



Qualifications and  
Curriculum Authority



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government



Rewarding Learning

# Post-accreditation monitoring report: The *ifs* School of Finance

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# Introduction

## Regulating external qualifications

Responsibility for regulating external qualifications lies jointly with three regulators:

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

Following the accreditation of a qualification, the regulators systematically monitor awarding bodies 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 body is found not to comply with relevant criteria, the regulators set conditions of accreditation. Even if an awarding body is compliant, the monitoring team may make observations on ways that the awarding body 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 bodies 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 bodies to inform decisions on the re-accreditation of qualifications, or, if necessary, the withdrawal of accreditation.

## Banked documents

As part of its awarding body recognition processes the regulators require awarding bodies 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 body’s risk rating.

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 body’s ability to operate effectively. In order to maintain the currency of the banked documents, awarding bodies 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 *ifs* School of Finance awarding body and was carried out by QCA on behalf of the regulators in November 2007. The monitoring focused on the regulatory criteria relating to the following key areas:

corporate governance

resources and expertise

the quality assurance and control of independent assessment

the determination and reporting of results

registration.

This is the second post-accreditation monitoring activity on *ifs*'s activities. An Awarding Body Recognition Update (ABRU) was completed in 2006 for which there are no outstanding accreditation conditions.

The monitoring activities included desk research of information already held by the regulators, the previous monitoring report, ABRU submission and scrutiny of the *ifs* website. The monitoring team visited *ifs*'s head office to conduct interviews with staff and review documentation. An examination panel meeting was observed to check how the awarding body's quality assurance systems worked in practice.

## About the *ifs* School of Finance<sup>1</sup>

The *ifs* provide a range of vocationally related qualifications (VRQs) in the financial services sector. The 'regulatory' qualifications are assessed through multiple-choice question (MCQ) papers. The Certificate in Financial Services (CeFS) and Diploma in Financial Services (DipFS<sup>2</sup>), both level 3, are mainly delivered in schools and further education colleges. They both have MCQ papers and a case study paper. For more information on the *ifs* School of Finance and the qualifications it offers visit the *ifs* website at [www.ifslearning.ac.uk](http://www.ifslearning.ac.uk).

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<sup>1</sup> For the purpose of this report the awarding body will be referred to as *ifs*.

<sup>2</sup> For the purpose of this report the CeFS and DipFS will be referred to as 'schools' qualifications and the 'regulatory' qualifications are those required by the Financial Services Authority (FSA).

# Corporate governance

This is subject to The statutory regulation of external qualifications in England in Wales and Northern Ireland (2004), paragraphs 5, 6 and 7.

## Findings

1. The *ifs* awards a range of qualifications from VRQs to degrees. It views the whole organisation as an awarding body for the variety of qualifications offered. Responsibility for VRQs lies within the schools, regulatory and vocational education team (SRVE), which is based in the awards and curriculum division. The SRVE team reports to the accountable officer via the director of the division and deputy chief executive.
2. There are a number of groups and committees to support the work of the SRVE team. These include a qualification review steering group for each accredited qualification type. The internal monitoring group (IMG) reviews and monitors candidate performance, pass rates and registrations. The IMG reports to the Education Review Committee (ERC). This committee has external partners. It reviews policy and the overall performance of accredited qualifications. Any recommendations to amend policies are ratified by the Board of Governors.
3. The monitoring team are confident that the governance arrangements are transparent but it would be useful if all quality assurance procedures relating to the delivery of VRQs from qualification development to certification were kept in a single document accessible to all staff.
4. The *ifs* has a five-year strategy and institutional plan. This is approved each year by the Board of Governors and posted on the intranet for all staff to access. It sets out the objectives for each department, which are translated into departmental objectives and shared within specific teams.
5. The monitoring team were given full access to awarding body documentation, including staff appraisals, minutes and reports.

## Accreditation conditions

There are no accreditation conditions for this section.

## Observations

1. The *ifs* should keep all quality assurance procedures for the delivery of VRQs in a single document so that staff have an overview of the whole process from qualification development to certification.

# Resources and expertise

This is subject to The statutory regulation of external qualifications in England in Wales and Northern Ireland (2004), paragraphs 8 and 10.

## Findings

1. The *ifs* has suitable staffing resources to register, certificate and take responsibility for quality assurance. The awarding body also offers higher level qualifications outside of the NQF. All awarding body staff work within the awards and curriculum division but are allocated to different sections. Registration and certification is managed by the operational support section. Responsibility for quality assurance and qualification development lies with the section for schools, regulatory and vocational education.
2. The awarding body has an annual staff appraisal process. This has been up-dated to include job responsibilities. The human resources team (HR) have developed a strategy that includes a detailed training plan. The monitoring team noted that *ifs* has achieved investors in people status. This plan gives details of all staff training and the percentage of staff with specific qualifications. The HR strategy, staff handbook and appraisal procedures are posted on the intranet.
3. There are suitable procedures for recruiting and training examiners for the 'schools' qualifications. The awarding body has three senior examiners, about 29 examiners and one moderator working to service level agreements. The awarding body provides workshops and documented guidance to assist these staff in their role. Examiners marking unit 3 also have access to training and on-screen instructions when marking. The monitoring team examined the curricula vitae for contracted staff and are satisfied that they have the required expertise and experience.

## Accreditation conditions

There are no accreditation conditions for this section.

## Observations

There are no observations for this section.

# The quality assurance and control of independent assessment

This is subject to The statutory regulation of external qualifications in England, Wales and Northern Ireland (2004), paragraphs 13, 36, 38–42 and 56–58.

## Findings

1. All accredited qualifications offered by the *ifs* are independently assessed. The 'regulatory' qualifications are available on demand. Levels 1–2 and units 1 and 2 of the level 3 'schools' qualifications are also available on demand within the published timescales. All accredited qualifications except unit 3 of the 'schools' qualifications are examined using MCQ papers. Unit 3 is assessed using a long-answer question paper based on a case study. The assessment dates are preset by the awarding body in May and July.
2. There are distinct operating differences for these qualifications. The examinations for the 'regulatory' qualifications are taken in test centres whereas 'schools' qualifications are taken in approved centres. The *ifs* uses separate systems to manage the quality assurance arrangements for the delivery and marking of the independent assessment for each type of qualification. These arrangements include contracting with an external provider to administer the examinations for the 'regulatory' qualifications. For the 'schools' qualifications the arrangements include the retention of candidate scripts and altering marks if assessment decisions are incorrect.
3. There are suitable arrangements for setting and evaluating assessment tasks for both the 'regulatory' and 'schools' qualifications. The *ifs* contracts out the item writing for its 'regulatory' MCQ papers to an external company as and when required. They are provided with detailed guidance on writing items, including the use of plain English and bias. The items are then validated by a panel at *ifs* made up of technical experts and industry specialists. The validation process is thorough and documented. Checks are carried out to ensure that the items are technically accurate and that the number of items allocated is correct for each section of the paper before inclusion in the question bank. Examiners write the items for all qualifications, which are input to the *QBeam* system and displayed on screen during the validation meeting. This allows for agreed amendments to be approved live on the system as part of validation of the items, eliminating the need for a further stage in the process.
4. The *ifs* has a specimen bank, which includes items that are not 'live' or within the main question bank. All question banks are reviewed annually, looking at statistical analysis on the performance of questions and responses from candidates. The awarding body aims for all questions to perform well and will make changes to the stem or language if required. The

monitoring team noted that any changes to items due to legislation, which affects the currency of items, are not confirmed until the annual review. The team has some concerns that candidates could challenge results if they are aware of changes to legislation and that questions have not been revised.

5. The *QBeam* system does not automatically generate the examination papers (forms) for the 'schools' or 'regulatory' qualifications. Each examination paper is created manually by subject area managers, ensuring correct topic coverage and weighting. Each paper has the same overall equivalence level. The papers are printed by the operations team for paper-based exams. Examinations papers are taken directly from the *QBeam* paper maintenance system and uploaded to the e-assessment provider system for the 'regulatory' qualifications. At this stage, the system can randomly select which examination is taken by the candidate and re-order the questions within a paper. If a candidate re-sits, the system will not allow the same paper to be repeated for that individual candidate.
6. Case studies and mark schemes for unit 3 of the 'schools' qualifications are written by the nominated chief examiner. The *ifs* has recently introduced a pre-moderation meeting to look at the suitability of questions and case studies. Attendees include examiners, the chief examiner and members of the awarding body's assessment team. A member of the monitoring team observed a meeting and was satisfied with the procedures followed.
7. The case studies, questions and mark schemes are reviewed by the moderator and a report compiled. The moderator's report, with recommendations, is returned to the chief examiner, who makes the final changes. The subject area manager completes an additional check and signs off the case studies as complete. Subject area managers have technical experience in the relevant sector with responsibility for specific qualifications. The monitoring team noted that the moderator recommended significant changes to some questions because of their complexity but was not informed if these had been taken into account. The *ifs* should consider including the moderator at the final stage in case he or she needs to query any of the recommendations.
8. The units for the 'regulatory' qualifications are examined separately using computer-based testing. The awarding body contracts with an e-assessment provider, which has national e-examination centres. The systems for uploading and transferring data to the e-assessment provider are robust. Any anomalies in the information sent back to *ifs*, such as duplicate files with the same results, are checked manually.
9. Registered candidates can book an examination directly with the e-assessment provider. The system is designed to mark the MCQ tests on completion of the appropriate number of questions or the time allocation. There are a number of safeguards, including the ability for the invigilator to re-set the computers if there is a problem with the system. However, if there

is complete system failure candidates are offered a re-sit. It is not clear if candidates are given information about this prior to sitting the examination.

10. MCQ papers for the 'schools' qualifications are put through an optical mark reader (OMR). The machine matches the candidate's response to the answers in the database and issues a mark for each correct answer.
11. Unit 3 of the 'schools' qualification is marked by examiners. The awarding body uses an e-marking service provider, who scans the question papers and candidate responses into their computer system. The specialist software and e-marker includes a number of checks, which maintain the integrity of the qualifications. Two days are allocated for marking the papers on screen. The *ifs* administrator, subject area managers and chief examiner monitor the marking of individual examiners throughout the two days. The marking process includes 'seeding'. These are questions marked by the chief examiner as the benchmark that examiners must meet. Examiners are allocated specific questions but cannot mark live scripts until they have marked three qualifying seeds correctly. There are specific seeds in the marking process with set tolerance levels. If an examiner is outside the tolerance for two seeds concurrently they are locked out of the system. This is good practice. The chief examiner discusses the marking with the examiner and the candidate mark is not affected.
12. The monitoring team is confident that the system provides *ifs* with a robust way of managing the marking process. In addition, any conflict of interest is suitably managed as examiners mark the same question across scripts.
13. Centres are given clear information on how to store examination papers securely and invigilation requirements. Candidates can access the assessment conduct policy for written or electronic examinations from the website. The awarding body visits schools to check and report on the security arrangements for examinations but does not carry out any spot checks on the e-assessment centres unless specific problems arise. The monitoring team considers that *ifs* should extend its visits to include e-assessment centres for 'regulatory' qualifications so that it can be confident its contractual requirements with the e-service provider are being met.

## **Accreditation conditions**

There are no accreditation conditions for this section.

## **Observations**

1. The *ifs* should consider adapting its arrangements for reviewing the item bank to include legislative changes as they occur so that any required changes are implemented without delay.

2. The *ifs* should review the information given to candidates about electronic assessment so that they understand what happens if a technological failure at an e-assessment centre means they cannot sit the examination.
3. The *ifs* should extend its spot checks to include e-assessment centres.

# Determination and reporting of results

This is subject to The statutory regulation of external qualifications in England, Wales and Northern Ireland (2004), paragraphs 63–67.

## Findings

1. The *ifs* uses a separate system for each type of accredited qualifications to determine and report results. All qualifications have individual unit results, which contribute to the final grade.
2. The 'regulatory' qualifications typically consist of core and optional units. Some qualifications require more optional units to be completed than others but candidates can opt to take individual units instead of the full qualification.
3. Unit results for 'regulatory' qualifications are issued to candidates by the e-assessment provider immediately after the examination session. Candidates must achieve 70 per cent to pass. The confirmed unit result is also available on the website within 48 hours. The monitoring team considers that the result issued post-examination should state 'provisional'. This will allow for quality assurance checks and any applications for special consideration to be verified prior to releasing the final result within 48 hours.
4. Once candidates have passed all the required units the *ifs* database combines the marks, generates an overall graded result and certificates are issued. The grades vary depending on the level, for example in the 'schools' qualifications at foundation level the grades are pass, merit and distinction. At intermediate or above the grades are pass, merit, credit and distinction. Details on the grades and marks required are available in the relevant syllabus or can be downloaded from the website. Final results are displayed on the My Studies secure website, which candidates can access.
5. The determining and reporting of results for 'schools' qualifications are different. None of the MCQ papers for unit 1 and 2 tests are taken in e-assessment centres. The majority are paper based. Completed scripts are returned to *ifs* and fed into an optical machine reader (OMR), which generates the unit results. The OMR has automatic checks to detect incorrect names against the examination number and will not process these papers. The scripts are subjected to a number of manual checks by the assessment team before the raw marks are uploaded onto the My Studies secure website. The checks include numbers of candidates against scripts and that candidates have only one answer per question. Candidates and centres have online access to the raw marks within 48 hours of *ifs* receiving the scripts. Candidates must achieve 50 per cent in each unit to pass. Final results are not available until the marks for unit 3 are ratified. The checks on results also include an analysis of the performance of each centre. Any problems are discussed directly with the centre.

6. Unit 3 is usually the final assessment component. The marks for this unit are sent to *ifs* in a password-protected document via email and a grade-awarding meeting is set up 8–10 days later. Any changes to marks because of reasonable adjustments or special consideration are made before the awarding meeting.
7. Awarders are provided with statistical data to compare the range of marks against each unit and results from the previous year. Scripts are also compared across various boundaries and the final grade boundaries established. The *ifs* confirmed that the grade boundaries have only moved by one mark since 2002. Before the final mark is confirmed the awarders will look at whether the candidate is eligible for compensation between units. Compensation is only used if a candidate narrowly fails unit 1 or 2 after a re-sit and has higher marks in the other two units. Even with compensation they must achieve a minimum of 40 per cent across all three units to pass. The raw marks are converted into a final graded result, which is put on the website for candidates and centres to access.
8. The monitoring team noted that unit 3 is 40 per cent of the overall qualification but the pass mark is only 25 per cent or 10/40 marks. This appears to be a low percentage compared to the 50 per cent pass mark required for units 1 and 2. The *ifs* need to explain the rationale for this.
9. The awarding body has systems in place to adjust marks if errors are identified or assessments are not accurate and consistent for the 'schools' qualifications. Marks can be adjusted post examination during awarding meetings or as the result of an enquiry after results have been issued. Marks for the 'regulatory' qualifications or individual units can be adjusted post examination following the outcome of an enquiry or appeal.

## **Accreditation conditions**

There are no accreditation conditions for this section.

## **Observations**

5. The *ifs* should clarify that the unit results issued by e-assessment centres are provisional until the results are on available on the My Studies website.
6. The *ifs* should review the pass mark for unit 3 of the 'schools' qualification.

# Registration

This is subject to The statutory regulation of external qualifications in England, Wales and Northern Ireland (2004), paragraphs 11 and 12.

## Findings

1. The *ifs* has suitable arrangements for approving its centres for the 'schools' qualifications. Potential centres register their interest and are visited before approval is confirmed. The centre approval process includes a formal application and approval of the tutors. Centres are required to provide a named contact to be the single named point of accountability for the qualifications.
2. There are different systems for registering candidates depending on the qualification. Schools use a bulk registration system. Candidate details are imported onto the *ifs* system, which enables staff to check if candidates have previously done a different qualification. The database automatically generates a unique candidate number and centres receive a printout of each candidate's details for checking. The registration is valid for one academic year and candidates are expected to complete within this timeframe. Each candidate is given logon details for the My Studies website.
3. Candidates for the 'regulatory' qualifications register directly with *ifs* by phone, online or by post. However, corporate companies use a similar system to the schools and send bulk registrations. Personal details, including information on equal opportunities and ethnic origin, are collected at this stage. Candidates receive confirmation of registration by letter with their candidate number and logon details for the My Studies website. Individual personal details are transferred to the e-assessment provider. Candidates then contact the e-assessment provider to sit their examination.

## Accreditation conditions

There are no accreditation conditions for this section.

## Observations

There are no observations for this section.