



# Post-Recognition Monitoring Report

## NCFE

---

March 2010

Ofqual/11/4806

# Contents

Introduction.....	3
Regulating qualifications .....	3
Banked documents.....	3
About this report.....	4
About NCFE .....	5
Management and governance.....	6
Findings.....	6
Non-compliance .....	7
Observations .....	7
Resources and expertise.....	8
Findings.....	8
Non-compliance .....	9
Observations .....	9
Diversity and equality .....	10
Findings.....	10
Non-compliance .....	11
Observations .....	11
Unit/qualification development – planning.....	12
Findings.....	12
Non-compliance .....	13
Observations .....	13
Unit/qualification development – development.....	14
Findings.....	14
Non-compliance .....	14
Observations .....	14

Unit/qualification development – design and development of assessment.....	15
Findings.....	15
Non-compliance .....	15
There are no instances of non-compliance in relation to this section.....	15
Observations .....	15
Delivery of assessment .....	16
Findings.....	16
Non-compliance .....	17
Observations .....	18
Administration (centres).....	19
Non-compliance .....	21
Observations .....	21

## **Introduction**

### **Regulating qualifications**

The responsibility for regulating qualifications lies jointly with three regulators:

- Office of Qualifications and Examinations Regulation (Ofqual), the regulator for qualifications awarded in England and vocational qualifications awarded in Northern Ireland
- Department for Children, Education, Lifelong Learning and Skills (DCELLS), the regulator for Wales
- Council for the Curriculum, Examinations and Assessment (CCEA), the regulator responsible for qualifications (other than vocational qualifications) awarded in Northern Ireland.

We systematically monitor awarding organisations and their regulated qualifications against the requirements set out in the statutory regulations. The aim of this activity is to promote continuing improvement and public confidence in the quality of regulated qualifications.

Where an awarding organisation is found not to comply with relevant criteria, the regulators will identify areas of non-compliance that must be rectified within a certain period. Even if an awarding organisation is compliant, the monitoring team may provide observations on ways in which the awarding organisation could change its systems and procedures to improve clarity or reduce bureaucracy.

Instances of non-compliance and observations arising from this monitoring activity are specified at the end of each section of this report. Awarding organisations are required to produce an action plan to show how they will deal with any non-compliance issues identified. We will generally agree the action plan and monitor its implementation.

We will use the outcomes of monitoring and any subsequent action taken by awarding organisations to inform decisions on future monitoring and/or the possible imposition of sanctions.

### **Banked documents**

As part of the awarding organisation recognition process, the regulators require awarding organisations to submit certain documents to Ofqual, to be held centrally. Information from these 'banked' documents is used to inform monitoring activities and may also affect an awarding organisation's risk rating.

A suite of documents has been identified as suitable for banking, consisting of those items considered to be the most crucial in supporting an awarding organisation's ability to operate effectively. To maintain the currency of the banked documents, awarding organisations are responsible for updating them as and when changes occur. They are also reminded to review them at least annually as part of the self-assessment return.

## **About this report**

This report is the outcome of a monitoring activity on NCFE awarding organisation that was carried out by Ofqual and DCELLS staff between April and June 2010. It draws together our findings on areas of:

- management and governance
- resources and expertise
- diversity and equality
- unit/qualifications development – planning
- unit/qualifications development – development
- unit/qualifications development – design and development of assessment
- delivery of assessment
- administration (centres)

This is the first post-recognition monitoring activity on NCFE in respect of the Qualifications and Credit Framework (QCF) since the awarding organisation received supplementary recognition in 2009.

The monitoring activities included desk research of information already held by us, examination of NCFE's supplementary recognition application and scrutiny of the awarding organisation's website and visits to some of its centres. We visited NCFE's head office to conduct interviews with staff and review documentation.

This report draws together our findings from these monitoring activities.

## **About NCFE**

NCFE traces its history back to 1848. The awarding organisation offers qualifications from Entry Level to Level 4. For further information about NCFE and the qualifications it offers, visit its website at [www.ncfe.org.uk](http://www.ncfe.org.uk).

## Management and governance

Subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 2.1–2.3 and 5.1.

### Findings

1. NCFE is a company limited by guarantee and a registered charity. The Board members of the company are the trustees. The Board members are also the directors for the purposes of company law.
2. The Board members delegate day-to-day operational management of NCFE to a Strategic Management Team (SMT) that consists of the Chief Executive and three directors who have individual responsibility for business operations, business services (including finance) and business development.
3. There are no other formally constituted committees for running the awarding organisation, but we saw minutes of meetings of the individual teams of staff involved in various activities. These covered social and work issues and fed into a meeting of team leaders (the Management Team) that in turn fed into the SMT.
4. We examined minutes of the Board, the SMT, the Management Team and of a selection of team meetings. These minutes showed that appropriate matters were covered and reported on at these meetings.
5. The current Chief Executive is the single named point of accountability for maintaining the quality of the regulated functions. Delegated responsibility for the operation of the awarding organisation lies with the Director of Business Operations. Delegated responsibility for the development and submission of units, and for the development of rules of combination (RoC), lies with the Director of Business Development.
6. A clear organisation chart, showing job titles and names, was provided to us. The directors' report in the annual report and accounts for the year ending 31st August 2009 contained a wealth of relevant information on the company's governance and was an example of good practice.
7. No instances were found of any joint ventures or potential conflicts of interest that were not properly managed. The notes to the accounts clearly identified and commented upon related party transactions.
8. We found that the management structures used to control the delivery of the regulated functions were sound.

### **Non-compliance**

There are no instances of non-compliance in relation to this section.

### **Observations**

There are no observations for this section.

## Resources and expertise

Subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 2.4–2.6, 3.1, 4.1 and 5.2.

### Findings

1. The auditors had signed off an unqualified audit report on NCFE's accounts. NCFE had a clear statement in the directors' report on its risk management strategy. This included a reserves policy, itemised in the accounts. The trustees' policy is clearly stated in a note to the accounts and states the basis on which the calculation has been made of the funds that would be required if the charity had to wind down its affairs.
2. We were satisfied on this evidence that NCFE's financial arrangements and strategy had considered how to provide sufficient funds to support current and future demand for its services.
3. Evidence was shown to us in respect of NCFE's human resources strategy. This included an annual training plan, evidence of attendance at various external training events for the development of the QCF, internal training courses and individual staff training plans.
4. Skills needs were identified every six months. We asked to see examples of job descriptions and person descriptions and found these to be in place for all roles for which they were requested. There was also evidence that the skills requirements for working in the QCF were being gradually incorporated into these documents.
5. We were satisfied that NCFE was making provision for sufficient staff and/or associates to support current and future demand for its services.
6. We also considered NCFE's technical strategy and whether it had sufficient equipment. Within the competence of the individuals in our monitoring team, there was no sign of pressure upon resources, although there were adjustments to be made to the demands of the QCF, such as for credit accumulation and transfer. However, as the central system with which NCFE must interface has not yet been made operational, the impact of this is difficult to quantify for all awarding organisations.
7. We looked at NCFE's business continuity plan, which, at the time of the annual accounts of August 2009, was in course. We saw evidence that the business continuity plan had been progressed and was at the point of being field-tested.

8. In respect of unit production, RoC production, and the qualifications NCFE offers, we looked at how NCFE has identified its skills needs and obtained the relevant expertise. As an existing awarding organisation, NCFE already has a bank of experts upon which to call, with all members possessing considerable relevant expertise.
9. NCFE offers a wide range of units and qualifications. NCFE's permanent staff within the Research and Product Development Team decides the parameters for its needs when designing or reviewing units, RoC and qualifications. These can then be checked against a spreadsheet of existing contractors that sets out their known skills-base. We looked at specimen CVs of contractors to confirm the information found in the spreadsheet.
10. With the change from National Qualifications Framework (NQF) to QCF other skills have been required, particularly in terms of credit and awarding. These have been worked up by attendance at training events provided by such organisations as the Qualifications and Curriculum Development Agency and the Federation of Awarding Bodies. Evidence was provided to us by NCFE staff of subsequent cascading of this information to both staff and contractors who had not attended such events.
11. We were satisfied that NCFE had procedures in place that ensured it had access to expertise, gave access to necessary training and guidance, and that this expertise was used appropriately in terms of product development.

## **Non-compliance**

There are no instances of non-compliance in relation to this section.

## **Observations**

There are no observations for this section.

## Diversity and equality

This is subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 2.11–2.14.

### Findings

1. Discussion with staff and a review of a wide range of documents showed that NCFE is committed to ensuring equality for all learners and minimising barriers to entry to its qualifications and units.
2. Consideration of diversity and equality is embedded in all aspects of its work. In some instances, this consideration is implicit rather than explicit. For example, while discussion with staff gave us confidence that consideration was given to diversity and equality in the development of units and RoC, there were no explicit procedures to ensure that this happened consistently.
3. We could not be confident that a representative cross-section of learners was consulted in all cases. However, in many instances, we saw evidence, such as sections of the *Guide to Writing Units and Qualifications*, which explicitly ensured that consideration is given to consultation and clearly recorded where it occurs. NCFE uses a questionnaire for centres to obtain feedback on draft units and RoC. This gives centres an opportunity to identify any barriers for learners during the development phase.
4. Individual teams within the organisation are aware of their obligations under the QCF. Information is cascaded by a number of means: for example, to external contractors through the NCFE Question Writer's Training Pack. While some individuals within teams had clear expertise and responsibilities in relation to equality and diversity (for example, we saw a table noting areas of specific responsibilities for the External Quality Assurance Team, which included diversity and equality), it was not always formally identified as part of staff responsibilities.
5. For NCFE's QCF qualifications and units, internal assessment is the main method used. This allows for flexibility within centres, which leads to greater access to assessment for candidates, thus minimising the need for reasonable adjustments and special consideration. Clear guidance is given to centres on reasonable adjustments and special consideration, and there are recording mechanisms in place.
6. There is only one instance of external assessment within NCFE's current QCF provision (as part of the Level 3 Award in Counselling Skills and Theory), and that was included due to the requirements of the standards setting body whose footprint covered that particular qualification.

7. It was not clear who had overall operational responsibility for ensuring NCFE compliance with both QCF and legislative requirements in relation to diversity and equality. In addition, while the organisation did collect some data through its various functions, it is unclear whether or not the organisation has adequate procedures in place to collect sufficient data to allow it to effectively monitor and evaluate its compliance with sections 2.11 to 2.13 of the QCF regulatory arrangements.
8. We saw evidence of a planned process review for reasonable adjustments and special consideration, and considered it good practice that NCFE extended the remit to cover all diversity and equality issues.

## **Non-compliance**

There are no instances of non-compliance in relation to this section.

## **Observations**

1. NCFE should review its procedures for consulting with a representative cross-section of learners.
2. NCFE should ensure that responsibilities of staff in relation to diversity and equality are clearly defined.
3. NCFE should ensure that there is a clear point of overall operational responsibility for ensuring compliance with requirements in relation to diversity and equality.
4. NCFE should review its data collection in order to ensure that sufficient data is collected to allow it to effectively monitor and evaluate its compliance with requirements.

## Unit/qualification development – planning

This is subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 3.2 a–b, 4.2, 4.3a, 6.2a.

### Findings

1. NCFE provided us with the procedure used by the NCFE Research and Product Development Team to plan its unit and qualification provision as well as the RoC. The process involved following NCFE’s detailed product lifecycle plan to develop, amend, extend and withdraw units and qualifications.
2. We focused on those areas where, at the time of monitoring, there were large numbers of learners. These included NCFE Level 1 Award in Creative Craft using Drawing and Painting; NCFE Level 2 Award in Helping Skills; and NCFE Level 3 Award in Counselling Skills and Theory. Relevant sector teams were interviewed, although all teams used the same generic process.
3. NCFE provided details of how a business case was generated, developed and signed off. Evidence presented showed that this process involved a number of individuals, including sector leaders, the Portfolio Development Leader, and the research and product development and quality assurance managers who review and evaluate the proposal before it is presented to the SMT. For the business case to be signed off, detailed information is required on:
  - market demand (including research pertaining to evidence of learner demand)
  - assessment methodology
  - resources
  - structure and size of the qualification
  - budget
  - risk-assessment
  - opportunities to use shared units, that is, those which exist in the central unit databank.
4. The process also allows for amendments to be made at any stage. For example, if the draft RoC was to change, an amendment could be made but it would require the approval of senior staff within NCFE. Evidence was also seen of business cases that were turned down and therefore never reached the product development stage.

5. NCFE also provided evidence of how it liased with the sector skills councils (SSCs) and complied with their sector qualification strategies (SQSs). Sometimes there was collaborative working with the SSC on a qualification idea; on other occasions, the SSC might ask NCFE to develop a qualification in partnership with other awarding organisations.
6. NCFE provided us with working instructions on determining a RoC. The business case is used to explain the RoC and details of potential for using existing units from the unit databank. For NQF qualifications that are being redeveloped for the QCF, NCFE uses its evaluation process to determine if the RoC is appropriate and also uses feedback from contractors. For new qualifications, NCFE liases with contractors and centres to determine the RoC requirements using appropriate sector expertise.
7. NCFE's business case requires evidence of use of existing units from the central unit databank. The working instructions clearly state that shared units should be used wherever possible.

### **Non-compliance**

There are no instances of non-compliance in relation to this section.

### **Observations**

There are no observations for this section.

## Unit/qualification development – development

Subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 3.2 c–g and 4.2–4.3.

### Findings

1. There was substantial evidence showing that the NCFE works closely with the relevant SSC when developing units and qualifications. Equally, within its own organisation, teams work collaboratively in developing units and qualifications. This was good practice.
2. The development process was documented by a guide to writing units. Useful templates had been developed. The *Guide to Writing Units and Qualifications* was useable by curriculum specialists who need to create new units and qualifications, or revise existing NQF units and qualifications to ensure they comply with QCF requirements.
3. The *Guide to Writing Units and Qualifications* covers in detail the requirements of section 1 of the regulatory arrangements and explains how credit and level are assigned.
4. All units are subjected to a review process with clear sign-off by two members of the Management Team required before they can be uploaded to the central unit databank.

### Non-compliance

There are no instances of non-compliance in relation to this section.

### Observations

There are no observations for this section.

## **Unit/qualification development – design and development of assessment**

Subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraph 5.3

### **Findings**

1. NCFE staff provided us with its procedure for the design and development of assessment. Guidance on assessment method is initially outlined in the business case, having been informed by sector experts and the Research and Product Development Team. The method is agreed by the external Quality Assurance Team, via the Quality Assurance Manager's sign-off.
2. Guidance documentation provides details of how to identify the most appropriate method. The sector leader will develop the rationale initially and this will be developed further by the External Quality Assurance Team.
3. An example of good practice within the guidance is the use of a prompt table that identifies possible assessment methods and provides a commentary on each, giving unit designers criteria to help determine which will be the most appropriate.
4. The External Quality Assurance Team checks the proposed method(s), eliminates unnecessary costs, and ensures there are no barriers to assessment for learners. Centres are involved in this exercise.
5. There is an improvement that could be made within the procedure: once developments have taken place, there is no systematic checking back to ensure that assessments still meet the requirements of section 5.3 of the regulatory arrangements.

### **Non-compliance**

There are no instances of non-compliance in relation to this section.

### **Observations**

5. NCFE should add a requirement to review its proposed assessments after the design and development stages have concluded to ensure they still meet the requirements of the regulatory arrangements.

## Delivery of assessment

This is subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 5.5–5.6, 5.9–5.10 and 5.16.

### Findings

1. We saw job descriptions and person specifications for all external contractors involved in the assessment process, and there are clearly defined roles and responsibilities for all involved. Further detail is provided in documents such as the *External Moderator Handbook*, *Assessing Candidate Evidence* and *Guidance Notes for External Moderators on Completing NQF and QCF Visit Reports*.
2. Attendance at training events is a contractual obligation for all external contractors. Agendas and presentations for training events were seen, showing that a range of issues, both at systems and qualifications levels, are covered. Not all aspects of QCF requirements seem to have been fully covered to date, but we acknowledge that the QCF is still in its infancy.
3. The External Quality Assurance Team has robust performance management systems for all external contractors. There are good IT tracking and recording systems in place, and we were pleased with the thoroughness of the process, and the nature and usefulness of the information stored. These systems, together with minutes of *Performance Management of External Contractors* and *Report Sampling Standardisation* meetings, showed that any issues were clearly identified and dealt with. It was good to see that NCFE looked at trends as well as dealing with specific performance issues. Systems are in place to ensure that there is no conflict of interest for those involved in the assessment process.
4. Information given to centres, eg qualification specifications, occupational competence guidelines and *Centre Support Guide*, clearly describes the expectations of centre staff involved in internal assessment. Centres are also given clear guidance regarding recording decisions, retaining evidence and declaring authenticity of evidence, and adherence with these requirements is checked by External Moderators. Candidates are required to complete authentication declarations. NCFE's *User Guide to Visit Reports* describes what External Moderators will be considering during visits to centres, including monitoring of the assessment process and internal moderation or verification.

5. Non-compulsory training is available to centres, and pertinent updates are sent to centres through e-bulletins. External Moderators also give feedback, advice and guidance to centres.
6. We saw evidence of standardisation and quality assurance of internal assessment outcomes in External Moderator reports and paperwork relating to training sessions. Frequent standardisation activities are built into processes for external assessment, with clear guidance given regarding sampling, records and outcomes needed. Reports produced by Chief Moderators and the Chief Examiner demonstrate that accuracy and consistency of standards of units, across units and over time is considered, although consideration of consistency over time is not explicitly required. Nonetheless, the awarding organisation does retain sufficient evidence of assessment decisions to enable it to monitor standards over time. The Chief Examiner's report also highlights particular areas for the External Moderators to consider during their visits to centres – this is good practice.
7. The regulatory arrangements are not fully met in relation to recognition of prior learning (RPL), as all responsibility is devolved to centres. Only limited guidance, in qualification specifications and the *Addendum for NCFE User Guide to Visit Reports* is given to centres. External Moderators are required to check that instances of RPL are logged, but the appropriateness of RPL is not checked by the awarding organisation.
8. Any claims for exemption identified by learners are considered by the Research and Product Development Team. No evidence of recording valid claims could be seen, as no claims for exemption have been made to date. As the inclusion of exemptions is considered during the RoC development process, NCFE has minimised the need for additional exemptions to be requested by learners.
9. In terms of the requirement to review approaches and procedures to ensure compliance with the regulatory arrangements, evidence of thorough process reviews on key areas of work was presented. While the process reviews that have already been undertaken were not clearly mapped to the QCF regulatory arrangements, we were pleased to see that templates for future process reviews are clearly referenced to the regulatory requirements.

## Non-compliance

1. NCFE must review its systems, procedures and resources to ensure that achievement is recognised through RPL where this is appropriate.

(Regulatory Arrangements for the Qualifications and Credit Framework (2008), paragraph 5.6h)

## **Observations**

6. NCFE should ensure that its future training plan for all external contractors covers all aspects of QCF requirements.
7. NCFE should review its standardisation procedures to ensure that consideration of consistency over time is explicitly required.

## Administration (centres)

Subject to the *Regulatory Arrangements for the Qualifications and Credit Framework* (2008), paragraphs 5.11–5.16.

### Findings

1. NCFE has procedures in place to recognise and monitor centres. The documents used for this purpose have been modified to include centres that offer assessment leading to awards within the QCF.
2. The application for centre recognition identifies for each centre a single named point of accountability for the quality assurance and management for the assessment of units and qualifications. The form also asks the centre whether it is in a partnership arrangement with other organisations. If this is the case, it is a regulatory requirement that their roles and responsibilities are documented.
3. There was some debate between NCFE staff and us as to whether other matters are so clearly decided. Unlike most other awarding organisations with NCFE there was no clear statement of what agreements a centre had entered into in respect of, for example, allowing NCFE and its regulators access to premises, people and records, or in regards to the extent of their cooperation with the NCFE monitoring activities. Instead a centre indicates its agreement to “meet all the requirements of NCFE’s Approval Criteria as detailed on the NCFE website”.
4. NCFE relies considerably upon its approval advisors, and NCFE staff felt secure in the assurance from the centre approval visit that the centres were compliant with the regulations. We argued that while NCFE’s arrangements met the criteria, strictly construed, it was uncertain whether a difficult centre might subsequently dispute what was on the website at the time it signed the document.
5. In addition, there was no clause requiring agreement with subsequent rules and regulations. Such a clause could prove useful when what has been signed up to appears to have been fixed at a particular point in time. We were reassured that all centres had had to sign up afresh to offer qualifications in the QCF.
6. Many of the administrative arrangements for centres depend upon the establishment of a central system, external to the NCFE, for recording the award, accumulation and transfer of credit. This central system has not yet been delivered. We were therefore unable to express an opinion on these aspects of the criteria.

7. We noted, however, that NCFE had added relevant enquiries to its approval advisor visit report form as preparation for the delivery of such a system. NCFE is already familiar, from its experience as a component awarding body, with one aspect of the new system: obtaining, checking and handling unique learner numbers (ULNs). Centres visited reported difficulties with ULNs. However these were not related to the awarding organisation's arrangements, but rather to the problems of past allocation that they inherited from others.
8. Centre visits showed that the awarding organisation's attempts to apply RPL may be thwarted by the potential funding implications and administrative difficulties centres experience in applying them, and learner dislike of being separated from the rest of a group. Similarly, funding arrangements militated against tracking candidate achievement and directing them to a course for which they may be better suited. Only a narrow window of about five weeks is available for evaluation before a learner is 'locked in' to the funded course.
9. Decisions made by assessors are subject to review in the NQF and therefore there is no difficulty in meeting the same criteria for the QCF. We had difficulties in expressing an opinion on certain other aspects of the criteria relating to the award of credits and qualifications because of the absence of the central system, external to the NCFE, which is being designed for this purpose.
10. However, certain aspects of NCFE's existing procedures should enable it to meet the QCF requirements. For example, results of internal assessment from centres and external assessment are processed immediately upon receipt. Qualifications are therefore likely to be awarded quickly, in accordance with the regulatory requirements.
11. Credits are not necessarily so readily provided. The current claim forms only appear to allow for full qualification claim or withdrawal. It is not clearly stated on the form how centres can claim credit certificates. NCFE must ensure that the forms are modified to explain how appropriate credit certification claims may be made short of full qualification achievement.
12. We commented upon the certificates submitted as part of the supplementary recognition application. We noticed that, for example, the use of a separate credit and unit summary was unusual, and the wording "has achieved the following credit and unit(s)" was not as clear as the preferred statement: "has been awarded".
13. One certificate stated that a letter of unit credit had been awarded rather than that credit had been achieved.

## **Non-compliance**

2. NCFE must have clear systems that cater for the award, accumulation and transfer of credits. NCFE must ensure that all centres are provided with claims for credit that allow this to happen.

*(Regulatory Arrangements for the Qualifications and Credit Framework (2008), paragraph 5.11c)*

## **Observations**

8. NCFE should review the drafting of its legal contract with centres to ensure it meets the requirements of the regulatory arrangements and is enforceable.
9. NCFE should agree with us the precise design and wording for its credit certificates and qualification certificates.

We wish to make our publications widely accessible. Please contact us if you have any specific accessibility requirements.

First published by the Office of Qualifications and Examinations Regulation 2011

© Crown copyright 2011

© Council for the Curriculum, Examinations and Assessment 2011

Office of Qualifications and Examinations Regulation  
Spring Place  
Coventry Business Park  
Herald Avenue  
Coventry CV5 6UB

Telephone 0300 303 3344

Textphone 0300 303 3345

Helpline 0300 303 3346

[www.ofqual.gov.uk](http://www.ofqual.gov.uk)