

Question	Answer
<p>Why have you changed the format of the statement again? And are you going to stick with this for a while?</p>	<p>This is the third year we have required an annual statement from awarding organisations. We have used our experiences and feedback from awarding organisations to develop and improve our approach.</p> <p>We continue to look for ways to improve how we do things. Moving forwards, we will be looking for any other improvements we can make. This means that the way we look at your systems for compliance assurance may be different in the future.</p>
<p>Are the Welsh Government and the Council for the Curriculum, Examinations and Assessment (CCEA) taking the same approach?</p>	<p>Each of the regulators must be assured of compliance in the way that suits them best. However, we are liaising with them to share our approach.</p>
<p>I've heard that some awarding organisations don't have to submit an annual statement this year. Is this true?</p>	<p>No. All recognised awarding organisations must submit an annual statement to us. However, some awarding organisations will be required to submit a lot of information to us as part of the process for recognition for the new GCSEs. This information will largely mirror what we are asking for in the annual statement. As such, we will not be asking those organisations to submit a separate statement this year.</p> <p>If we have not told you that this is the case for your organisation, you must submit your statement in line with this guidance.</p>
<p>Our systems are exactly the same as they were in 2013. Do we need to tell you all this information again?</p>	<p>Yes. It is important that we have a full record of your stated levels of compliance and the mechanisms by which you are assured of these.</p>
<p>We currently don't have any</p>	<p>Yes. All recognised awarding organisations must submit</p>

<p>students taking our qualifications or any 'live' qualifications. Do we still need to submit our statement?</p>	<p>their statement.</p> <p>You should also consider whether there is a risk that you are not compliant with Condition A1.3.</p> <p>In this instance, you should address this non-compliance within your statement.</p>
<p>You've given us the option of including supporting documentation. What about the documents we have banked with you?</p>	<p>At the recent Statement of Compliance events that we ran, it was clear that there is some confusion about the requirement to maintain banked documents on RITS. To clarify our position in this regard:</p> <ul style="list-style-type: none"> ■ There is currently no requirement for awarding organisations to maintain documents that they have banked on RITS. ■ Awarding organisations are required to provide supporting documentation when submitting qualifications for accreditation. ■ We did require awarding organisations to submit QCF approval documentation when RITS became operational, but this is not an ongoing requirement. ■ The purpose of banking documents on RITS was to provide a secure point of information storage for awarding organisations. But it was not intended to be our primary source of information about awarding organisations, not least due to the risk of documents being out of date.
<p>What will you do with the statement and any documents that we send to you?</p>	<p>Your statement will form part of the overall picture that we have of you. We will use it in conjunction with other information that we hold about you to inform our approach to monitoring awarding organisations.</p> <p>We will, where relevant, use the documents that you send us to fully understand the systems that you describe in your statement.</p>

Appendix 4 – Condition B2: The annual statement to Ofqual

- B2.1 An awarding organisation must provide to Ofqual an annual statement in accordance with this condition.
- B2.2 The statement must specify either
- (a) that the awarding organisation is fully compliant with its Conditions of Recognition at the date of the statement, or
 - (b) that it is not so compliant, in which case the statement must describe each instance of non-compliance and the date by which the awarding organisation expects to rectify the failure.
- B2.3 The statement must also specify either
- (a) that the awarding organisation has no cause to believe that it will be likely to fail to comply with any of its Conditions of Recognition during the period of twelve months immediately following the date of the statement, or
 - (b) that it does have such a cause for belief, in which case the statement must describe each instance of potential non-compliance, the grounds for believing it to be likely to occur, and the steps being taken by the awarding organisation in relation to it.
- B2.4 The statement must be accurate, formally approved by the Governing Body of the awarding organisation, and signed by the chair of the Governing Body and the responsible officer.
- B2.5 The statement must be made in any form and on any date as may be notified to the awarding organisation by Ofqual.

Copied from *the General Conditions of Recognition September 2013* (Ofqual/13/5306)

Glossary of terms

Condition(s)

The General Conditions of Recognition September 2013 (Ofqual/13/5306) or a Condition therein.

Conditions of Recognition

All conditions to which an awarding organisation's recognition is subject (including other conditions imposed under section 132(3)(d) of the Apprenticeships, Skills, Children and Learning Act 2009).

Governing Body

Where the awarding organisation is a limited company, the board of directors of the awarding organisation. Where the awarding organisation is not a limited company, a person or group of people having the equivalent status within the organisational structure of the awarding organisation.

Statement of compliance

This is the annual statement that all awarding organisations must make to Ofqual, as described in Condition B2.

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