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Awarding body monitoring report

PAA\VQ-SET

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Introduction

Regulating external qualifications

Responsibility for regulating external qualifications lies jointly with three regulators:

- the Qualifications and Curriculum Authority (QCA)¹
- the Department for Children, Education, Lifelong Learning and Skills (DCELLS), the regulator for Wales
- the Council for the Curriculum, Examinations and Assessment (CCEA), the regulator for Northern Ireland.

Following the accreditation of a qualification, the regulators systematically monitor awarding organisations 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 external qualifications.

Where an awarding organisation is found not to comply with relevant criteria, the regulators set conditions of accreditation. Even if an awarding organisation is compliant, the monitoring team may make observations on ways that the awarding organisation could change its systems and procedures to improve clarity or reduce bureaucracy.

Accreditation conditions 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 accreditation conditions imposed as a result of a monitoring activity. The action plan will be agreed with the regulators and its implementation monitored.

The regulators will use the outcomes of monitoring and any subsequent action taken by awarding organisations to inform decisions on the re-accreditation of qualifications, or if necessary, the withdrawal of accreditation.

Banked documents

As part of its awarding organisation recognition processes, the regulators require awarding organisations to submit certain documents to QCA for the purposes of 'banking' it centrally. Information from banked documents will be used to inform monitoring activities and may also affect the awarding organisation's risk rating.

¹ This report was written before the Office of Qualifications and Examinations Regulation (Ofqual) was created.

A suite of documents has been identified as suitable for banking and are those that are considered to be the most crucial in supporting an awarding organisation's ability to operate effectively. In order 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 annual self-assessment return.

About this report

This report is the outcome of a monitoring activity on the PAA\VQ-SET awarding organisation and was carried out by QCA on behalf of the regulators in February 2008. It draws together the regulator's findings on areas of:

- corporate governance
- resources and expertise
- quality assurance and control of internal assessment
- determination and reporting of results
- registration
- banked documents.

This is the first post-accreditation monitoring activity on PAA\VQ-SET's activities since the two organisations became a single entity in 2002. An awarding body recognition update (ABRU) was completed in 2005 for which there are no outstanding accreditation conditions.

The monitoring activities included desk research of information already held by the regulators, the ABRU submission and scrutiny of the PAA\VQ-SET website. The monitoring team visited PAA\VQ-SET's head office to conduct interviews with staff and review documentation. They also visited centres, and observed an external verifier training day and internal verifier workshop to check how the awarding organisation's quality assurance systems worked in practice.

About PAA\VQ-SET

PAA\VQ-SET provides access to a range of national vocational qualifications (NVQs) in processing and manufacturing, refining, science and technology, engineering, warehousing, and learning and development. The awarding organisation also offers technical certificates in clay building, paper technology and apparel product development. Technical certificates are assessed by examination only. For more information on PAA\VQ-SET and the qualifications it offers, visit the PAA\VQ-SET website at www.paa-uk.org.

Corporate governance

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland* (QCA/04/1293), paragraphs 5, 6 and 7.

Findings

1. PAA\VQ-SET is the trading name for the Process Awards Authority. It is a not-for-profit company limited by guarantee that aims to provide unique, specialist qualifications in the processing, manufacturing and science sectors.
2. There have been no changes to the awarding organisation's corporate governance arrangements since the ABRU was completed in 2005. The lines of reporting and accountability are clear. The chief executive is responsible for quality and the operation of all awarding organisation activities, reporting to the Standards Quality Council (SQC) and board. The SQC has a strategic advisory role only and offers guidance in relation to quality and performance. Its membership includes the chief executive, representatives from employers and an independent chairperson. The board of the Process Awards Authority consists of two members, the company secretary and chief executive.
3. PAA\VQ-SET uses ISO 9001.2000 for the external quality control of its policies and procedures. New or existing policies and procedures are developed or reviewed by the chief executive and commented on by external verifiers and the SQC. Any recommendations are considered and changes to existing arrangements are confirmed by the chief executive.
4. The monitoring team reviewed the banked documents and recommended that changes were made to clarify some of the policies
5. The staff team is small, but there are arrangements in place to support the organisation if there is a prolonged absence at senior level. These include fully documented procedures and 'key person' insurance for the chief executive. There are clear job descriptions detailing the responsibilities for each role. Staff are also supported by regular operations meetings to discuss targets, and the aims and objectives of the organisation.
6. The monitoring team noted that the awarding organisation holds an annual conference and best practice workshops, which enable them to share their strategic objectives with external verifiers and users of the accredited qualifications. This is good practice.
7. The monitoring team were given full access to awarding organisation documentation, including the operations plan, minutes of meetings and reports.

Accreditation conditions

There are no accreditation conditions for this section.

Observations

1. PAA\VQ-SET is reminded to provide the regulators with the updated policies for banking.

Resources and expertise

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland* (QCA/04/1293), paragraphs 8 and 10, and the *NVQ code of practice* (QCA/06/2888), paragraphs 4, 5, 19 and 71.

Findings

1. PAA\VQ-SET has sufficient staff resources to support its current portfolio of accredited qualifications. All job roles are defined within the ISO system. Existing internal and contracted staff are trained in the implementation of the quality procedures. Training for the ISO system will be included in the induction programme for new staff.
2. There is an annual staff appraisal system in place, which looks at individual performance objectives for the following year. Training needs are identified as part of this process and reviewed during the operations meetings.
3. The awarding organisation has expanded its range of qualifications in recent years and registrations have increased steadily. Therefore, PAA\VQ-SET will need to monitor its capacity to support potential future increases in registration and/or additional qualifications.
4. PAA\VQ-SET is making changes to its computer systems and databases to deal with increased activities, and to support the requirements of the new Qualifications and Credit Framework (QCF). A new disaster recovery system with contingency plans and off-site access to systems has been successfully tested.
5. PAA\VQ-SET has a team of nine external verifiers. There are suitable procedures for the recruitment, appointment, deployment and training of external verifiers. These form part of the ISO system and include the achievement of V2 within 12 months. New external verifiers attend a training programme based on the V2 standards and are shadowed by an experienced, qualified external verifier for 12 months.
6. Each external verifier has a personal development plan, which includes their curriculum vitae (CV). External verifiers are required to attend two training days per year. A member of the monitoring team observed an external verifier training day and noted that at this session the standardisation activities were not standard-specific. Instead, they focused more on the standardisation of paperwork or amendments to policies. The awarding organisation said that it has looked at candidate evidence during training days and recognises that this is an area for improvement.

7. The *NVQ code of practice* (QCA/06/2888), requires awarding organisations to provide a code of practice, which external verifiers must sign and agree to comply with. This must include for example continuing professional development (CPD) requirements and external verifier roles and responsibilities. Currently external verifiers sign a *Contract for the provision of services*, outlining their roles and responsibilities. This does not include personal conduct and probity, appeals against external verifier decisions or the requirement that conflicts of interest must be declared. PAA\VQ-SET will need to review and amend the existing arrangements or develop a separate code of practice to meet these requirements.

Accreditation conditions

1. PAA\VQ-SET must develop a code of practice for external verifiers, which includes personal conduct and probity, appeals against external verifier decisions and the requirement to declare conflicts of interest. External verifiers must agree to comply with this code (*NVQ code of practice* (QCA/06/2888), paragraph 4).

Observations

2. PAA\VQ-SET should include standardisation exercises as part of external verifier training days so that there is consistent application of the national standards.

Quality assurance and control of internal assessment

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland* (QCA/04/1293), paragraphs 13, 36, 38–42, 56–57 and 59–62, and the *NVQ code of practice* (QCA/06/2888), paragraphs 18, 40–70 and 72.

Findings

1. The monitoring team looked at the quality assurance and control systems in place to support the assessment and verification of NVQs.
2. PAA\VQ-SET provides award-specific guidance to centres and candidates. The information and documents for each qualification are on compact disc (CD). Details of the responsibilities of assessors and internal verifiers and the awarding organisation's requirements on maintaining records are included within this documentation. All centres visited confirmed that they had received this information.
3. The awarding organisation works across sectors with a variety of assessment strategies. Each assessment strategy details the requirements for assessors and internal and external verifiers. The monitoring team noted that the assessment strategies are not too prescriptive. For example, internal verifiers with an understanding of the technical role can verify the Laboratory and Associated Technical Activities (LATA) awards. This flexibility has enabled the awarding organisation to work in specialist areas and introduce new awards such as laundry and dry cleaning.
4. The nature and type of acceptable evidence is included in the relevant assessment strategy. For NVQs most of the evidence is collected via observation, expert witness testimony and questioning or professional discussion. Simulation is permitted in the circumstances stated in the evidence requirements. Examples of permitted simulated activities are included in the Guide to assessment. Any request to use simulation for additional activities must be agreed with the awarding organisation prior to assessment. Discussions with the awarding organisation revealed that some centres are requesting to use simulation to assess candidates for the majority of a qualification, particularly where expensive equipment is used. PAA\VQ-SET is holding discussions with the relevant sector skills council (SSC) to resolve this situation.
5. Centres are given clear information on the timelines for keeping assessment records in the *Centre portfolio*. The documentation also includes information on policies and procedures such as reasonable adjustments, and enquiries and appeals. Exemplar assessment forms are also included.

6. The awarding organisation requires centre personnel to inform them of any staff changes, such as the internal verifier leaving. This requirement is stated in the *Centre portfolio* and checked by the external verifier.
7. Internal verifiers are provided with detailed guidance on the internal verification requirements for NVQs, which includes examples of recording grids and sampling ratios. The awarding organisation offers a number of *Best practice* workshops for assessors and internal verifiers each year towards their CPD. Agenda items include quality assurance and standardisation, the *NVQ code of practice 2006* (QCA/06/2888), and A1, A2 and V1 meeting the standard. This is good practice.
8. Evidence from centre visits showed that some of the internal verification records did not include the actual dates of verification although the information could be found in candidate portfolios or on their record of achievement. PAA\VQ-SET will need to reinforce the importance of auditable internal verification records so that it is clear who verified what units and the actual date of verification.
9. PAA\VQ-SET uses external verification as part of its quality assurance strategy to maintain standards and this includes a risk assessment questionnaire. There is no formalised risk management strategy for monitoring centres, which includes for example any criteria for the allocation or withdrawal of direct claims status (DCS). The awarding organisation is aware that the risk assessment form does not meet the requirements and is developing a strategy.
10. The awarding organisation has suitable arrangements to manage the deployment of external verifiers and avoid any conflict of interest. Centres are visited twice a year although the awarding organisation is looking at introducing other arrangements for dormant centres or those with limited activity. The number of actual visits is tracked at head office.
11. If centres cancel pre-arranged external verifier visits, they are rescheduled. However, the centre documents do not explain that the awarding organisation or regulators can visit centres at short notice or without notice if there are concerns about claims for certification. The monitoring team appreciates that there are security implications for some centres, but centres need to be informed of this requirement.
12. External verifiers are given the *External verification of NVQs* (1997) publication to assist them in their role. This document pre-dates the *NVQ code of practice 2006* (QCA/06/2888), and does not include any information on the additional samples to be taken if standards are not being met. In addition, the awarding organisation has recently withdrawn its handbook for external verifiers. The monitoring team considers that external verifiers would benefit from updated written guidance on external verification requirements.

13. PAA\VQ-SET operates a system of DCS for some centres. If a centre has DCS, external verifiers are sent a list of the candidates certificated between visits and the qualification achieved. All centres visited confirmed that the external verifier contacted them prior to the visit to agree the sampling plan, which included portfolios for candidates already certificated.
14. External verifiers complete written reports and provide centres with feedback. The report requires external verifiers to check that assessors and internal verifiers meet the requirements for occupational competence as stated in the assessment strategy, and have achieved or are working towards A1 or V1. While the awarding organisation confirmed that the countersigning of the decisions of unqualified staff is checked, it is not included on the external verification report. A formal check of this requirement will ensure that adherence to the relevant assessment strategy is confirmed.
15. Other checks include arrangements for internal verification, assessment practice, the training and development of centre staff, and DCS. It is not clear if it is the external verifier or the awarding organisation who authorises DCS. External verifiers can recommend DCS, but the awarding organisation must make the final decision.
16. The monitoring team noted some inconsistencies in the recording of units sampled by external verifiers. Some reports included the actual unit sampled whereas others just stated various. This inconsistency has implications in the awarding organisation's ability to monitor accurately samples over time or the characteristics of external verifier sampling.
17. External verifiers are required to recommend sanctions if centres fail to meet the approved centre criteria. The monitoring team had some concerns that a centre had the same action point carried forward for 18 months. PAA\VQ-SET explained why this had happened, but the monitoring team considers that a level two sanction should have been applied and the centre's DCS status removed until the action was completed.
18. All external verifier reports are reviewed at head office. However, this check is failing to pick up on action points that are carried forward a number of times. The awarding organisation needs to manage the process so that it can track action points and impose sanctions if applicable where centres continually fail to meet the approved centre criteria. This will enable the awarding organisation to monitor each centre's compliance with the approved centre criteria and may inform the centre's risk rating.
19. Arrangements are in place to monitor external verifier performance. External verifiers are accompanied annually by the chief executive. The observation is linked to the V2 standards and recorded. The monitoring team considers that

linking the observation of external verifier performance and completion of external verification reports could contribute to overall team consistency. This will enable the awarding organisation to identify generic issues and inform future training requirements or standardisation activities for external verifiers.

Accreditation conditions

2. PAA\VQ-SET must formalise its risk management activities so that there is a written risk management strategy for monitoring approved centres that includes criteria for the allocation and withdrawal of DCS, and who authorises it (*NVQ code of practice (QCA/06/2888)*, paragraph 59).
3. PAA\VQ-SET must make centres aware that they or the regulators can carry out a monitoring visit at short notice or without notice (*NVQ code of practice (QCA/06/2888)*, paragraph 63).
4. PAA\VQ-SET must provide external verifiers with information on external verification requirements, including the requirement to increase sampling if standards are not being met (*NVQ code of practice (QCA/06/2888)*, paragraph 64).
5. PAA\VQ-SET must have arrangements to check that actions agreed by external verifiers are implemented within specified timescales and apply sanctions where applicable (*NVQ code of practice (QCA/06/2888)*, paragraph 69).

Observations

3. PAA\VQ-SET should provide external verifiers with updated information on external verification requirements, including criteria for the approval and withdrawal of DCS.
4. PAA\VQ-SET should include a section in the external verification report, which enables external verifiers to confirm that the decisions of unqualified assessors and internal verifiers are countersigned.
5. PAA\VQ-SET should look at ways of improving consistency in the completion of external verification reports so that the awarding organisation is confident it can accurately monitor the effectiveness and characteristics of sampling over time.

Determination and reporting of results

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland* (QCA/04/1293), paragraphs 63–67.

Findings

1. There are no formal awarding arrangements for NVQs. Candidates must meet the full assessment requirements to achieve an NVQ. Information on the structure, assessment and evidence requirements is included on the Centre CDs for each qualification. The awarding organisation uses external verification to ensure that assessments are accurate and consistent.

Accreditation conditions

There are no accreditation conditions for this section.

Observations

There are no observations for this section.

Registration and certification

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland* (QCA/04/1293), paragraphs 11–12 and 21–22, and *NVQ code of practice* (QCA/06/2888), paragraphs 1, 6–18 and 20–30.

Findings

1. PAA\VQ-SET has suitable systems for approving centres and registering candidates. These systems are included in the awarding organisation's ISO procedures. Potential centres receive a *Centre portfolio* containing guidance and information on administrative and policy requirements. The awarding organisation provides additional guidance on the website or by email if required.
2. External verifiers visit centres to check that they can meet the approved centre criteria before approval is given. The centre approval process meets most of the regulatory requirements. For example, centres are visited prior to approval and informed in writing which NVQs they can offer. However, centres are not made aware of the requirement that they must agree to provide the awarding organisation and regulators with access to premises, people and records and cooperate with monitoring activities. This should be added to the centre approval form and confirmed by the centre's nominated point of accountability.
3. The awarding organisation keeps centre, candidate and qualification data on file and has a register of all NVQ centres. There is an upgrade process in place for centres wishing to offer additional NVQs. The external verifier will check that the centre has the necessary expertise and resources in place before approval is granted. Centres receive a certificate of approval for each NVQ offered.
4. PAA\VQ-SET provides centres with instructions and guidance on record keeping, and the 10-week rule. The systems for issuing certificates or replacement certificates are robust. They include automated and manual checks to ensure that certificate claims are authentic. For example, that the certificate claims are signed by the nominated centre's internal verifier who is appropriately qualified and an occupationally expert internal verifier, as defined by the appropriate assessment strategy.

Accreditation conditions

6. PAA\VQ-SET must inform centres that they must provide the awarding organisation and the regulators with access to premises, people and records, and to cooperate with any awarding organisation monitoring activities (*The statutory regulation of external qualifications in England, Wales and Northern Ireland* (QCA/04/1293), paragraph 11f).

Observations

There are no observations for this section.

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