



# Impact assessment of A-level reforms

A study commissioned by Ofqual



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A report submitted by **ICF GHK**

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## Document Control

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## Contents

<b>1</b>	<b>Introduction .....</b>	<b>10</b>
1.1	Aims of the study.....	10
1.2	Methodology.....	10
1.3	Structure of this report.....	11
<b>2</b>	<b>Problem definition, policy options and policy objectives .....</b>	<b>12</b>
2.1	Problem definition .....	12
2.3	Policy options .....	14
<b>3</b>	<b>Identification of impacts .....</b>	<b>16</b>
3.11	Summary of impacts .....	28
<b>4</b>	<b>Identification of the costs and benefits of the preferred option .....</b>	<b>33</b>
4.1	Identifying the preferred option .....	33
4.2	Considering each condition.....	34
4.3	Costs and benefits of the preferred options .....	36
4.4	Sensitivity analysis .....	42
<b>Annex 1</b>	<b>Method.....</b>	<b>45</b>
<b>Annex 2</b>	<b>Scoring of options and sub-measures .....</b>	<b>48</b>
<b>Annex 3</b>	<b>Assumptions used for the calculation of costs and benefits.....</b>	<b>52</b>
<b>Annex 4</b>	<b>Sub-measures selected for the three preferred options .....</b>	<b>57</b>
<b>Annex 5</b>	<b>Sensitivity calculation.....</b>	<b>58</b>

## Executive Summary

In June 2012, Ofqual proposed new arrangements for A-levels in England<sup>1</sup>. These included changes to the size and grading of A-level qualifications; qualification structures and the availability of assessments; question types and the nature of assessment; and the support required from Higher Education Institutions (HEIs).

ICF GHK was commissioned by Ofqual to undertake an impact assessment of these proposed regulatory reforms. This report estimates the potential impact these measures, if introduced, would have on affected stakeholder groups: HEIs, learned societies, providers (colleges and schools), Awarding Organisations (AOs), and learners.

The impact assessment included desk research and in-depth interviews with all the stakeholder groups and followed the first five steps for a Regulatory Impact Assessment, as set out in HM Government Impact Assessment Toolkit<sup>2</sup>. The key findings for each step of the assessment are presented below.

### Step 1: Problem definition

The impact assessment identified a clear rationale for reforming A-levels. Although A-levels are widely valued and are one of the most popular qualifications among 16-18 year olds, there is evidence of the need for improvements. The main issues are:

- A-levels could provide greater stretch and challenge to students to enable them to achieve standards which are comparable with the best in the world;
- There is a lack of consistency between some subject specifications and exam boards, which leads to a perception that some A-levels are easier than others;
- There is a lack of assessment of synoptic skills in A-levels because of their modular format;
- Because of the year on year increase in student achievement rates, HEIs are experiencing difficulty in differentiating student ability; and
- There is a need to develop a demand-led system to ensure that A-level qualifications meet the need of HEIs.

### Step 2: Policy objectives

The three key policy objectives expected to be achieved through A-level reform are:

- To improve A-levels so that subject by subject they are fit for purpose, promoting coherence for example between the syllabus, teaching and testing - and to increase validity;
- To secure (and where necessary recalibrate) the standards of qualifications, and promote confidence in them; and
- To secure a healthy, robust and efficient qualifications' system in which the higher education sector working with exam boards is meaningfully engaged and takes a leading role in the development work so that Government can step back from the process while ensuring it meets regulatory requirements.

There is also an expectation that the reforms will achieve equality of access for students to the full range of universities and provide support for the selection of students by universities.

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<sup>1</sup> A Level Reform Consultation, Ofqual, June 2012

<sup>2</sup> HM Government, *Impact Assessment Toolkit – How to do an Impact Assessment*, August 2011

### Step 3: Viable options to address the problems and achieve the objectives

Nine possible regulatory measures (conditions) and sub-measures have been identified which could potentially address existing problems associated with A-levels and achieve the desired policy objectives. These are described in the box below.

#### Description of measures and sub-measures

##### **Condition 1: Objective**

*Sub-measures: none.*

##### **Condition 2: Size and grading**

*Sub-measures: maintain status quo (360 guided learning hours (glh)), reduce/increase glh, keep current grading (A\*, A, B, C, D, E, U), more grades, less grades, remove A\*.*

##### **Condition 3: Qualification structure and availability of assessments**

*Sub-measures: remove modular exams, limit re-sits to one summer exam, increase number of re-sits, reduce number of re-sits, change timing, maintain current AS/A2 structure (status quo) maintain structure but change weighting of AS/A2 marks, remove AS levels, keep AS levels but remove AS level marks counting towards the A-level marks.*

##### **Condition 4: Variety of question types**

*Sub-measures: none.*

##### **Condition 5: Synoptic assessment**

*Sub-measures: introduce synoptic assessment in year 1 and year 2, only required in year two, Define marks or allow flexibility over marks for demonstrating this.*

##### **Condition 6: Purpose of assessment:**

*Sub measures: none*

##### **Condition 7: Assessment requirements**

*Sub-measures: 60 per cent external assessment, greater/less proportion of a-level mark determined through external assessment.*

##### **Condition 8: Evidence of support**

*Sub-measures: endorsement of 20 universities or which 12 must be respected in their field. More/less university endorsement, respected university endorsement, costs met by AOs, funding provided through mainstream HE income.*

##### **Condition 9: Exceptions**

*Sub-measures: blanket exceptions for some subjects, not require extended written responses.*

### Step 4: Identification of impacts

Drawing on the findings of the fieldwork, the potential social and economic impacts of each of these conditions on providers, AOs, learners and HEIs are set out below.

#### **Condition 1: Objective**

Stakeholders did not consider that this condition would have major cost implications and most believed it would provide significant benefits in enabling relevant stakeholders (parents, students, HEIs and employers) to access clearer information on GCE qualifications, which could improve student retention rates. Some stakeholders also felt that this condition would help HEIs to make more robust selection decisions.

### Condition 2: Size and Grading

All stakeholders emphasised that ensuring consistent sizing and grading of A-level qualifications improves comparability, which helps HEIs to make appropriate selection decisions. Most considered that A-levels should continue to be 360 guided learning hours (glh). This was deemed to be an appropriate size to challenge learners and provide them with the knowledge, skills and understanding they require for further learning and entry to the world of work. Keeping A-levels at 360 glh would not affect providers or awarding organisations, while increasing glh would have a major impact on both. Most stakeholders considered that the proposed structure of grades was sufficient and appropriate. A few stakeholders believed that grade boundaries in A-levels could be changed if a greater level of differentiation between students was required at higher grades.

### Condition 3: Qualification structure

Most stakeholders favoured maintaining the current AS/A2 structure (as opposed to removing the AS qualification or making the AS a standalone qualification with its results not contributing to the A-level qualification). They believed this will enable students to experience a greater breadth of learning (undertaking four subjects instead of three in year one), provide greater opportunities for students to change pathway at the end of year one and also provide a good indicator for HEIs of the likely grades that students will achieve at the end of A2. There were concerns that removing AS levels would have a negative impact on student retention and could affect the ability of those learners who drop out after the first year of a two-year A-level to progress into employment.

Nearly all providers believed the removal of modular assessments would provide significant benefits for learners because teachers would be able to dedicate more time to subject teaching rather than exam preparation. For providers, there are no major additional costs associated with removal of the modular approach; any costs incurred are likely to be relatively small and to be offset by administrative savings because less time will be required for preparing and administering exams. AOs stated that moving from modular to linear exams would require considerable changes to be made to the A-level specifications. In the main, AOs have resources available for this work, and much of these one-off costs can be funded through their existing staff.

Limiting students to one re-sit per subject was believed to be beneficial by nearly all stakeholders. The main cost implication of this is a reduction in income for AOs from exam fees.

Over half of the providers interviewed felt that the re-sits should be available earlier than the current proposal for a summer exam and around two-thirds of stakeholders believed that the weighting between the AS and A2 marks should change to 40:60%.

### Condition 4: Variety of question types

Nearly all the providers and stakeholders interviewed agreed that A-level assessment should include a variety of question types. In particular they believe that students should be required to undertake long answer questions because they provide a more accurate way to assess higher level skills. The main potential cost of this for AOs is paying higher rates to examiners because of the higher levels of skills and time required for assessment. The impact on providers would be minimal – with all changes required to teaching materials likely to be accommodated within time already set aside for curriculum development. There would be limited impact on HEIs.

### Condition 5: Synoptic assessment

Most of the organisations interviewed agreed that the introduction of synoptic assessment would ensure that students gain a greater depth of learning from A-levels. It was also felt that this would make exams more challenging which would reduce grade inflation and help HEIs differentiate students during the selection process. AOs' costs are likely to increase as a result of this measure particularly in relation to setting and marking exam questions and communicating changes to centres.

### Condition 6: Purpose of assessment

Stakeholders reported that this condition would have minimal impact. All agreed that it was necessary to have clear information available on the purpose of the assessment and that this will help students to be better prepared for exams. However, in most instances, providers believe that they already offer



this information to students and AOs felt that any additional information they would need to share with providers would be part of other communications about changes to assessment. HEIs did not believe that this condition would have a significant impact on the work of their organisation.

### **Condition 7: Assessment requirements**

Most stakeholders agreed that a minimum of 60% external assessment was appropriate for A-level subjects. They believed that this would not require significant changes to A-level assessment arrangements, as nearly all subjects currently require 60% external assessment (the exceptions highlighted by providers were design and technology and media A-levels, which were only just under 60%). Any reduction to the level of coursework would bring efficiency savings to teachers as they would not need to set and mark as much coursework. For AOs there could be increased costs if coursework were replaced by external assessment.

### **Condition 8: Evidence of support**

Most providers and AOs believed that HEI involvement in qualification design is important in order to ensure that A-levels provide a smooth progression to higher learning. However, nearly all stakeholders also noted that HEIs should be one of a range of stakeholders consulted as is the case at present, and therefore consultation should also take place with learned societies, employers, teachers and potentially learners. Most stakeholders believed that it is difficult to be clear about the impact of this condition, because it will vary depending on the approach that AOs take to engage HEIs and learned societies in the development of A-levels and that HEIs take to endorse A-levels. There were concerns among AOs and HEIs that this condition could have significant resource implications for their organisations. Providers were unclear about the potential impact that HEI involvement could have on their work. They anticipated some one-off costs in relation to new text books and equipment which would have to be mitigated by increasing class sizes and reducing the level of enrichment activities. Some providers, particularly General Further Education colleges (GFEs), stated that they may stop delivering some A-levels if the changes were significant and were likely to reduce student demand.

Nearly all stakeholders believed that the process for engaging HEIs needed to be conducted at a subject level, and should require cooperation between AOs, HEIs and other relevant stakeholders. Many stakeholders believed that the selection of HEIs needed to be reflective of the HE sector to ensure that the qualifications are appropriate for all HEIs. This would mean that the condition should also state that the selection of universities needs to be representative of the different types of university.

Many stakeholders expressed concern that the current target of 20 universities would not be workable for some subjects.

### **Condition 9: Exceptions**

All stakeholders agreed that the proposed reforms need to include a condition that will enable exceptions to be handled. It was stated that there may be exceptions where there are insufficient HEIs to endorse the A-level for a particular subject and there may be some subjects that do not fit with the proposed assessment and specification requirements. The proposal for seeking exceptions was believed to be appropriate.

### **Timescales**

Most of the stakeholders believed that the timescales proposed for the development of new A-levels could lead to problems in their implementation which would ultimately affect the impact of the reforms. Most believed that the revised specifications should be released at the same time for all subjects and this should be done in 2015 or 2016.

### **Assessment of preferred sub-measures for each condition**

An assessment was conducted on each of the sub-measures to identify the preferred sub-measure for each condition. This is summarised below:

### Summary of Preferred Sub-measures for each Condition

Condition	Preferred Sub-measure(s)
Condition 1 Raise standards	A: As stated in the consultation proposal
Condition 2 Size and grading	A: 360 glh (status quo) D: Proposed grading
Condition 3 Qualification structure	B: quasi-linear A-level with AS maintained but not counting towards grade; one re-sit Or C: quasi-linear A-level with AS maintained but with a change in exam weighting; one re-sit
Condition 4 Variety of question types	A: As stated in the consultation proposal
Condition 5 Synoptic assessment	A: Introduce synoptic assessments in year one and two
Condition 6 Purpose of assessment	A: As stated in the consultation proposal
Condition 7 Assessment requirements	A: As stated in the consultation proposal
Condition 8 Evidence of support	B: Number of HEIs reduced; and C: Number of respected HEIs reduced E: Funded by state
Condition 9	A: As stated in the consultation proposal

### Step 5: Value the costs and benefits and select best option

The analysis of sub-measures indicates that there are broadly three potential policy options for a comparative assessment of the cost benefits. These are:

- **Option 1:** A-levels to be a two year linear programme (Condition 3 sub-measure A) and the synoptic assessment (Condition 5) to be conducted at the end of year two (sub-measure B). For other conditions the sub-measures selected are those that are proposed in the consultation document, which were the preferred sub-measures for those conditions. The costs are calculated on the assumption the qualifications are to be rolled out in one tranche in 2015.
- **Option 2:** A-levels to be a quasi-linear programme with the AS qualification retained but not counting towards the final A-level mark (Condition 3 sub-measure B). The synoptic assessment is to be conducted at the end of year two (sub-measure B). As with Option 1, for all other conditions the sub-measures selected are those that are proposed in the consultation document. The costs are calculated in the assumption that the qualifications are to be rolled out in one tranche in 2015.
- **Option 3:** The same as option 2 with the AS/A2 structure maintained but the AS qualification counting towards the final A-level mark as at present with a change to the weighting that each component carries towards the final A-level mark (Condition 3, sub-measure C). In addition synoptic assessment will be at the end of year one and year two (sub-measure A).

### Monetised costs and benefits

For all the options A-level providers are likely to experience considerable long term net savings. This equates to £192.1m over a five year period for Options 2 and 3, which is primarily due to a reduction in the cost of administering exams and a reduction in examination fees as the number of exams will be reduced. In Option 1 the savings will be less (£155.6m) as it is expected that a linear two year exam will lead to some students dropping out of further education altogether at age 17.

Awarding organisations are expected to experience a significant net cost of £137.6m for Option 1 and £111.8 for Options 2 and 3. This is primarily because of costs incurred in changing IT systems, higher

costs for assessing exams and costs to engage with HEIs. AOs will also in the short term receive less in exam fees from providers as the number of exams that need to be assessed will decrease. The costs for Option 1 are higher because AOs will see a greater drop in the number of exams and it is also expected that slightly fewer students will undertake A-levels or equivalent qualifications at 17.

HEIs will incur costs to provide cover for staff that are participating in qualification development. However, it is expected that HEI staff will be reimbursed for their time, and therefore the monetised cost to HEIs is mostly negligible. This is the same for all three Options.

Learners will benefit from not having to pay the exam fees for multiple re-sits. This equates to a £19.1m net cost saving over 5 years.

### Non-monetised costs and benefits

There are non-monetised benefits that are common to all the Options. These are:

- Students will obtain a higher level of knowledge, skills and competences as a result of greater synoptic teaching, more HEI-led content in A-levels and also through more testing examination requirements which will require more thorough teaching. This should increase retention in higher education (HE) and work and aid international mobility.
- However, as a result of more stretching exams more students will not achieve A-level passes and fewer students will receive higher grades. This may mean that students that undertake the new qualifications are disadvantaged in entering employment and HE in comparison to other students.
- HEIs will benefit from better student selection as the reforms to assessment increase differentiation and changes to the structure increase the conformity of A-levels. This will not have a significant impact on reducing HEIs' administration costs but it will raise the level of stretch and challenge of current HEI courses. This may improve the international reputation of the institution, which should in turn help them to recruit international students.
- An improved reputation for A-levels should increase AOs' ability to grow international revenue from A-levels, but AOs do not believe that this would be a significant impact.

Option 1 is expected to provide for a greater synoptic element to A-level design (in comparison to the other two options) which is expected to ensure that A-levels better test students' synoptic skills and subject knowledge.

Options 2 and 3 ensure that the status quo in terms of the AS/A2 structure is retained, which will ensure that students are able to undertake a greater breadth of learning and also have greater progression routes at the end of year 1. However there will be less synoptic elements in the assessment because the AS will assess year 1 learning separately.

### Sensitivity analysis of monetised costs

Condition 8 could be met in different ways. Providing for HEI engagement in A-level development and endorsement through learned societies where they exist in relation to A-level subjects, and through HEI groups for the remainder, reduces the costs to AOs over five years by £2.7m compared to the costs of the policy options described above.

## 1 Introduction

This report presents the impact assessment of Ofqual's proposed regulatory reforms of A-levels. It is drawn from the findings of desk research and fieldwork conducted with Awarding Organisations (AOs), Higher Education Institutions (HEIs), training providers and key stakeholders. This was carried out during the proposed reforms' consultation period.

### 1.1 Aims of the study

This study assesses the regulatory impact of reforms proposed by Ofqual in June 2012 to A-levels in England. A-levels are one of the most popular types of qualifications undertaken by 16-18 year olds. The A-levels themselves form a critical pathway for young people to prepare themselves for higher education and training for entry to employment.

As with all qualifications, there needs to be regular reviews of A-levels in order to maintain standards and ensure A-levels best meet the needs of learners, HEIs and employers.

Ofqual developed a proposal for new arrangements for A-levels in England.<sup>3</sup> These included changes to:

- The size and grading of A-level qualifications;
- Qualification structures and the availability of assessments;
- Question types and the nature of assessment; and
- The support required from HEIs.

This study examines the potential impact these measures if introduced would have on various groups of stakeholders directly affected: HEIs, learned societies, colleges, schools, AOs and learners. Specifically it explores the impacts on the AOs that provide A-level qualifications, how these will affect colleges and schools and affect the delivery of A-levels, and how this will in turn affect learners, employers, HEIs and Ofqual.

### 1.2 Methodology

To complete the regulatory impact assessment, the study:

- Identified a stratified representative sample of schools and colleges to provide information about the impact of the proposed reforms;
- Interviewed staff familiar with the development and delivery of A-levels in AOs affected, HEIs, learned societies, schools and colleges. The purpose of the interviews were to explore the effects of the proposed reforms and the type and scale of costs and benefits which could arise if they were implemented;
- Identified and used data to estimate the cost of some of the impacts.

More detail about the method can be found in Annex 1. The following should be noted:

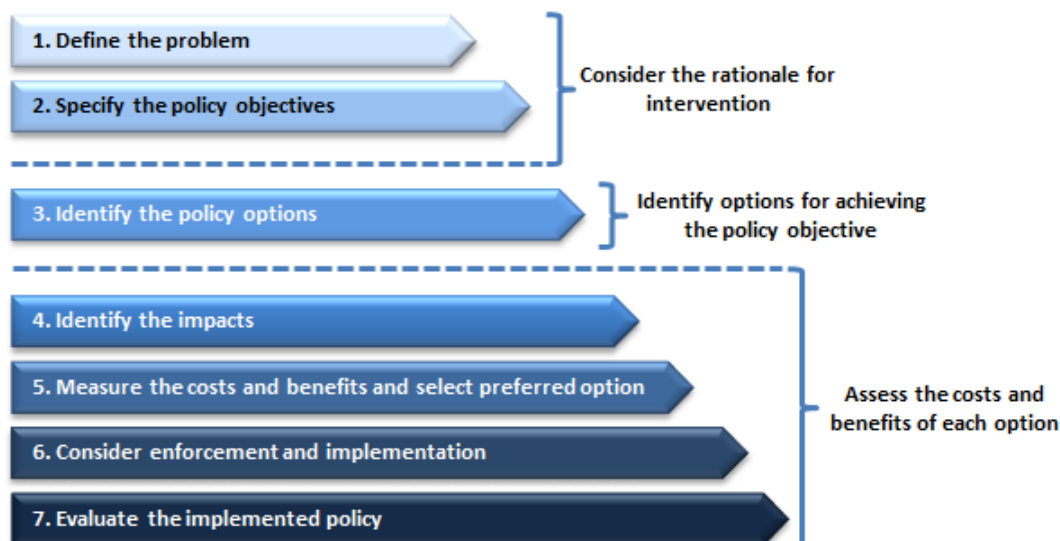
- The interviews of schools and colleges broadly reflects the distribution of A-level providers by size and type;
- The interviews included all the AOs and the HEI groups; a key range of learned societies, and other stakeholder organisations;
- The number of interviews was sufficient to identify consistencies in impacts, the scale of likely effect on costs and the beneficiaries, and what were bottom-line costs and benefits on AOs, training providers, and HEIs in line with guidance on costing regulatory impacts used by the European Commission<sup>4</sup>.

<sup>3</sup> A Level Reform Consultation, Ofqual, June 2012

<sup>4</sup> [http://ec.europa.eu/governance/impact/commission\\_guidelines/docs/iag\\_2009\\_en.pdf](http://ec.europa.eu/governance/impact/commission_guidelines/docs/iag_2009_en.pdf)

The impact assessment then followed Steps 1-5 defined below for a Regulatory Impact Assessment (RIA):

**Figure 1.1 Elements to include within the Regulatory Impact Assessment**



The measurement of costs and benefits required:

- An assessment of whether the costs and benefits identified would add to costs or provide economies;
- An assessment of whether what would be costs and benefits to one stakeholder would be the reverse to another; and
- Identifying a basis for estimating the monetary value of costs and benefits.

This is described in more detail in the sections on costs and impacts.

### 1.3 Structure of this report

The report is structured around the elements of the impact assessment.

- Section 2 presents the problem definition; policy objectives; and the policy options;
- Section 3 presents the identified impacts; and
- Section 4 presents the measurement of costs and benefits of the preferred option(s) with the assumptions used.

## 2 Problem definition, policy options and policy objectives

In this section, the initial stages of Ofqual's Regulatory Impact Assessment (RIA) process are applied to the proposed A-level reforms (Steps 1-3).

### 2.1 Problem definition

The first stage is to identify and define clearly the particular problem to be addressed and the rationale for intervening in the qualifications and examinations market.

#### 2.1.1 A-levels could provide more challenging standards

A-levels were originally developed to provide students with the knowledge, skills and understanding they require to progress to higher education<sup>5</sup>. Research by Ofqual has shown that HEIs are generally satisfied with the standard and breadth of knowledge achieved by A-level students<sup>6</sup>, and that around 80% of teachers have confidence in them as a qualification.<sup>7</sup> However, as the UK's recent fall in the PISA rankings from 4<sup>th</sup> to 14<sup>th</sup> in science, and 7<sup>th</sup> to 17<sup>th</sup> in literacy highlighted, the rising standards of education globally mean that there is a need for A level specifications that continue to stretch and challenge students, allowing them to compete with the best in the world<sup>8</sup>.

In order to ensure that high standards are set, the A-level reforms propose conditions for a clear definition and development of robust standards in A-levels (condition 1), and for the design of A-levels to be supported by subject specialists in Universities and learned societies and endorsed by highly respected universities (condition 8).

There is also concern among HEIs that A-levels need to provide greater development of students' competences in skills such as critical thinking, problem solving and the ability to study independently. As a result the reforms propose a series of conditions (conditions 4, 5, 6, and 7) which aim to ensure students achieve these higher level skills.

#### 2.1.2 There is a lack of consistency between the difficulty and demand of different subjects and exam boards

Students should be able to demonstrate a high level of learning in A-levels irrespective of the subject specification and/or exam board. However, there is a perception that some A-levels, and some exam boards, can be easier than others. For example, Coe et al's (2008) study suggested that not only were STEM subjects more difficult on average than the non-sciences, but that they were also all among the hardest A-levels<sup>9</sup>.

Additionally, there is concern that market forces mean Awarding Organisations are motivated to provide subject specifications that enable higher student achievement, meaning that robust learning standards are not necessarily met. This is then compounded by providers seeking to improve their league-table standing, and hence funding, by improving the results of their students. Ofqual therefore plays a key role as the sole stakeholder without a vested interest in increasing grades<sup>10</sup>.

In order to ensure there is a greater consistency of standards, a range of conditions have been proposed. This includes: ensuring that GCE assessment incorporates a variety of assessment types, including long answer questions (condition 4); ensuring that AOs clearly states a subject's purpose and the knowledge and skills being tested (condition 6); and

<sup>5</sup> Ofqual (2012) A Level Reform Consultation

<sup>6</sup> Highton, J et al (2012) Fit for purpose? The view of the higher education sector, teachers and employers on the suitability of A levels. *Ipsos MORI*

<sup>7</sup> Ofqual (2012) Perceptions of A Levels, GCSEs and other qualifications: Wave 10

<sup>8</sup> Department for Education (2010) The Importance of Teaching: The Schools White Paper 2010

<sup>9</sup> Coe et al (2008) Relative difficulty of examinations in different subjects: Summary Report

<sup>10</sup> Highton, J et al (2012) Fit for purpose? The view of the higher education sector, teachers and employers on the suitability of A levels. *Ipsos MORI*



requiring that all qualifications include a minimum of 60% external assessment and assessment requirements that are comparable with similar GCE qualifications (condition 7).

### 2.1.3 Current A-levels are overly modular, and lack assessment of synoptic skills

Since the late 1990s A-levels have been delivered in a modular format. This enables learners to learn and be assessed in smaller steps, allowing greater choice and personalisation. However, there is concern among stakeholders that modular learning does not enable students to combine elements of their learning from different parts of a programme, or to show their accumulated knowledge and understanding of the topic<sup>11</sup>. HEIs suggest that synoptic learning and thinking is particularly crucial for higher education<sup>12</sup>, and that scrapping the modular system would allow greater time and space for creative, self-guided learning<sup>13</sup>.

In order to rectify this problem, the A-level reforms propose to remove the modular format of A-levels (condition 3) and also specify that each assessment element of an A-level must include synoptic assessment (condition 5).

### 2.1.4 HEIs are experiencing difficulty in differentiating student ability

Up until this year success rates in A-levels have risen year-on-year since 1991. There is concern that this grade inflation is making it more and more difficult for HEIs to differentiate between high performing students.

The introduction of the A\* grade has helped to improve differentiation and is widely supported as a means of doing so by teachers, pupils and parents<sup>14</sup>. It is proposed that a grading system which includes A\*, A, B, C, D, E and U is maintained (condition 2).

There is also concern that:

- The A-level specifications have become less challenging. Therefore the reforms propose to increase the stretch and challenge of exams by ensuring they test for synoptic skills and contain a variety of question types, including long answer questions (conditions 4 and 5);
- There has been an increase in 'learning for the test'; students who are diligent about this do particularly well, despite the fact that these are not skills valued by, or useful at, university<sup>15</sup>;
- There is a worry among HEIs that some students start university with a lack of study skills. There is therefore widespread support for the Extended Project Qualification, and longer, non-examination based work more generally, as a differentiator of talent and good independent learning skills<sup>16</sup>;

### 2.1.5 Students are able to re-sit exams too many times, leading to a heavy assessment burden and inflated grades

Currently, students are able to re-sit exams multiple times, with between two-thirds and three-quarters of students re-sitting at least one unit<sup>17</sup>. There is concern that the ability to do so results in a reduction of the prestige associated with A-levels, as students can just 'get

<sup>11</sup> Higton, J et al (2012) Fit for purpose? The view of the higher education sector, teachers and employers on the suitability of A levels. *Ipsos MORI*

<sup>12</sup> *ibid*

<sup>13</sup> Crabtree & Roberts (2007) Understanding the Problems of Transition into Higher Education

<sup>14</sup> Ofqual (2012) Perceptions of A Levels, GCSEs and other qualifications: Wave 10

<sup>15</sup> Higton, J et al (2012) Fit for purpose? The view of the higher education sector, teachers and employers on the suitability of A levels. *Ipsos MORI*

<sup>16</sup> *ibid*

<sup>17</sup> QCA (2007) A Level resitting: summary of research findings

over the finish line' by re-sitting multiple times<sup>18</sup>. It may also contribute to grade inflation – for example the percentage of students who gain a grade A at AS (where re-sitting is much more common) is always higher than the percentage achieving a grade A at A2 level.<sup>19</sup>

To rectify this, the reforms propose that learners will be able to re-sit the AS and/or A2 once only, in the summer term (January assessment will be abolished) (condition 3).

Additionally, it was suggested that subjects that have a high coursework requirement can also potentially be less difficult as students may be given multiple opportunities to redraft coursework submissions. As a consequence, the reforms propose that at least 60% of subject assessment is externally assessed (condition 7).

### 2.1.6 There is a need to develop a demand-led system to ensure that A-level qualifications meet the needs of HEIs

It is acknowledged that in order for A-levels to remain fit for purpose, their development should be led by the higher education sector, which is the most common destination of A-level students. It is therefore expected that there will be a smaller role for the state and its agencies. The reforms propose that HEIs should be required to endorse A-levels in order for AOs to gain approval from the regulator (condition 8).

## 2.2 Policy objectives

The second stage is to specify the desired objectives of the intervention, in line with the HM Treasury Green Book<sup>20</sup>. Objectives should be expressed in terms of SMART targets (Specific, Measurable, Achievable, Relevant and Time-bound) and should take account of the 'principles of good regulation'. The Consultation paper sets out three priorities for A-levels:

- To improve A-levels so that subject by subject they are fit for purpose, promoting coherence for example between the syllabus, teaching and testing - and to increase validity;
- To secure (and where necessary recalibrate) the standards of qualifications, and promote confidence in them; and
- To secure a healthy, robust and efficient qualifications system in which the higher education sector working with exam boards is meaningfully engaged and takes a leading role in the development work so that government can step back from the process while ensuring it meets regulatory requirements<sup>21</sup>.

There is also an expectation in that this will achieve equality of access for students to the full range of universities and provide support for the selection of students by universities.

## 2.3 Policy options

The third stage is to identify and describe viable options for designing and/or implementing the intervention, which should also follow the guidance set out in the HM Treasury Green Book.

In the Box below the different individual measures and conditions aimed at addressing the policy problems and objectives identified above are described.

### Description of measures and sub-measures

<sup>18</sup> Higton, J et al (2012) Fit for purpose? The view of the higher education sector, teachers and employers on the suitability of A-levels. *Ipsos MORI*

<sup>19</sup> QCA (2007) A Level resitting: summary of research findings

<sup>20</sup> HM Treasury, The Green Book - Appraisal and Evaluation in Central Government, 2003 (updated in 2011)

<sup>21</sup> Ofqual (2012) A Level Reform Consultation



**Condition 1: Objective**

*Sub-measures: none.*

**Condition 2: Size and grading**

*Sub-measures: maintain status quo (360glh), reduce/increase glh, keep current grading (A\*, A, B, C, D, E, U), more grades, less grades, remove A\*.*

**Condition 3: Qualification structure and availability of assessments**

*Sub-measures: remove modular exams, limit re-sits to one summer exam, increase number of re-sits, reduce number of re-sits, change timing, maintain current AS/A2 structure (status quo) maintain structure but change weighting of AS/A2 marks, remove AS levels, keep AS levels but remove AS level marks counting towards the A-level marks.*

**Condition 4: Variety of question types**

*Sub-measures: none.*

**Condition 5: Synoptic assessment**

*Sub-measures: introduce synoptic assessment in year 1 and year 2, only required in year two, Define marks or allow flexibility over marks for demonstrating this.*

**Condition 6: Purpose of assessment:**

*Sub measures: none*

**Condition 7: Assessment requirements**

*Sub-measures: 60 per cent external assessment, greater/less proportion of a-level mark determined through external assessment.*

**Condition 8: Evidence of support**

*Sub-measures: endorsement of 20 universities or which 12 must be respected in their field. More/less university endorsement, respected university endorsement, costs met by AOs, funding provided through mainstream HE income.*

**Condition 9: Exceptions**

*Sub-measures: blanket exceptions for some subjects, not require extended written responses.*

### 3 Identification of impacts

This section draws on the qualitative interviews to identify and consider the economic and social impacts on each of the affected stakeholders of each of the conditions (relative to a do nothing situation) as required in Step 4 of the impact assessment. The findings are systematically presented against each condition.

#### 3.1 Condition 1: Objective

##### **Condition 1: Objective**

*An awarding organisation must ensure that each GCE qualification which it makes available or proposes to make available:*

- *Defines and assesses achievement of the knowledge, skills and understanding which will be needed for learners planning to progress to undergraduate study at a UK higher education institution, particularly (although not only) to study the subject concerned;*
- *Sets out a robust and internationally comparable post-16 academic course of study to support that knowledge, skills and understanding;*
- *Permits UK universities to accurately identify the level of attainment of learners.*

*It should also:*

- *Provide a basis for school and college accountability measures at age 18; and*
- *Provide a benchmark of academic ability for employers.*

##### 3.1.1 Impact

Most of the organisations interviewed believed that condition 1 would provide significant benefits in enabling relevant stakeholders (parents, students, HEIs and employers) to access clearer information on GCE qualifications. This would enable students to make more informed decisions on the type of GCE programme and subject that they choose to study, which would reduce student drop out by the end of year one. A few providers felt it would also help to market GCE qualifications to international students.

Some stakeholders also felt that this condition would also help HEIs to make more robust selection decisions, particularly when they need to differentiate between students that have undertaken different courses (such as BTECs and A-levels).

In general, interviewees believed that A-levels were already providing good quality teaching, which compared well with other international qualifications. However, there is a need to ensure that A-level qualifications maintain these high standards and stretch students, and therefore most agreed it was important to ensure that challenging targets are set.

Providers and HEIs did not believe that condition 1 would have a cost implication on their organisation, while it could potentially increase income as a result of a better rate of retention of students.

AOs believed that the condition 1 would not have a significant effect on their organisation.

##### 3.1.2 Other options proposed

No alternative options were suggested.

##### 3.1.3 Potential exceptions

All the organisations agreed that this condition should be applied to all GCE courses and to all subjects.

## 3.2 Condition 2: Size and Grading

### Condition 2: Size and Grading

*An awarding organisation must ensure that each GCE qualification which it makes available or proposes to make available:*

- *Assigns 360 hours of guided learning (glh);*
- *Has specified levels of attainment on a scale of A\*, A, B, C, D, E (U – unclassified – identifies learner performance below the minimum specified level of attainment for the qualification);*
- *Publishes clear, minimum expectations of the performance of learners to achieve Grade A and Grade E.*

#### 3.2.1 Impact

All stakeholders and HEIs stated that ensuring consistent sizing and grading of A-level qualifications improved the comparability of courses, which helps HEIs to make appropriate selection decisions. Nearly all providers believed that A-levels should continue to be 360 glh. This was deemed to be an appropriate size to challenge learners and provide them with the knowledge, skills and understanding they require for further learning and entry to the world of work. Other stakeholders also felt that A-levels were providing a quality of teaching which compared well with other school leaving certificates and therefore its size did not need to change.

Keeping A-levels at 360 glh would not require providers to change the way they deliver the qualifications or require AOs to make significant changes to the qualification specifications. Increasing the number of glh would have a major impact on providers. In most instances A-levels are delivered in a fixed number of hours a week per subject. In order to keep the same mix of subjects, providers would need to increase the length of the academic year if glh were increased. This would require increasing staff salaries and could also increase building and facility costs.

However, it was identified from our fieldwork that the actual hours in which training providers deliver A-levels varies considerably. This means that students receive a different amount of teaching depending on the provider they study with. A-levels are currently delivered in between 300 and 380 glh, and the variance is largely due to differences in the length of the school year in different providers as well as staffing and financial restraints.

Nearly all interviewees believed that the proposed structure of grades was sufficient and appropriate. Most HEIs believed that the introduction of the A\* grade has enabled them to better distinguish between high performing pupils, and therefore believed that this should be available for all A-level qualifications.

#### 3.2.2 Other options considered

A few stakeholders believed that grade boundaries in A-levels could be changed if a greater level of differentiation between students was required at higher grades. One stakeholder proposed that the grade boundaries for A\*, A, and B should be smaller, and this would potentially require the grades to continue to F.

#### 3.2.3 Exceptions

All interviewees stated that they believed that the size and grading needed to be consistent for all A-level subjects in order to ensure that there was conformity between different subjects and to reduce the risk of 'two-tier A-levels'.

### 3.3 Condition 3: Qualification structure

#### Condition 3: Qualification structure

Condition 3 includes three options:

##### Sub-measure A

*Removing the AS qualification – which would mean a return to a linear two year course of study with all the assessment at the end of the course.*

*An AO must ensure that each GCE qualification which it makes available or proposes to make available:*

- *will only be assessed once a year, during the summer term; and*
- *will have no more than three assessment components.*

##### Sub-measure B

*Making the AS a standalone qualification with its results not contributing to the A-level qualification. This would mean the AS could be completed in one year but the A-level would be a two year course of study with assessment as in Option 1.*

*An AO must ensure that each GCE qualification which it makes available or proposes to make available:*

- *will only be assessed once a year, during the summer term; and*
- *will have no more than three assessment components.*

##### Sub-measure C

*Retaining the AS qualification and its relationship to the A-level as at present but making changes to January assessments and resitting opportunities as outlined above.*

*An AO ensure that each GCE qualification which it makes available or proposes to make available:*

- *will only be assessed once a year, during the summer term;*
- *will require learners to be assessed by means of two assessment elements, each of which will have a total weight of 50% of the GCE:*
  - *one at AS (the expected level of attainment to be demonstrated by learners completing the first year of a two-year course of study);*
  - *one at A2 (the expected level of attainment to be demonstrated by learners completing the second year of a two-year course of study);*
- *will have no more than three assessment components;*
- *will offer the AS assessment element as a qualification in its own right;*
- *will permit learners to re-sit the AS and/or A2 once only, and, in doing so*
  - *will require they re-sit all the externally assessed components of the AS and/or A2;*
  - *will allow that they carry forward a mark for any internally assessed component from a previous examination series; will count the highest mark of any assessment component towards that learner's qualification.*

#### 3.3.1 Impact

##### Sub-measure A

Most interviewees believed that the removal of AS levels and the creation of a two year A-level could potentially have a significant impact on student retention. The current AS/A2 structure enables students to select four subjects in year one of which three are selected in year two for A-level study. If students do not enjoy or perform well in one subject, they can

choose not to continue studying the subject in year two. A two-year linear programme will mean that students do not have an opportunity to review their choices during the programme. Providers estimated that this could potentially cause retention rates to drop by 5-10%, which is reasonable given AS retention is around 10-15% less than A2 retention. However some of these learners may then progress to other post 16 qualifications, such as BTECs.

In order to mitigate for the potential drop in retention rates, some providers stated that they would undertake a range of actions. This includes:

- Increasing the level of information, advice and guidance (IAG) provided to students at pre-enrolment to ensure that they are in a position to make more informed decisions on the subjects they wish to study. This could include running taster classes on certain subjects that are not delivered at GCSE (such as psychology and media studies) or providing greater pastoral support to students particularly in the first few weeks of the programme. This would be an additional on-going cost to providers;
- Developing and running more internal assessments to monitor student performance. Teaching staff would be required to set and mark these but most providers would expect this to be part of their duties and would not require additional staff;
- Enrolling fewer borderline students onto A-levels. At present providers select a higher number of borderline students because some go on to perform well and those that drop out at the end of year one still achieve a qualification. However, were the latter not the case then providers would be less likely to enrol borderline students and instead enrol these students onto BTECs or other provision. This would be relatively cost neutral to providers, but may result in fewer students undertaking A-levels which could lead to a net reduction in fees for some AOs and increase in others.

There was concern among some providers (colleges and state funded sixth forms) that removing the AS level could make it more difficult for learners that drop out of year one to progress into employment. The AS level provides students who do not progress with a nationally recognised qualification. This can be used to demonstrate their achievement beyond GCSEs. However, the level of impact will depend on the extent to which employers value AS levels, and there is limited evidence provided by those consulted of where AS levels have provided students with an advantage when applying for work.

Nearly all providers believed the removal of modular assessments would provide significant benefits for learners. Teachers would be able to increase the amount of subject teaching because they would not have to dedicate as much time for exam stand-down and exam preparation, which normally equates to three weeks for each exam period. This would increase the knowledge, skills and understanding that students gain from A-levels.

Around half of providers believed that removal of a modular approach would require them to purchase new textbooks. This will be a one-off cost but will not be that significant (most estimate this would be around £10,000-£15,000) and some of the costs would be met through providers' existing budget for teaching materials. There will also be a cost for sending some of their staff to training on the new qualifications, which could require a slight increase in their training budget (this was felt to be on average around £5,000, although this would depend on the number of subjects affected, when and the extent they relied on dissemination). Staff time would also be required to revise lesson plans and schemes of work, but this cost is likely to be met from existing resources. There would be some administrative savings with the removal of modular exams because less time will be required for timetabling and administering exams (estimated to a saving of 0.5-1 FTE), and also potentially lower fees for examinations with fewer separate assessments (which could go down by 30-40%).

AOs stated that moving from modular to linear exams would require considerable changes to be made to the A-level specifications. Courses are currently structured into self-contained units and to ensure that topics flow over two years. This structure will need to be revised. As a result AO subject teams will be required to make amendments to their subject specifications, which will mean changes will have to take place to their course guides, online

and printed resources and IT systems. They will also need to inform providers of these changes, which will generally be through mail-shots, bilateral communications and training sessions.

AOs reported that they do have resources available for the revision of courses, and much of these one-off costs can be funded through their existing staff. Some AOs believed that the current timings of the reforms (with new qualifications for five subjects due to be in place by 2014) would mean they would need to employ an additional 1-2 members of staff in 2013 to make the changes to the A-level specifications. However, if the first A-levels were introduced a year later, then most AOs believed they would be able to make the changes through their existing staff resources. AOs expect the fees they charge providers to fall as there will be fewer exams to administer.

Some of the AOs also indicated that having a greater proportion of the assessment in the summer months could increase demand for exam assessors which could in turn inflate the rates that had to be paid for the job. This would have to be reflected in exam fees.

Most HEIs acknowledged that AS levels provide a useful indicator of student ability and measure progress. However, around three-quarters of the HEIs we spoke to base their selection decisions on predicted grades, with the AS only to distinguish between students with similar predicted grades. The removal of AS levels may then reduce some of the information that HEIs use to select students, but for many universities this would not have a major impact on their selection processes.

#### **Sub-measure B**

A few providers felt that condition 2 would reduce the value of the AS qualification and it would become a less accurate indicator of students' A-level achievement. This is because there was a risk that students would be less motivated to study in the first year if they felt that the AS mark did not count towards the final grade. However, other providers believed that they currently require students to consider A-levels as two year courses with the AS level as a stepping stone and this would be unlikely to have a major impact on student motivation.

AOs believe that this option would require less revision to the A-level specifications than Option 1 as the two year structure will be retained. However, they will still need to change IT systems, inform centres of the changes and make revisions to the course materials, which will be an additional one-off cost.

Providers would see a reduction in exam costs (AO fees, timetabling of exams, costs for invigilators and facilities) with the reduction from four to two exam periods. The savings would be less than for Option 1, but retaining AS levels would mean that providers would not be required to dedicate any additional resources to initial IAG and for learner tracking.

#### **Sub-measure C**

Option 3 was the preferred option of nearly all the organisations interviewed. It was felt that maintaining the current AS/A2 structure would enable students to experience a greater breadth of learning (undertaking four subjects instead of three in year one), provide greater opportunities for students to change pathway at the end of year one and also provide a good indicator for HEIs of the likely grades that students will achieve at the end of A2.

Limiting students to one resit per subject was believed to be beneficial by nearly all stakeholders. It was agreed that the increased availability of re-sits has led to some students undertaking numerous exams to achieve a higher grade. This has contributed to grade inflation which makes it more difficult to differentiate students' ability. Many providers also believed that the increase in the number of exams can be potentially harmful to students, as it increases their workload during exam periods and can mean that they may perform less well in the other exams they are undertaking at the same time.

Limiting re-sits would mean that AOs would gain less income from exam fees. The re-sits are generally cost effective to run as they are delivered in times (January and June) when other exams are run, and increase the exam fees that the AOs generate from providers.



All stakeholders believed that when a student conducts a resit, the higher of the two marks should be used. This is to ensure that students are not unfairly penalised where personal problems have resulted in students performing less well than expected in their re-sit.

### 3.3.2 Other options considered

Over half of the providers interviewed felt that the re-sits should be available earlier than the current proposal for a summer exam the following year. Some providers require a reasonable grade in AS in order for students to be entered for A2. In this case a summer re-sit would be too late to inform this which means that students that had not performed well in an AS exam may need to wait a year before they achieve the grades they require to progress to year two. In addition, there was also concern that conducting AS level re-sits the next summer would result in some students not being able to include their re-sit grades in their UCAS applications, which may mean they are not accepted at an appropriate university course which matches their level of achievement. As a result some providers felt that the AS re-sits should be conducted in October/November time and others proposed that it should take place in January.

Around two-thirds of stakeholders believed that the weighting between the AS and A2 marks should change to 40:60%. This reflects that the A2 year contains more difficult topics and a greater synoptic element in many subjects. As a result A2 should carry a higher weighting. This was felt to be motivating for learners as those that performed less well than expected at AS would believe that there was more opportunity to improve their grades considerably in the second year. In addition, it provides a fairer assessment of student ability as most students develop their research skills during the two-year programme and are better learners at the end of the second year.

If the weighting of the exams were changed, some providers would consider restructuring their timetable so that they would start the second part of the A-level before the end of year 1. This would require providers to change the timetabling of courses, which will require senior management time, but this is likely to be a small one-off cost for providers that can be met from their existing resources.

### 3.3.3 Exceptions

In considering the percentage of the final A-level mark which is achieved from the AS level, some stakeholders and AOs believed that it must be dependent on the subject specifications and may therefore vary by subject. Some subjects may fit better in a modular structure, for example subjects such as English require a consistently high level of analysis and skills in year one and two. Other subjects, such as Mathematics and Chemistry, require simpler topics to be taught in year one to provide a foundation for more complex study in year two.

## 3.4 Condition 4: Variety of question types

### Condition 4: Variety of question types

*An awarding organisation must ensure that each GCE qualification which it makes available or proposes to make available:*

- *uses a variety of appropriate question types, including questions that require responses to be produced through extended writing (including essay questions);*
- *uses multiple choice, single and/or low mark tariff questions only where they are a valid form of assessment and do not outweigh the proportion of marks derived from other forms of assessment.*

### 3.4.1 Impact

Nearly all the providers and stakeholders interviewed agreed that A-level assessment should include a variety of question types. In particular they believe that students should be required to undertake long answer questions because they provide a more accurate way to assess

higher level skills. Some stakeholders also felt that this would make exams more difficult which in turn would reduce grade inflation in A-levels.

The proposal is likely to result in AOs including more long-answer questions in exams. AOs generally believe that this would:

- Require additional staff time to prepare exam questions with the need to communicate the change to providers and provide specimen papers;
- Give rise to a higher cost for exam assessment because they would have to provide training to exam staff in order to ensure that these questions are of a high standard, pay for the additional time needed to assess long answer questions, and employ more experienced and skilled examiners. This may lead AOs to experience greater difficulty in securing a sufficient number of examiners. It is estimated that they may need to significantly increase their hourly rate of pay.

Most HEIs believed that the introduction of more long-answer questions would make A-level exams more challenging and ensure that they are better able to distinguish student ability. This will enable HEIs to include more challenging learning topics in the first year of their degree courses and have higher expectations of writing and analytical ability. However, few HEIs believed that it would have a significant impact on student retention, because they currently have systems in place to ensure students do not drop out.

Most HEIs and other stakeholders believed it was unlikely that the changes to examination assessment would have a significant impact on HEI selection processes. Currently around 1% of course admissions require an entrance exam, which are generally for specialised subjects (such as Medicine, Dentistry, and Law) and are often part of the interview process. Most stakeholders did not believe that the introduction of more testing A-levels would alter the number of entrance exams, as most were trying to assess more general learning skills which cannot be unpicked from A-level exam results (such as team working, communication skills, literacy and numeracy). In addition, some stakeholders noted that the removal of the cap for AAB students (to change to ABB students next year) means that open days and interviews are often seen as a way for universities to market their courses to prospective students. As a result, HEIs are unlikely to reduce the number of interviews and independent assessments they conduct.

Changes in the composition of questions in exams would also require providers to change their teaching materials so they can ensure that students are adequately prepared to answer long answer questions. All providers would expect these changes to be managed by teachers in the time they are allocated for curriculum development.

A few stakeholders noted that a potential risk with longer questions is that in some instances they can result in middle and lower range students having difficulty in registering appropriate marks. As a result, the changes may result in lower student achievement. AOs will need to mitigate this risk in their examination development and this would need to be regulated effectively.

### **3.4.2 Other options considered**

Stakeholders did not suggest any other options for this condition.

### **3.4.3 Exceptions**

A few stakeholders believed that, for some subjects, long-answer questions may not be appropriate. In particular it was felt that long answer questions may not be appropriate for Mathematics, but these could be replaced by longer calculations. In general it would be expected that there would be fewer long answer questions in science subjects than arts subjects.



### 3.5 Condition 5: Synoptic assessment

#### Condition 5: Synoptic assessment

*An AO must ensure that the assessment for each element of each GCE qualification which it makes available or proposes to make available:*

- *requires learners to demonstrate their ability to draw together different areas of knowledge, skills and/or understanding learned from various parts of the course of study.*

#### 3.5.1 Impact

Most of the organisations interviewed agreed that the introduction of synoptic assessment would ensure that students gain a greater depth of learning from A-levels. It was also felt that this would make exams more challenging which would reduce grade inflation.

Most HEIs felt that introducing more synoptic assessment will increase the stretch and challenge that A-levels provide students which would help them to differentiate students' and aid selection for degree courses.

As with condition 4:

- Changes to assessment will require teachers to alter their approach to exam preparation to ensure that students are ready for the new types of exam questions. In most providers teachers would be expected to make these changes in their free time, and so it would not be an additional cost;
- AOs would need to communicate the changes to the A-level assessment to centres, (which would be through mail-shots, information hosted on their website, bilateral meetings with providers and seminars) which would be an additional cost to the AO although this would be covered by the cost of communications required for other changes;
- AOs' costs for setting exam questions and marking them would rise;
- Most HEIs felt that the changes to A-level assessment were unlikely to change the costs they incur for student retention and selection.

#### 3.5.2 Other options considered

Stakeholders did not suggest any other options for this condition.

#### 3.5.3 Exceptions

As with condition 4, some stakeholders believed that synoptic assessment lends itself better to some subjects than others so that there needs to be flexibility. For example, Mathematics and Chemistry require simpler foundation topics to be taught in year 1 which enable students to perform more detailed analysis in year 2. The level of synoptic assessment in both AS and A-levels needs to be appropriate to the subject taught so this needs to be considered on a case-by-case basis.

### 3.6 Condition 6: Purpose of assessment

#### Condition 6: Purpose of assessment

*An AO must ensure that each GCE qualification which it makes available or proposes to make available:*

- *makes clear the purpose of the assessment and sets out the balance between knowledge of the subject and application of skills, identifying the requirements for research, analysis, interpretation and evaluation to be achieved within each element*

*and across the qualification as a whole.*

### 3.6.1 Impact

Nearly all stakeholders agreed that it was necessary to have clear information available on the purpose of the assessment and that this will help students to be better prepared for exams.

However, in most instances, providers believe that they already offer this information to students, and therefore the condition was unlikely to have a major impact on the support they provide students.

AOs stated that they would need to provide additional information to providers, but believed they would be able to provide this information through their existing resources. This would be part of the communications that they already have with providers to inform them of the other changes that are taking place to the assessment of A-level exams.

HEIs did not believe that this condition would have a significant impact on the work of their organisation.

### 3.6.2 Other options considered

Stakeholders did not suggest any other options for this condition.

### 3.6.3 Exceptions

Stakeholders did not believe that there should be any exceptions to this condition.

## 3.7 Condition 7: Assessment requirements

### Condition 7: Assessment requirements

*An AO must ensure that each GCE qualification which it makes available or proposes to make available:*

- *includes at least 60% external assessment for each assessment element;*
- *has comparable assessment requirements to similar GCE qualifications made available by other AOs.*

### 3.7.1 Impact

Most stakeholders agreed that a minimum of 60% external assessment was appropriate for A-level subjects, providing that the external assessment also included assessors examining portfolios or performance, which are often the most appropriate assessment options for performing arts and fine art subjects.

All of the stakeholders interviewed believed that this would not require significant changes to A-level assessment arrangements, as nearly all subjects currently require 60% external assessment (the exceptions highlighted by providers were design and technology and media students which were only just under 60%).

All stakeholders felt that the current proposal of a minimum of 60% ensured that a common core of the subject was externally assessed but also provided enough flexibility to ensure that some courses, such as English and Geography, can have a higher proportion of coursework which reflects the nature of the subject. In Geography, for example, this would allow field work to be re-introduced to A-levels which would also provide for longer writing, the application of research skills and synoptic assessment.

Any reduction to the level of coursework brings efficiency savings to teachers as they would not need to set and mark as much coursework, which frees up time to provide other enrichment activity (such as providing volunteering schemes, entrepreneurship projects or

educational trips). For AOs this could increase costs if course work were replaced by external assessment.

HEIs believed that having a minimum of 60% external assessment, along with the changes to assessment in conditions 4 and 5, would ensure that A-levels are more reflective of students' abilities. Some expressed concerns that current coursework may be open to abuse, as some students may be given multiple opportunities to revise coursework until they receive a good mark. This could be mitigated by more controlled conditions including periods for submission.

### 3.7.2 Other options considered

Most providers believed that the current proposal was appropriate and allowed for subject flexibility. None made any suggestions for other options.

### 3.7.3 Exceptions

All the stakeholders interviewed believed that all subjects can meet the proposed requirements without detriment to students, employers and HEIs.

## 3.8 Condition 8: Evidence of support

### Condition 8: Evidence of support

*An AO must be able to demonstrate, through the publication of formal evidence, that for each GCE qualification which it makes available or proposes to make available it:*

- *has had significant and relevant subject engagement in the content and design from Higher Education and learned societies;*
- *has the support\* of at least 20 UK universities, at least 12 of which are respected in the specific field of study and/or from those deemed to be leading research institutions; and*
- *has been developed in consultation with schools and/or colleges to ensure that the qualification is manageable for successful delivery and, where appropriate, in consultation with employers.*

*\*This support must indicate that those universities:*

- *endorse the qualification, in particular its content, as suitable for progression to UK Higher Education courses in that subject or related subjects; and*
- *are satisfied that the qualification should present no barriers to equal access for students to the full range of universities.*

*An AO must ensure that the specification for the qualification sets out those HEIs who have been involved in its development and those who have formally supported it.*

### 3.8.1 Impact

Most providers and AOs believed that HEI involvement in qualification design is important in order to ensure that A-levels provide a smooth progression to higher learning. However, nearly all stakeholders also noted that HEIs should be one of a range of stakeholders consulted as is the case at present, and therefore consultation should also take place with learned societies, employers, teachers and potentially students. There is concern that without broad stakeholder involvement, subjects may become difficult to teach and less relevant to employers. Teachers and the learned societies have a better understanding of what is reasonable to expect 17 and 18 year olds to learn and the work related skills that need to be provided to students who will not be going on to higher education.

Most stakeholders believed that it is difficult to be clear about the impact of this condition, because it will vary depending on the approach that:

- AOs take to engage HEIs and learned societies in the development of A-levels. If this were done through large groups of HEI staff, this might be a considerable cost falling on AOs. Although AOs have arrangements in place to involve HEI staff at present, the scale of this varies and it is not consistent across all A-level subjects;
- HEIs undertake in order to endorse A-levels. Some expressed a desire to ensure that the endorsement was given by Vice Chancellors rather than subject experts, as this would ensure that there is scrutiny not just of the subject content but also the general skills content of A-levels. However, this would have a significant cost impact on HEIs.

It was also unclear whether HEIs would be expected to approve separately the specifications of each subject for each AO. If this were the case, it would be expected to have a significant resource implication on HEIs to work with each of the AOs and vice versa.

All HEIs were concerned that the condition could have a significant resource implication on their organisation. A few staff would be required to take a significant time out of their work to review A-levels. This could potentially replace the time they spend on other HEI activities, such as research and teaching. As things stand at present, this time would not be recognised in the Research Assessment Exercises that influence HEI funding. HEIs were not currently very clear what HEI staff are currently engaged and to what extent in A-level development.

Providers did not fully understand the potential impact that HEI involvement could have on A-level design. As with condition 2, if changes were significant then providers will also need to purchase new textbooks and equipment and staff will require time in addition to their non-teaching time to make changes. These would give rise to one-off costs which could be mitigated (as a few suggested) by increasing class sizes; reducing courses with small class sizes (such as Music and Foreign Languages); and reducing the level of enrichment activities provided to students. These would affect the quality of students' learning experience. Many providers pointed out that making changes to A-levels alongside potential changes to GCSEs would have a greater effect on teachers in schools with sixth forms who teach at both levels.

Some providers, particularly General Further Education Colleges (GFEs), stated that they may stop delivering some A-levels if the changes were significant and were likely to reduce student demand. In these instances they would look to provide more BTECs, which were felt to be funded more generously and appropriate for those students likely to be affected. Providers in general were not willing to move to other general education qualifications, such as the IB, because it is considered resource heavy and would require them to make considerable changes to their quality assurance systems, which will lead to a significant one-off cost to the provider.

Where AOs currently engage with HEIs, they generally pay for HEI staff time, travel costs and meeting costs. They would expect these costs to continue. However in order to engage with 20 HEIs as stated in condition 8, most AOs believed that these costs would increase and their staff will also need to allocate more time to engage with HEIs. Some AOs believed that they would therefore need to employ an extra one or two members of staff.

AOs were unclear about the level of revision that would be required as a result of HEI and learned society engagement in qualification design. However, they believed that it was likely that some subjects, such as Mathematics, might have significant revisions, whereas others would have less. AOs felt that existing staff and consultants would generally be able to implement changes, unless they were significant and unexpected in which case they would need to temporarily employ more staff or use external consultants. As with the other conditions, AOs will have to communicate the changes to providers.

A few stakeholders believed that there is a potential risk that HEI endorsement could distort the market. Providers and students might be swayed in their choice of exam board by the universities providing the endorsement. This could potentially create a two-tier system with a greater value given to qualifications endorsed by universities, such as Oxford or Cambridge.

### 3.8.2 Other options considered

The stakeholders interviewed had views on various models for HEI engagement which would enable all stakeholders to discuss the A-level subject specifications and agree content. Nearly all believed that the process needed to be conducted at a subject level, which should require cooperation between AOs, HEIs and other relevant stakeholders. Some proposed that this could be coordinated or assisted by the learned societies. But it was noted that not all subjects were represented by learned societies that have interests in providers, HEIs and employers so this could not be the only solution. A few proposed that this could be coordinated by UUK or HEI interest groups, such as the Russell Group.

Many stakeholders, including most HEIs and HEI interest groups, believed that the selection of HEIs needed to be reflective of the HE sector to ensure that the qualifications are appropriate for all HEIs. This would mean that the condition should also state that the selection of universities needs to be representative of the different types of universities.

Some stakeholders also suggested that the current expectation of 20 universities that are required to support an A-level qualification is too high. They believed that this would provide a significant administrative burden to AOs and HEIs. It was felt that some HEIs could attend and represent others, so for example, one university could attend on behalf of the Russell Group, and this would mean that the number of endorsements required could be reduced to 10-12.

### 3.8.3 Exceptions

Many stakeholders expressed concern that the current target of 20 universities would not be workable for some subjects. For example, in Physics there are only 35 university departments, and therefore it would be unreasonable to expect these universities to work with all five AOs. In addition, some A-level subjects, such as critical thinking and extended projects, do not relate to a particular university course and subjects, such as Modern Greek, are taught by very few universities. This would therefore mean that there would need to be exceptions to the condition. Most welcomed that this is allowed for in condition 9.

## 3.9 Condition 9: Exceptions

### Condition 9: Exceptions

*An AO seeking any exception to these General Conditions of Recognition for GCE qualifications must agree these with the Regulator prior to submission and provide:*

- *a rationale for each instance of exception, accompanied by evidence of support from relevant universities; and*
- *details of how comparability and consistency in assessment will be achieved within a subject.*

*An AO seeking any exception to the Condition of support for GCE qualifications must demonstrate:*

- *that the qualification is specialised and there is limited expertise at university department level or limited requirement for university entry;*
- *that those universities that have departments with sufficient expertise do support it; and*
- *that other universities support it in principle even if they do not specifically require it for entry.*

### 3.9.1 Impact

All stakeholders agreed that the proposed reforms need to include a condition that will enable exceptions to be handled. It was stated that there may be exceptions where there are

insufficient HEIs to endorse the A-level for a particular subject and there may be some subjects that do not fit with the proposed assessment and specification requirements.

The proposal for seeking exceptions was believed to be appropriate.

### **3.9.2 Other options considered**

None proposed.

### **3.10 Timescales**

Most of the stakeholders believed that the timescales proposed for the development of new A-levels could lead to problems in their implementation which would ultimately affect the impact of the reforms. Most notably:

- Introducing the new subjects in a staged process would lead initially to a two-tier system where students will base their choices depending on whether a subject was a new 'harder' A-level or not. This could potentially lead to a drop in take up for some priority subjects and may further increase the decline in participation for subjects such as Modern Languages;
- Delivering the initial tranche of new A-levels is too ambitious. AOs and other stakeholders felt that the time for development would be much too short and could not effectively mobilise HEIs and develop networks where AOs would work together to ensure consistency in A-level standards. Providers believed that the first cohort of students are better prepared if teachers are able to review the changes and modify their teaching materials in advance.

Most stakeholders therefore believed that the revised specifications should be released at the same time for all subjects and this should be done in 2015 or 2016.

### **3.11 Summary of impacts**

Table 3.1 below summarises the key points made by stakeholders on the impacts likely and their direction (additional cost (arrow down) or benefit (arrow up)) and type (one-off or recurring).



**Table 3.1 Summary of costs and benefits of proposed A-level reforms**

Condition	Provider	AOs	Learners	HEIs
Condition 1: Objective	<ul style="list-style-type: none"> <li>↑ Better pre-enrolment IAG for candidates improves student retention (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Increased international sales from improved comparability (recurring benefit)</li> <li>↓ Objectives to be identified and incorporated into descriptions (one-off cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Greater transparency increases international mobility (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Clear information improves selection decisions (recurring benefit)</li> </ul>
Condition 2: Size and Grading	<ul style="list-style-type: none"> <li>↑ Greater clarity in coursework assessment (recurring benefit)</li> <li>↓ Changing timetables because of any changes in GLHs (one off cost)</li> <li>↓ Adjustment in guided learning provision for some subjects (recurring cost)</li> </ul>	<ul style="list-style-type: none"> <li>↓ Revisions will be required to the content of A-levels (one off cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Some subjects will include a greater breadth of learning (recurring benefit)</li> <li>↑ Greater consistency in work requirements (recurring benefit)</li> <li>↑ Greater comparability between grades eases progression (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Consistency in grading improves selection decisions (recurring benefit)</li> </ul>
Condition 3: Qualification structure	<p>Sub-measure A</p> <ul style="list-style-type: none"> <li>↑ Reduction in the administration and timetabling required for exams (recurring benefit)</li> <li>↑ Additional teaching time available during the academic year (recurring benefit)</li> <li>↓ Decrease in student retention as students have to commit to a longer course (recurring cost)</li> <li>↓ Fewer students enrolled on A2 which will reduce numbers (recurring cost)</li> <li>↓ Course changes lead to textbooks and equipment being replaced (one off cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Decrease in time required to assess and invigilate exams (recurring benefit)</li> <li>↑ Provide training for teachers to aid understanding of new A levels (one off benefit)</li> <li>↓ Developing linear qualification will require significant revisions to most A-levels (one off cost)</li> <li>↓ Increase in summer assessment could create difficulties in recruiting sufficient assessors (recurring cost)</li> <li>↓ Decrease in exam fees levied from candidates (recurring cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Less time required for revision for re-sits (recurring benefit)</li> <li>↓ Allowing only one resit and removing modular exams could lead some students to perform less well. Potentially this impact could be higher among those with LLDD (recurring cost)</li> <li>↓ Reduced choice in the subjects that can be taken in A2 (recurring cost)</li> <li>↓ Potentially lower retention as students commit to a longer period of study (recurring cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Reducing resits and introducing linear exams improves the differentiation of student ability which improves selection decisions (recurring benefit)</li> <li>↑ Slows or decreases grade inflation, making it easier to differentiate between higher performing students (recurring benefit)</li> <li>↓ HEIs/employers will not have accredited qualifications to support selection decisions</li> </ul>

Condition	Provider	AOs	Learners	HEIs
	<p>↓ Course changes lead to providers sending teachers on additional training courses (one off cost)</p>			(recurring cost)
Sub-measure B	<p>↑ Reduction in the administration and timetabling required for exams (recurring benefit)</p> <p>↑ Additional teaching time available during the academic year (recurring benefit)</p> <p>↓ Course changes lead to textbooks and equipment being replaced (one off cost)</p> <p>↓ Course changes lead to providers sending teachers on additional training courses (one off cost)</p>	<p>↑ Decrease in time required to assess and invigilate exams (recurring benefit)</p> <p>↑ Provide training for teachers to aid understanding of new A levels (one off benefit)</p> <p>↓ Developing linear qualification will require significant revisions to most A-levels (one off cost)</p> <p>↓ Increase in summer assessment could create difficulties in recruiting sufficient assessors (recurring cost)</p>	<p>↑ Less time required for revision for re-sits (recurring benefit)</p> <p>↓ Allowing only one resit and removing modular exams could lead some students to perform less well. Potentially this impact could be higher among those with LLDD (recurring cost)</p> <p>↓ Students have less opportunity to rectify underperformance, as assessment is run over a shorter period of time (recurring cost)</p>	<p>↑ Reducing resits and introducing linear exams improves the differentiation of student ability which improves selection decisions (recurring benefit)</p>
Sub-measure C	<p>↑ Reduction in the administration and timetabling required for exams (recurring benefit)</p> <p>↑ Additional teaching time available during the academic year (recurring benefit)</p> <p>↑ School timetabling may be changed to reflect weighting. A2 could begin earlier (one off cost)</p> <p>↓ Course changes lead to textbooks and equipment being replaced (one off cost)</p> <p>↓ Course changes lead to providers sending teachers on</p>	<p>↑ Decrease in time required to assess and invigilate exams (recurring benefit)</p> <p>↑ Provide training for teachers to aid understanding of new A levels (one off benefit)</p> <p>↓ Developing linear qualification will require significant revisions to most A-levels (one off cost)</p> <p>↓ Increase in summer assessment could create difficulties in recruiting sufficient assessors (recurring cost)</p>	<p>↑ Less time required for revision for re-sits (recurring benefit)</p> <p>↑ Greater teaching time given to teach the more difficult A2 (recurring benefit)</p> <p>↑ Greater challenge and stretch (recurring benefit)</p> <p>↓ Allowing only one resit and removing modular exams could lead some students to perform less well. Potentially this impact could be higher among those with LLDD (recurring cost)</p> <p>↓ Less value placed on AS</p>	<p>↑ Reducing resits and introducing linear exams improves the differentiation of student ability which improves selection decisions (recurring benefit)</p> <p>↑ Easier to assess student ability in higher level skills (recurring benefit)</p>



Condition	Provider	AOs	Learners	HEIs
	additional training courses (one off cost)		qualifications by HEIs and employers (recurring cost)	
Condition 4: Variety in question types	<ul style="list-style-type: none"> <li>↑ Improved quality of assessments aids teachers' on-going monitoring of progress (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↓ Amendments required for most qualification assessments (one off cost)</li> <li>↓ Greater time and higher skills required to conduct the assessment (recurring cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Assessment more accurately assesses student ability (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↑ More robust assessment improves comparability of student ability (recurring benefit)</li> </ul>
Condition 5: Synoptic assessment	<ul style="list-style-type: none"> <li>↑ Improved quality of assessments (recurring benefit)</li> <li>↓ Revisions required to learning plans/schemes of work and coursework (one off cost)</li> </ul>	<ul style="list-style-type: none"> <li>↓ Changes required to course content (one off cost)</li> <li>↓ Greater time and higher skills required to conduct the assessment (recurring cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Assessment more accurately assesses student ability (recurring benefit)</li> <li>↓ Exams become more difficult, which reduces learner achievement (recurring cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ More robust assessment improves comparability of student ability (recurring benefit)</li> </ul>
Condition 6: Purpose of assessment	<ul style="list-style-type: none"> <li>↑ Improved pre-exam IAG improves achievement (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Clear information supports AOs to market A-level qualifications (recurring benefit)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Improved exam IAG (recurring benefit)</li> </ul>	
Condition 7: Assessment requirements	<ul style="list-style-type: none"> <li>↑ Reduction in teacher workload (recurring benefit)</li> <li>↑ Greater consistency in assessment (recurring benefit)</li> <li>↓ Revisions required to learning plans/schemes of work and coursework (one off cost)</li> </ul>	<ul style="list-style-type: none"> <li>↓ Modifications required to the assessment of most qualifications (one off cost)</li> </ul>	<ul style="list-style-type: none"> <li>↑ Improved standards in assessment (recurring benefit)</li> </ul>	
Condition 8: Qualification support	<ul style="list-style-type: none"> <li>↑ Improvements made to the content of A-levels (recurring benefit)</li> <li>↓ Significant revisions required to</li> </ul>	<ul style="list-style-type: none"> <li>↑ Improvements made to the content of A-levels (recurring benefit)</li> <li>↓ Significant revisions required to</li> </ul>	<ul style="list-style-type: none"> <li>↑ Some subjects will include a greater breadth of learning (recurring benefit)</li> <li>↑ Students better prepared for HE</li> </ul>	<ul style="list-style-type: none"> <li>↑ Improved skills obtained by A-level students improve student retention in HE (recurring benefit)</li> </ul>

Condition	Provider	AOs	Learners	HEIs
	teaching materials/schemes of work (one off cost)	A-levels (one off cost) ↓ Potential resource/ cost impact of engaging HEIs (recurring cost)	study (recurring benefit)	↓ Greater resources required to collaborate in the development of qualifications and approval (recurring cost)
Condition 9: Exceptions	-	-	-	-

## 4 Identification of the costs and benefits of the preferred option

This section describes Step 5 in the impact assessment. The approach used to assess and select the individual conditions and sub-measures to be taken forward in the preferred option is set out. This is followed by an estimation of its costs and benefits with a consideration of the assumptions used to monetise some of these.

### 4.1 Identifying the preferred option

To identify the preferred option from the conditions and sub-measures in the proposal requires scoring each condition and sub-measure (proposed and alternatives offered in the consultation and by stakeholders) based on its level of impact and comparing net scores.

#### 4.1.1 Scoring the options for each condition on a range of criteria

The first step scored each option for every condition and sub-measure against four criteria:

- Anticipated level of effectiveness with regard to the policy objectives or policy problems to address;
- Expected scale of the costs and benefits of implementation;
- Unintended effects (positive or negative); and
- Feasibility which refers not only to the legal feasibility of the proposal but also its practical implementation in terms of acceptance and enforceability.

The scores measured the level of impact for each criterion with a range from -5 (for a large negative anticipated impact) to +5 (for a large positive anticipated impact), where zero denoted no impact or a neutral impact. These scores were informed by data and evidence collected from the interviews with A-level providers, AOs, HEIs, learned societies and stakeholders; Ofqual's consultation responses; and cost estimates.

#### 4.1.2 Calculating a 'net score' for each proposal and selecting individual conditions and sub-measures to take forward in the preferred option

Using the scores for each criterion, a 'net score' was produced for each sub-measure by summing the individual scores.

The scores are then compared to identify the preferred sub-measure(s) for each of the conditions. A summary of the assessment of the sub-measures for each condition is presented below. The full table of scores is included in Annex 2.

## 4.2 Considering each condition

### 4.2.1 Condition 1

The current proposal for condition 1 is identified as the preferred sub-measure. Defining clear and challenging objectives for GCE qualifications was widely agreed to support the programme objectives of raising standards, although nearly all stakeholders agreed that A-levels are generally fit for purpose (in terms of their appropriateness for HE and how they compare to other international qualifications) and therefore the condition is not expected to have a major effect on the content of A-levels.

The stakeholders interviewed did not believe that this condition would have an additional cost impact or saving on their organisation. All providers and AOs supported the objective of the condition and therefore it would be relatively easy to introduce.

### 4.2.2 Condition 2

Stakeholders agreed that the size of A-levels needs to be consistent among all subjects. This helps ensure that different subjects are comparable. The current status quo of 360 GLH is the preferred sub-measure (sub-measure A), as this was widely understood to be an appropriate size of course for students to study, particularly within the current AS/A2 structure. It would also have a minimal cost impact on providers and AOs. Reducing the GLH could potentially harm the policy objective of setting more challenging standards for A-levels, although it would reduce the state funding required for A-levels. Increasing the GLH could potentially have a significant cost impact on providers, who would need to increase teacher contact time, which would increase salary costs if they could not reduce other provision. It may also have the unintended consequence of reducing some of the enrichment activities and personal and social education that providers offer to students.

In terms of grading the proposal for A\*, A, B, C, D, E, Unclassified (sub-measure D) is currently considered as the preferred measure. HEIs stated that the A\* grade made it easier to differentiate student ability, and believe the current grading system works well and supports the objective of better differentiation of student ability. Reducing the number of grades could potentially make it more difficult to differentiate student ability. Increasing the number of grades could theoretically improve the differentiation of student ability, but most stakeholders did not believe this would make a significant difference and it would have a minor one-off cost impact on AOs.

### 4.2.3 Condition 3

The two sub-measures that received the highest net score were sub-measure B (AS/A2 structure with the AS mark not counting towards the final exam mark) and sub-measure C (AS/A2 structure maintained but with the weighting of the AS/A2 components). Both these options would enable greater synoptic assessment to be incorporated in A-level examinations, and would bring efficiency savings. Providers would have to incur a small upfront cost but would achieve savings from reduced exam costs. AOs would need to make revisions to their course specifications and communicate these changes to providers, which would be a one-off cost. AOs will, also have an on-going reduction in the exam fees they receive from providers.

Removing the AS level (sub-measure A) would lead to slightly greater synoptic testing but could potentially have unintended consequences by reducing student participation and success rates (as they would need to complete a two-year rather than a one-year course). This would result in lower retention in providers, which would affect their income.

### 4.2.4 Condition 4

The current proposal for condition 4 is the preferred sub-measure. Nearly all stakeholders agreed that A-level assessment needs to include a variety of question types to ensure they better differentiate student ability. This would increase the assessment costs of AOs, as they would need to employ more experienced assessors and provide training to staff that set

exams. This would not be a significant cost impact but it would affect exam fees. A potential unintended consequence of the condition is that if exams become more challenging then student achievement falls, which will mean fewer students will achieve a Level 3 qualification.

#### 4.2.5 Condition 5

Most stakeholders agreed that increasing the level of synoptic assessment in A-levels drives students to improve their understanding and skills and also means that exams provide a more effective assessment of student knowledge. The preferred sub-measure for condition 5 is dependent on the agreed A-level structure. If the current AS/A2 structure were retained, then the preferred sub-measure is to introduce synoptic assessment in year one and two. This ensures that students develop their synoptic skills in both years. However, if the AS were removed, then Option B (synoptic assessment in year two) is the preferred sub-measure. Introducing synoptic assessments will require courses to be restructured and change the exam preparation provided to students. AOs would also need to communicate the course changes to providers and change their course specifications, which would have a cost impact.

#### 4.2.6 Condition 6

The proposed condition in the consultation document is the preferred sub-measure. All stakeholders agreed with the need for clear information about the purpose of assessment, and the current proposal meets that need. However, some providers were also of the view that that this information was already provided by AOs.

#### 4.2.7 Condition 7

The current proposal of 60% external assessment is identified as the preferred sub-measure. This would meet the policy objective and would also ensure that there is sufficient flexibility to ensure different subjects have assessment approaches that are appropriate for their syllabus (and therefore Art and Design and English subjects may have 60% external assessment, whereas Mathematics may be 100% external assessment). Increasing the amount of external assessment would mean that a significant number of subjects would have to change their assessment methodology. Reducing the percentage of externally assessed coursework would mean that there would be less consistency in assessment approaches across subjects.

#### 4.2.8 Condition 8

Reducing the number of HEIs required to endorse A-levels is generally regarded as the preferred sub-measure (sub-measure B). This is because the current HEI resource will be stretched as a result of the current proposal and this may lead to the HEI staff involved reducing other activities, such as research. However, it is difficult to assess impact at present as it is unclear how the HEI engagement is to be organised and structured, and whether HEIs will be consulted by subject or by AO qualification.

Stakeholders would prefer funding for HEIs' participation to be provided by the state although AOs currently pay expenses. There is a small risk that AOs may compete to gain endorsement from HEIs with the consequence that learners and providers may migrate to qualifications endorsed by *'more highly respected universities'*.

#### 4.2.9 Condition 9

The current proposal for Condition 9 is the preferred sub-measure. All stakeholders agreed that for some conditions, such as condition 8, there will need to be exceptions, which would need to be evidenced. The current proposals were stated to be effective in ensuring that exceptions could be handled effectively.

#### 4.2.10 Summary

**Table 4.1 Summary of Preferred Sub-measures for each Condition**

Condition	Preferred Sub-measure(s)
Condition 1 Raise standards	A: As stated in the consultation proposal
Condition 2 Size and grading	A: 360 glh (status quo) D: Proposed grading
Condition 3 Qualification structure	B: quasi-linear A-level with AS maintained but not counting towards grade; one re-sit Or C: quasi-linear A-level with AS maintained but with a change in exam weighting; one re-sit
Condition 4 Variety of question types	A: As stated in the consultation proposal
Condition 5 Synoptic assessment	A: Introduce synoptic assessments in year one and two
Condition 6 Purpose of assessment	A: As stated in the consultation proposal
Condition 7 Assessment requirements	A: As stated in the consultation proposal
Condition 8 Evidence of support	B: Number of HEIs reduced; and C: Number of respected HEIs reduced E: Funded by state
Condition 9	A: As stated in the consultation proposal

#### 4.3 Costs and benefits of the preferred options

The analysis of sub-measures indicates that there are broadly three potential policy options for a comparative assessment of the cost benefits. These are:

- **Option 1:** A-levels to be a two year linear programme (condition 3 sub-measure A) with the synoptic assessment (condition 5) to be conducted at the end of year two (sub-measure B). For other conditions the sub-measures selected are those that are proposed in the consultation document, which were the preferred sub-measures for those conditions. The costs are calculated on the assumption the qualifications are to be rolled out in one tranche in 2015.
- **Option 2:** A-levels to be a quasi-linear programme with the AS qualification retained but not counting towards the final A-level mark (condition 3 sub-measure B). The synoptic assessment is to be conducted at the end of year two (sub-measure B). As with Option 1, for all other conditions the sub-measures selected are those that are proposed in the consultation document. The costs are calculated in the assumption that the qualifications are to be rolled out in one tranche in 2015.
- **Option 3:** The same as option 2, with the AS/A2 structure maintained but a change to the weighting that each component carries towards the final A-level mark (condition 3, sub-measure C). In addition synoptic assessment will be at the end of year one and year two (sub-measure A).

These three options were selected as the comparative scores of the three sub-measures in condition 3 were relatively similar (ranging from six to nine) so the calculation of estimated costs and benefits may help to differentiate them.

All the sub-measures selected for each of the options are included in Annex 4.

To undertake a cost appraisal the basis for the measurement of the costs and benefits identified is first of all described drawing on the interviews to make assumptions for monetising costs and benefits.

#### 4.3.1 Measurement of costs and benefits

As a rule, only the costs that are an **additional** cost to stakeholders (i.e. cannot be met from their existing resources used for the purpose of developing and delivering A-levels) will be measured and reported. There are three types of costs and benefits to be measured:

- One-off and recurring costs;
- One-off and recurring benefits; and
- Transfers (represented as a cost to one stakeholder and a benefit to another).

One-off costs and benefits are considered to occur once as result of the measures, such as revising IT systems. Recurring costs are the costs that occur every year. These are annualised.

The **one-off and recurring costs** that are measured cover administrative and compliance costs for stakeholders. These are:

- Additional administrative costs – this includes the costs of providing information, guidance and training to teachers, examiners, key AO staff and HEI staff; associated costs arising from training such as accommodation and transport expenses and replacement cover; the costs associated with changing IT systems in AOs and in revising and recording and the costs of transmitting information; and costs related to HE engagement including staff time on qualification development and facilitation costs.
- Compliance costs – this includes the costs associated with implementing the policy options, primarily related to the costs of new teaching materials and devising the new A-levels such as the cost of replacing equipment and textbooks for schools; making amendments to existing qualifications, as well as costs arising from changes in assessment techniques and methods, such as the cost of hiring more examiner time.

**One-off and recurring benefits** range from cost savings for schools, colleges and AOs associated with a reduction in their invigilation costs, and reduced costs of hiring, training and paying substitute staff to improved confidence in, and credibility of, A-level qualifications among learners, employers and further/higher education institutions. Some of these benefits are intangible, such as credibility, so these have to be part of a qualitative assessment of the options.

The monetised costs and benefits will be discounted and expressed in terms of net present values (NPV) using the discount rate recommended by the HM Treasury Green Book, which is 3.5 per cent. A five-year period will be taken into consideration as this is the typical lifespan for qualification development and it also means the calculation period precedes significant policy changes, such as the raising of the school participation age, which may change the calculations.

The assumptions that we have used for our calculations of each of the costs and benefits are included in Annex 3.

#### 4.3.2 Cost benefit appraisal of three options

The calculations of monetised costs and benefits for each option are shown below. There are non-monetised benefits that are common to all the options. These are:

- Students will obtain a higher level of knowledge, skills and competences as a result of greater synoptic teaching, more HEI-led content in A-levels and also through more testing examination requirements which will require more thorough teaching. This should increase retention in HE and work and aid international mobility;
- However, as a result of more stretching exams more students will not achieve A-level passes and fewer students will receive higher grades. This may mean that students who



undertake the new qualifications are disadvantaged in entering employment and HE in comparison to other students;

- HEIs will benefit from better student selection as the reforms to assessment increase differentiation and changes to the structure increase the conformity of A-levels. This will not have a significant impact on reducing HEIs administration costs but it will raise the level of stretch and challenge of current HEIs' courses which could improve the international reputation of the institution, which should in turn help them to recruit international students; and.
- An improved reputation for A-levels grows AOs' ability to increase international revenue from A-levels, but AOs do not believe that this would be a significant impact.

#### 4.3.2.1 Option 1: Two year A-level programme

By removing AS levels Option 1 reduces the number of examinations more than Options 2 and 3 but increases the number of potential learners who could drop out of education and training.

#### Monetised costs and benefits

The costs and savings of Option 1 are summarised in Table 4.2. It shows that there would be a saving of £37.4m (NPV). Providers would make a saving of £155.6m (NPV) with learners and HEIs also making a saving. This would be partially offset by a cost to AOs of £137.6m (NPV), largely because of annual costs arising from reduced net income from fees, assessment and the engagement of HEIs. Providers benefit principally from annual savings on examination fees and examination costs which offset lost income from the government for having fewer learners. However, it is likely that in a few years AOs will increase the fees they charge to A-level providers which would decrease the net benefit to providers and reduce the cost impact on AOs. It is not possible at present to predict when AOs would increase their fees and the extent to which the fees they charge will rise, as AOs may wish to reduce their margins on A-levels of cross-subsidise A-level costs from the income they generate from other qualifications.

Adjusting this for not having HEI endorsement costs, increases the saving marginally.

**Table 4.2 Option 1 monetised costs and savings**

Stakeholders	One-off costs (£m)	Average annual cost, (£m)	Average annual benefits <sup>22</sup> (£m)	Net benefit - cost (NPV, total 5 year period) <sup>23</sup> (£m)	Key assumptions/facts
<b>A-level providers</b>	2.8	15.0	46.6	-155.6	<b>One-off costs/benefits:</b> training for heads of department; cost of textbooks; changes to teaching materials. <b>Recurring cost benefits:</b> reduction in exam fees; reduced staff time and administration for exams. <b>Recurring costs:</b> potential reduction in funding if fewer students undertake learning. Estimated that of the 8.5% of students that obtain E or U grades, 20% will drop out of education at 17.
<b>Awarding organisations</b> (with endorsement)	0.8	27.4	0	137.6	<b>One-off costs/benefits:</b> revision of A-level content and revision of exams assumed to be met through in-house resources (assuming 2015 start); income generated from seminars (assuming they continue). <b>Recurring costs:</b> increase in examination costs. (through higher rate per hour to be paid to more senior

<sup>22</sup> The period under consideration is 2012-2017. Year 2012 is considered to be the base year.

<sup>23</sup> Positive numbers are costs; negative numbers denote savings



Stakeholders	One-off costs (£m)	Average annual cost, (£m)	Average annual benefits <sup>22</sup> (£m)	Net benefit - cost (NPV, total 5 year period) <sup>23</sup> (£m)	Key assumptions/facts
					examiners and more hours required to assess each examination); reduction in the income generated from exam fees. Cost of staff time to work with HEIs, in facilities/administration costs and paying for HEI time.
without endorsement	0.8	27.3	0	137.3	<b>Recurring costs:</b> assumed will not require the time of senior HEI staff.
<b>Higher Education Institutions and learned societies</b> With endorsement	0	0.47	0.53	-0.3	<b>Recurring costs:</b> assumed reduction in selection costs negligible Staff cost subsidised by AOs, replacement costs required for lecturers but not senior staff.
Without endorsement	0	0.47	0.47	0	<b>Recurring costs:</b> assumed will not require staff time of senior HEI staff.
<b>Learners</b>	0	0	3.8	-19.1	<b>Recurring costs:</b> reduction in re-sit fees.
<b>TOTAL (with endorsement)</b>	3.5	42.9	51.0	-37.4	
<b>TOTAL (without endorsement)</b>	3.5	42.8	50.9	-37.4	

### Non-monetised benefits and costs

Option 1 is expected to provide for a greater synoptic element to A-level design (in comparison to the other two options) which is expected to ensure that A-levels better test students' synoptic skills and subject knowledge although this may lead to the following costs:

- Lower student retention and achievement as exams are more challenging and students are required to enrol on a longer programme (which generally has lower retention rates). In addition the exams will be concentrated over a shorter period of time. It is estimated by providers that this may decrease retention rates by 5-10%;
- Fewer options for study in year 2. Students will no longer have the opportunity to select from four subjects the ones that they wish to take forward in A2. As a result students that have made less informed choices in year 1 may not perform as well in year 2. Some providers estimate that around 30% of students change their three preferred subjects after the first year of A-levels.

#### 4.3.2.2 Option 2: Retain the current AS/A2 structure but the AS grade does not count towards the final A-level mark

Option 2 has AS levels as standalone qualifications that do not count towards the final A-level mark. This will not affect the number of learners in education and training but will require more examinations to be set than Option 1. This reduces the effect on AOs compared to Option 1.

### Monetised costs and savings

The financial costs and savings of Option 2 are summarised in Table 4.3 below. It shows that there would be a saving of £99.7m (NPV), significantly more than Option 1. Providers would make a saving of £192.1m (NPV) with learners and HEIs also making a saving the same as

in Option 1. This would be partially offset by a cost to AOs of £111.8m (NPV), largely because of annual costs arising from reduced net income from fees, assessment and the engagement of HEIs. This is less than in Option 1 because the reduced net income from fees would be lower. Providers benefit principally from annual savings on examination fees and examination costs with no lost income from the government for having fewer learners. Adjusting this for not having HEI endorsement costs increases the saving marginally.

**Table 4.3 Option 2 financial costs and savings**

Stakeholders	One-off costs (£m)	Average annual cost, excluding one-off costs (£m)	Average annual benefits (£m)	Net benefit - cost (NPV, total 5 year period) <sup>24</sup> (£m)	Key assumptions/facts
<b>A-level providers</b>	2.8	0	39.0	-192.1	<b>One-off costs/benefits:</b> training for heads of department; cost of textbooks. Same as for option 1. Assumed that changes to teaching materials will be made by teachers in their own time (no additional cost). <b>Recurring benefits:</b> reduction in exam fees; reduced staff time and administration for exams. <b>Recurring costs:</b> none.
<b>Awarding organisations (with endorsement)</b>	0.8	22.2	0	111.8	<b>One-off costs/benefits:</b> revision of A-level content and revision of exams assumed to be met through in-house resources (assuming 2015 start); income generated from seminars (assuming they continue). <b>Recurring costs:</b> increase in examination costs (through higher rate per hour to be paid to more senior examiners and more hours required to assess each examination); reduction in the income generated from exam fees (although less of a drop than in Option 1); cost of staff time to work with HEIs, in facilities/administration costs and paying for HEI time.
Without endorsement	0.8	22.1	0	110.4	
<b>Higher Education Institutions and learned societies</b>	0	0.47	0.53	-0.3	<b>Recurring costs:</b> assumed reduction in selection costs negligible (interviews to continue as they act as a marketing tool as well as to assess student ability; staff cost subsidised by AOs, replacement costs required for lecturers but not senior staff.
Without endorsement	0	0.47	0.47	0	<b>Recurring costs:</b> assumed will require less staff time of senior HEI staff (50% reduction).
<b>Learners</b>	0	0	3.8	-19.1	<b>Recurring costs:</b> reduction in re-sit fees.
<b>TOTAL (with endorsement)</b>	3.6	22.7	43.3	-99.7	
<b>TOTAL (without endorsement)</b>	3.6	28.5	43.3	-100.8	

<sup>24</sup> Positive numbers are costs; negative numbers denote savings

### Non-monetised benefits and costs

In terms of non-monetised benefits and costs, Option 2 ensures that the status quo in terms of the AS/A2 structure is retained, which will ensure that students are able to achieve undertake a greater breadth of learning and also have greater progression routes at the end of year 1. It will similarly improve the quality of teaching undertaken in A-levels, but there will be less synoptic elements in the teaching as the AS will assess year 1 learning separately.

#### 4.3.2.3 Option 3: To retain the current AS/A2 structure but change the weighting of the AS mark towards the final A-level grade

Option 3 maintains the current AS/A2 structure but changes the weighting that each component carries towards the final A-level mark. This would also have synoptic assessment in year 1 and year 2.

### Monetised costs and savings

The financial costs and savings of Option 3 are exactly the same as those for Option 2 summarised in Table 4.4 below.

**Table 4.4 Option 3 financial costs and savings**

Stakeholders	One-off costs (£m)	Average annual cost, excluding one-off costs (£m)	Average annual benefits (£m)	Net benefit - cost (NPV, total 5 year period) <sup>25</sup> (£m)	Key assumptions/facts
<b>A-level providers</b>	2.8	0	39.0	-192.1	<b>Same as option 2</b>
<b>Awarding organisations (with endorsement)</b>	0.8	22.2	0	111.8	<b>Same as option 2</b>
Without endorsement	0.8	22.1	0	110.4	
<b>Higher Education Institutions and learned societies</b>	0	0.47	0.53	-0.3	<b>Same as option 2</b>
Without endorsement	0	0.47	0.47	0	
<b>Learners</b>	0	0	3.8	-19.1	<b>Same as option 2</b>
<b>TOTAL (with endorsement)</b>	3.6	22.7	43.3	-99.7	
<b>TOTAL (without endorsement)</b>	3.6	28.5	43.3	-100.8	

### Non-monetised benefits and costs

The non-monetised costs and benefits are also much the same as in Option 2. However, there is likely to be less synoptic skills requirements from students because the AS will assess students' performance in year 1 only and the mark from year 1 will count towards the final A-level grade. Exams may also be less challenging as a significant proportion of the A-level mark will be achieved through students' performance in AS.

<sup>25</sup> Positive numbers are costs; negative numbers denote savings

### 4.3.3 Summary of costs and benefits for the three options

All of the options have net costs falling on AOs and net benefits falling on providers and learners (and HEIs if there is endorsement). Option 1 which provides a linear A-level without AS levels produces a smaller net benefit than Options 2 and 3 where lower costs fall on AOs and higher benefits fall on providers mainly because of the reduced cost to providers of a falling number of learners compared with Option 1 and the reduced cost to AOs of a falling number of exam entries.

The balance of benefits would be adjusted if AOs increased their exam entry fees to reflect the additional costs of exams which they would incur.

## 4.4 Sensitivity analysis

By varying the assumptions it is possible to assess the degree of variation in the costs and benefits of the options appraised in section 4.3 above. In this instance this has been carried out on condition 8 of the proposed reforms because of the uncertainty among stakeholders that it will be practical or efficient for each AO to engage with 20 HEIs. A different assumption about the process for engaging HEIs is considered and the costs and benefits estimated. This is compared to the costs and benefits computed in section 4.3 above for the preferred option.

### 4.4.1 HEIs primarily decide to support qualifications if it is recommended by a learned society

In the preferred options it was assumed that AOs would engage with HE teachers in 20 HEIs covering 35 subject areas to develop A- level qualifications.

Several suggestions were made which could give rise to lower costs:

- Having fewer HE teachers engaged for subjects which have fewer than or little more than 20 HE departments;
- Seeking support for a qualification through the recommendation of a group of respected individuals organised and supported by a learned society. This will reduce the amount of staff time that HEIs will need to support qualifications on the understanding that learned societies can represent a wide range of HEIs;
- Devolving responsibility to a subgroup of HEIs. Consultees suggested that the HEI interest groups (such as the Russell Group and Guild-HE) could represent the views of their members. This would reduce the amount of staff time that HEIs will need to support qualifications.

Alternative assumptions for condition 8 (sub-measure A) are:

- There is an average of 35 A level subjects to be considered by four AOs;
- 20 learned societies would take responsibility for their subject area for all HEIs;
- The remaining 15 subjects would need HEI staff engagement to endorse the A-levels;
- These 15 subjects would be covered by four HEIs; one from each of the following groups: The Russell Group; 1994 Group; Million+ group; and Guild-HE;
- For the learned societies, the time requirements for staff to engage with AOs will be the equivalent of 1 FTE for six days for each subject and each AO (20 subjects, four AOs). This equates to 480 FTE days for learned societies;
- The cost for learned societies is the wage costs for a FTE member of staff (using general education professional wage rates);
- For the HEIs (four universities), the time requirements will be 6 days for each subject specialist (15 subjects) for each AO (4 AOs), and 1 day per subject for a senior member of staff. This equates to 1,440 days of subject specialist staff, and 60 days of senior staff time;

- The cost for HEI staff is the wage cost for the subject specialists (using HE teacher wages), and the wage costs for the senior member of staff (using senior staff at an educational organisation);
- The cost of AO senior staff to facilitate HEI engagement (estimated at 0.1 FTE for three months for 4 AOs per subject); and
- Transport and facilitation costs are estimated at £100 per delegate. Cost based on average senior academic salaries.

These assumptions will only affect the costs and benefits incurred by HEIs and AOs. The cost will be the same with or without endorsements.

These alternative assumptions create a low cost estimate for AOs and HEIs, which are summarised in Annex 5. It shows that with these assumptions, the cost impact of the condition would be reduced slightly. AOs would have a saving of £2.7m and the time that HEIs are reimbursed will decrease slightly from £0.3m to £0.06m. The main benefit of the low cost estimate is that the non-monetised impact on HEIs' research will not be as great.

# ANNEXES

## Annex 1 Method

The impact assessment had three key stages:

- Stage 1: Inception;
- Stage 2: Evidence gathering; and
- Stage 3: Impact assessment.

### 4.4.2 Stage 1: Inception

During the inception stage the following tasks were undertaken:

- A **kick off meeting** was held between Ofqual and GHK on 7 June 2012. The purpose of the meeting was to discuss the approach and method and agree reporting protocols and the timetable for report submissions
- **Preliminary data research** in order to review relevant background information and develop a representative sample of A-level providers for the fieldwork, the following data and research was analysed:
  - The A-Level consultation document published by Ofqual;
  - A-level achievement data by provider, published by the Department for Education;
  - A-level achievement by subject, from data published by JCQ;
  - The assessment criteria for A-level courses, from awarding organisations' course handbooks.
- **Defining and developing research tools** for the evaluation. This included developing the topic guides for the interviews and also the sample of providers and stakeholders to be interviewed during the fieldwork stage;
- The production of an **Inception report and client meeting** to agree its content. The Inception report was submitted in the w/c 18 June and the tools and interview sample agreed.

### 4.4.3 Stage 2: Evidence gathering

The evidence gathering stage began in June and was completed in early September. The following research tasks were conducted.

#### 4.4.3.1 Desk based research

In this task documentary evidence and data was analysed in order to gather supportive evidence for the impact assessment. The following information was analysed:

- Curriculum information provided by AOs on the six A-level subjects that were agreed to be explored in more detail with all stakeholders: Mathematics; Physics; Art and Design; Geography; French; and English literature and language.
- College accounts data;
- Annual Survey of Hours and Earnings, 2011. This information was used to calculate the average hourly rates of sector staff which was used in the impact assessment;
- DfE and JCQ published data on A-level take up and achievements.

#### 4.4.3.2 Interviews with stakeholders

Interviews were conducted with six stakeholders (target 6). The purpose of the interviews was to gain a strategic insight into the problems that exist in the quality and delivery of A-levels, the potential options to address these problems in Ofqual's consultation, and the potential impact of these options on each of the groups of stakeholders.

Interviews were conducted with representatives of the following organisations:

- Department for Education;



- Association of Colleges;
- Independent Schools Association;
- UCAS;
- Association of School and College Leaders; and
- Supporting Professionalism in Admissions (SPA).

#### 4.4.3.3 Interviews with HEIs and Learned Societies

Telephone and face to face interviews were conducted with five HEI interest groups (The Russell Group, The 1994 Group, The Million + Group, Guild-HE and Universities UK), Six universities (including two Russell Group universities, three 1994 universities and one Million+ university) and seven Learned Societies (the Institute of Maths and its Applications, Association of Teachers of Mathematics, Institute of Physics, Association of Language Learning, Geographical Association, Royal Geographical Society and English Society).

In total 18 interviews were conducted against a target of 12. During the initial stage where we conducted interviews with HEI interest groups, it became apparent that they were still in the process of consulting with their members and therefore it was suggested that we speak directly with HEIs in order to obtain detailed information on the potential impact the reforms would have on their organisation. We therefore increased the number of interviews we proposed to conduct with HEIs.

#### 4.4.3.4 Interviews with providers

Telephone and face to face interviews were conducted with representatives of 35 A-level providers (target 35). The sample of providers was selected to be representative of the:

- Type of providers delivering A-levels;
- Size of the different institutions, in terms of A-level or equivalent enrolments; and
- Geographical spread.

In terms of the type of providers, Table A1.1 shows that we conducted slightly fewer interviews in General FE colleges and Sixth Form Colleges and slightly more in Sixth Form schools than was originally proposed. However, the variance with the proposed sample was generally quite small and similar to the distribution of A-level providers therefore we believe the selection was broadly representative of the sector.

**Table A1.1 Target of institutions by type of institution**

Institution type	No of proposed interviews	No of interviews conducted
General FE College	9	7
Independent	5	5
Sixth Form College	7	6
Sixth form school	12	15
Specialist College	2	2
<b>Total</b>	<b>35</b>	<b>35</b>

Source: Department for Education Statistical First Release

In terms of the size of the different institutions, Table 1.2 shows that in general there was a higher response from those institutions that had a larger number of A-level enrolments. The data shows that most providers have between 25 and 249 enrolments, and it is in the 25-99 and 100-249 where we received the highest number of responses.

**Table A1.2 Providers by number of A-level or equivalent enrolments**

Number of students sitting exams	No of proposed interviews	No of interviews conducted
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Number of students sitting exams	No of proposed interviews	No of interviews conducted
0-24	2	0
25-99	15	10
100-249	10	12
250-499	3	6
500-999	3	6
1000+	2	2
<b>Total</b>	<b>35</b>	<b>35</b>

Source: Department for Education Statistical First Release

In terms of geographical spread, it was agreed that a minimum of three providers were to be selected per region. Of the interviews conducted:

- East Midlands: 6 providers
- East of England: 3 providers
- London: 3 providers
- North East: 5 providers
- North West: 4 providers
- South East: 4 providers
- South West: 5 providers
- West Midlands: 4 providers
- Yorkshire and Humber: 2 providers

This shows that targets were achieved for all regions expect for Yorkshire and Humber.

## Annex 2 Scoring of options and sub-measures

Figure A2.1 Scoring of options for conditions and sub-measures proposed

Condition (numbered) and options (lettered below)	Anticipated effectiveness in meeting objective (-5 [major negative impact on objectives] to +5 [major positive benefit])	Costs impacts (-5 [major cost] to +5 [major cost saving])	Unintended impacts (-5 [major negative impact] to +5 [major positive benefit])	Feasibility (-5 +5)	Net score	Taken forward/dropped out
<b>Condition 1: Objective - raise standards</b>						
<b>A:</b> As stated	+2	0	0	+5	+7	Allocated
<i>Would set challenging standards which would support the achievement of the policy objective, although the current A-level standard is relatively high in comparison to other international qualifications; AOs and providers agree with the proposal and would support it.</i>						
<b>Condition 2: Size and Grading - consistency in standards</b>						
<b>A:</b> 360 GLH (status quo)	0	0	0	+5	+5	Allocated
<i>Would not result in changes to A-level delivery. Providers agree with the proposal and would be willing to implement.</i>						
<b>B:</b> Less GLH	-2	+1	0	+5	+4	Allocated
<i>Would lead providers to deliver less, which would reduce the level of content; would be cheaper to fund and providers would be willing to implement the changes.</i>						
<b>C:</b> More GLH	+2	-3	-2	+2	-1	Dropped out
<i>Would lead to more challenging content, however would have a significant cost impact on providers. Some would be unwilling to increase GLH.</i>						
<b>D:</b> Proposed (current) grading	+1	0	0	+5	+6	Allocated
<i>Includes the A*, which helps differentiate student ability. No cost impact.</i>						
<b>E:</b> More grades	+1	-1	0	+5	+5	Allocated
<i>Potentially increases differentiation, but not significantly. Minor cost impact on AOs (change in IT systems). No impact on other stakeholders, willingness to implement.</i>						
<b>F:</b> Less grades	-1	0	0	+5	+4	Dropped out

*Decreases differentiation, does not support policy objective.*

**Condition 3: Qualification structure - improved synoptic skills and understanding of topic; better measure of higher level skills attainment**

<b>A:</b> Linear two year A-level course; one re-sit	+5	-1	-2	+4	+6	Allocated
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*Supports increased synoptic assessment, testing in year two (which is more difficult) ensures that grades match higher level skills attainment. Makes it more difficult to define accurate predicted grades at the end of year one. Potential unintended impacts of higher drop outs from A-levels, significant cost impact on providers and AOs. Most providers do not wish to remove AS levels.*

<b>B:</b> Quasi-linear A-level with AS maintained but not counting towards grade; one re-sit	+5	0	-1	+5	+9	Allocated
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*Supports increased synoptic assessment; testing in year two (which is more difficult) ensures that grades match higher level skills attainment. Makes it more difficult to define accurate predicted grades at the end of year one. Slightly lower cost impact on providers.*

<b>C:</b> Quasi-linear A-level with AS maintained but with a change in exam weighting; one re-sit	+4	0	0	+5	+9	Allocated
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*Supports increased synoptic assessment; greater weighting of testing in year two (which is more difficult) ensures that grades match higher level skills attainment. AS continues to be an indicator of student achievement. Minor cost impact on AOs and providers. Willingness of providers to maintain the AS/A2 structure.*

<b>D:</b> AS/A2 level maintained (status quo); one re-sit	+2	1	0	+5	+8	Allocated
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*Supports increased synoptic assessment at year one and year two. However, grades do not necessarily reflect higher level skills attainment. No unintentional impacts. Minor cost to AOs and providers.*

**Condition 4: Variety of question types – raise standards in assessment, improve differentiation of student ability**

<b>A:</b> As stated	+3	-2	-1	+5	+5	Allocated
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*Raise standards in assessment, but still allows for significant flexibility so impact will be smaller in some subjects. Small cost impact on providers and AOs, willingness to reform.*

**Condition 5: Synoptic assessment –students to improve synoptic skills, more effective assessment of student knowledge**

<b>A:</b> Introduce synoptic assessment in year one and two	+5	-2	0	+5	+8	Allocated
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*Will support the policy objectives, small cost impact on providers and AOs to make the changes; willingness of providers to implement the reforms.*

<b>B:</b> Introduce synoptic assessment in year two	+4	-2	0	+5	+7	Allocated
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*Will support the policy objectives, minimum cost impact on providers and AOs, willingness of providers to implement the reforms.*

<b>C:</b> Flexibility in marking	+3	-2	0	+5	+6	Allocated
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*Less consistency in standards. Small cost impact on providers and AOs to make the changes*

**Condition 6: Purpose of assessment – increase conformity in A-level standards**

<b>A:</b> As stated	+1	0	0	+5	+6	Allocated
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*Provides clear information but perceived to be of little change to the status quo, stakeholders willing to implement*

**Condition 7: Assessment requirements – increase conformity in A-level standards; improve student differentiation**

<b>A:</b> As stated	+1	0	0	+5	+6	Allocated
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*Little difference from the status quo*

<b>B:</b> Less than 60 per cent	-1	-1	0	+5	+3	Allocated
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*May lead to more internal assessment for some subjects, which will mean there is less conformity in approach.*

<b>C:</b> More than 60 per cent	+2	-1	-2	+5	+4	Allocated
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*Require alterations to current A-levels; increases assessment costs for AOs. In some subjects (such as English) course work would be appropriate.*

**Condition 8: Evidence of support - HE leadership in A-level design; reduction in selection costs**

<b>A:</b> As stated (20 universities endorsement required, of which 12 are respected institutions)	+5	-3	-2	+1	+1	Allocated
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*Supports policy objectives, but it may mean A-levels are less appropriate for those that are not the 12 respected universities. Requires significant resource from HEIs and AOs to implement. Providers could potentially have to make significant revisions to their course materials.*

<b>B:</b> Less than 20	+4	-2	-1	+2	+3	Allocated
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*Will have a lower cost impact on AOs and providers, but may mean that A-levels do not meet the needs of some universities*

<b>C:</b> Less than 12	+4	-2	-1	+2	+3	Allocated
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*Will have a lower cost impact on AOs and providers, but may mean that A-levels do not meet the needs of some universities*

<b>D:</b> Funded by AOs	+5	-2	-2	+4	+5	Allocated
<i>Would reduce costs for HEIs but cost recovery in exam fees.</i>						
<b>E:</b> Funded by state	+5	-3	0	+4	+6	Allocated
<i>Meets policy objectives, minimum cost on HEIs and AOs.</i>						
<b>Condition 9: Exceptions</b>						
<b>A:</b> As stated: (exceptions to the above conditions to the agreed with the regulator)	0	-1	0	+4	+3	Allocated

## Annex 3 Assumptions used for the calculation of costs and benefits

Figure A3.1 Assumptions of costs and benefits for option appraisal

Cost Items	Approach (qualitative; quantitative; monetisation)	Assumptions and descriptions
<b>Providers</b>		
Cost of training on new qualifications	Monetisation	<p>Half of providers interviewed stated that a change in structure and syllabus would be likely to result in training costs. A wide range of costs were given. The assumptions are:</p> <ul style="list-style-type: none"> <li>■ The staff sent to the training. We have assumed that this will be heads of department/senior teachers who will then disseminate the findings to other teachers;</li> <li>■ The number of staff attending the training. We have assumed that 20% of providers will send their staff on AO training ((this is in line with the numbers that typically attend AO training events);</li> <li>■ The cost of the training being provided - £100 per learner;</li> <li>■ Accommodation and transport costs - £50 per learner;</li> <li>■ Cost of replacement cover in schools – from the interviews it was found that these costs are generally met in house and this training would not give rise to additional cover requirements;</li> <li>■ Additional to normal expenditure – based on the findings from the provider interviews, 80% of the costs of training will be met through existing budgets, and the remainder are additional costs owing to the scale of training required.</li> </ul>
Cost of replacing textbooks	Monetisation	<p>Half of providers interviewed stated that a change in structure and syllabus would be likely to result in replacing textbooks and equipment. A wide range of costs were given. The assumptions are:</p> <ul style="list-style-type: none"> <li>■ The average cost of a textbook: £20;</li> <li>■ Not all providers will provide textbooks to students. Half the providers we spoke to said they would do this. In addition not all subjects will change significantly to require new text books. We have assumed 50% of subjects will require new textbooks.</li> <li>■ The number of textbooks required. Half of the providers interviewed stated that they would purchase new textbooks for learners;</li> <li>■ Additional to normal expenditure – Most providers already budget for new textbooks over a five year cycle of curriculum change. The reforms will mean this takes place earlier than expected, hence it is assumed 80% of costs will be met through existing budgets, the remainder are additional costs.</li> </ul>
Developing new teaching materials	Monetisation	Teachers will require time to produce new teaching materials. It is assumed that this will



		be done in the teachers work time (as is normal practice). Therefore it is not an additional monetary cost.
Change in student participation in further education	Monetisation	<p>A longer, more difficult course (two years) without the option of gaining a qualification at the end of year 1 may reduce the number of students undertaking study post 17. The assumptions are that:</p> <ul style="list-style-type: none"> <li>■ The 20% of students that currently achieved an E or U (currently 8.5%) will drop out of education at 17; the others will either continue with A-levels or take up a BTEC or a vocational level 3 course. This will lead to a 1.7% percentage point decrease in the total of 17 year olds undertaking further education;</li> <li>■ Funding for providers is lost per Standard Learner Number (SLN)</li> </ul>
<b>AOs</b>		
Changes to the content, structure and description of all existing A-level courses	Monetisation	AOs make amendments to their existing qualifications. Based on the interviews with AOs, this will be met through existing budgets, provided that the new qualifications are to be introduced in one tranche in 2015. If the new qualifications are to be introduced earlier, there will be an additional cost on AOs as they bring in consultants/additional staff to meet more challenging deadlines.
Develop new assessment materials	Monetisation	AOs will be required to produce new assessment materials owing to change in qualifications. Based on the AO interviews it is assumed that this can be met through AOs existing resources.
Change in IT systems	Monetisation	AOs will have to adapt their IT systems when the structure of exams changes. This cost will depend on the system that the AOs employ, but from the interviews findings we would estimate this to be between £100,000 and £500,000 in additional one-off IT costs. We have therefore taken the mid-point of £300,000 for our calculation.
Increase in assessment costs, and time taken to conduct the assessment	Monetisation	<p>AOs are required to develop and assess learners using more difficult assessment techniques. The assumptions for this are:</p> <ul style="list-style-type: none"> <li>■ The cost per hour of examiners will increase as a result of greater competition for examiners and a requirement to recruit more experienced examiners to assess more difficult exams (longer answers, synoptic questions);</li> <li>■ The number of hours required to grade exams will increase, as a result of longer exams and because the exams will require more time to mark.</li> </ul> <p>We have estimated that exam costs will increase by 20% on actual costs (This could in future be reflected in higher exam fees per exam.</p>
Decrease in exam fees levied from candidates	Monetisation	As there will be fewer exams, and fewer students taking them, AOs will receive less income from exam fees. The assumptions for this are:

Potential resource/ cost impact of engaging HEIs	Monetisation	<ul style="list-style-type: none"> <li>■ The difference in the number of exams taken by learners under the new system compared to the modular approach. We estimate that A-level exams will be a 2- 3 hours in length, From our analysis of the 45 different A-level subjects, we found that the number of exams for most subjects range from 4-6, and around half the subjects (which have around 75% of enrolments) could see the total number of exams halved and still fit within 2-3 hours, and the remainder decreasing by a quarter. Hence we have estimated that with the removal of AS levels the total number of exams would decrease by 40%. If the AS were retained, we would assume that for subjects that currently have 6 or 3 exams, the number of exams will not be halved but will be reduced to 4 or 2 respectively to enable testing to be divided evenly between year 1 and year 2. As a result there will be slightly more exams, and therefore the number of exams will be reduced by 30% rather than 40%;</li> <li>■ The difference in the number of resits learners take as a result of the removal of multiple resits. QCDA research stated that the number of students that undertake multiple re-sits of a unit is very low. This is expected to be 5%;</li> <li>■ The fee charged per exam is estimated at £20, based on the interview findings. We have subtracted the actual costs for conducting the assessments from assumptions drawn from the qualitative interviews.</li> </ul>
		<p>As AOs have to engage with HEIs, they will have to pay HEI staff for their time and expenses. The assumptions for this are:</p> <ul style="list-style-type: none"> <li>■ The time of subject specialists in HEIs, estimated as experts in 35 subjects in 20 HEIs for 4 AOs (CCEA have stated they plan to withdraw from the English market);</li> <li>■ The time taken by these staff to contribute to developing the qualifications; estimated as 6 days per subject. Staff time calculated at average HEI lecturer salaries;</li> <li>■ Senior manager time in HEIs to endorse qualification costed at 1 day per subject at a senior academic salary rate;</li> <li>■ Expenses and facilitation costs, estimated at £100 per delegate;</li> <li>■ Cost of AO senior staff to facilitate HEI engagement (estimated at 0.1 FTE for 6 months for 4 AOs per subject.</li> </ul>
<i>Learners</i>		
Lower retention rates in A-levels results in fewer students achieving a level 3 qualification at 19	Quantitative	Learners face a more difficult course, may have to commit to this course for two years, and are less able to rectify underperformance through resits. As a result there will be a higher number of students that do not complete their A levels or take up a level 3 qualification.
Lower attainment affects learners' progression to HE and employment	Qualitative	The proportion of students achieving higher grades will decline as exams become more difficult and multiple resits are removed. As a result some learners that have undertaken

		revised A-levels may be less likely to enter HEIs or employment than those that had achieved their A-levels earlier or had undertaken courses that had not been converted to the meet the new reform requirements.
Learners receive lower quality teaching in HEIs as their resources are diverted from research and teaching to qualification design	Qualitative	Subject specialists at HEIs will be engaged in qualification design and therefore could potentially spend less time teaching. This could reduce the quality of learning experienced by young people.
<i>HEIs</i>		
HEIs' selection processes will require additional resources as a result of not being able to draw on the results of accredited AS qualifications	Qualitative	The option to remove the AS level qualification means that HEIs and employers will not have as many recognised qualifications to distinguish between potential employees/students. This may mean that HEI admissions costs increase, but in general the HEIs interviewed stated that this would have a negligible impact.
HEI involvement in A-level design results in a reduction in the quality of other activities undertaken by the HEI (such as teaching or research)	Qualitative	As more HEI staff will be involved in A-level design, it is expected that this will affect the time they spend on research and teaching. This could affect organisations' academic reputation which could lead to a reduction in international enrolments or research funding.
<b>Benefit items</b>	<b>Approach (qualitative; quantitative; monetisation)</b>	<b>Assumptions and descriptions</b>
<i>Providers</i>		
Reduction in the administration and timetabling required for exams	Monetisation	There will be fewer examination periods, and fewer exams, meaning the administration and invigilation of exams will be reduced. The assumptions for this are: <ul style="list-style-type: none"> <li>■ The reduction in FTE administrative staff, estimated at 1 FTE for 3 months in all A-level providers;</li> <li>■ An appropriate staff cost, based on average education support salary costs;</li> <li>■ Savings in teacher time are reallocated to teaching.</li> </ul>
Reduction in the exam fees paid to AOs	Monetisation	As there will be fewer exams, providers will have to pay AOs less in examination fees. The assumptions for this are a 40% reduction in exams if a two year A-level were introduced and a 30% reduction in the number of exams if AS/A2 is retained but modular exams are removed.
<i>AOs</i>		
Charging for training for teachers	Monetisation	AOs will provide training for teachers, so that they can adapt to the new qualifications. The assumptions for this are:

		<ul style="list-style-type: none"> <li>■ The cost of the training course (per teacher) - £150;</li> <li>■ The number of teachers attending: assume half of heads of department attend;</li> <li>■ The cost to the AOs of putting on the training sessions. Based on interviews assumed to be £50,000 per AO.</li> </ul>
Increased international sales	Qualitative	The improved comparability of A levels on an international scale will make the qualifications more appealing to the global market, and therefore sales of A levels will increase.
<i>Learners</i>		
Savings from reduction in resits	Monetisation	<p>Learners will not take as many resits, as multiple resits will no longer be allowed. As students have to pay for their resits, they will save money from this. The assumptions are:</p> <ul style="list-style-type: none"> <li>■ The difference in the number of resits learners take as a result of the removal of multiple resits;</li> <li>■ The cost of a resit to learners.</li> </ul>
Increased knowledge, skills and competences which leads to increased international mobility and better preparation for HE and work	Qualitative	The increased stretch and challenge provided by A-levels will increase the knowledge, skills and competences students obtain from A-levels. As a result they will perform better in HE and employment.
<i>HEIs</i>		
Improved selection decisions increases retention	Qualitative	It will be easier for HEIs (and employers) to distinguish between learners of different ability, which will help them select the right students for their courses and improve the stretch and challenge they are able to provide students.
Improved skills obtained by A-level students improve student retention in HE	Qualitative	Learners will have been through a qualification with a greater breadth of learning, and will be better prepared for the learning they will receive in HE.

## Annex 4 Sub-measures selected for the three preferred options

**Figure A4.1 Summary of Preferred Sub-measures for each Condition**

Condition	Option 1 Two year A-level programme	Option 2	Option 3
Condition 1 Raise standards	The purpose of A-levels is clearly defined as stated in the consultation document (sub-measure A)	As Option 1	As Option 1
Condition 2 Size and grading	A-levels to consist of 360glh and with grade structure of A*, A,B,C,D,E, Unclassified, as stated in the consultation document (sub-measure A and D)	As Option 1	As Option 1
Condition 3 Qualification structure	A-level to be two year linear programmes (sub-measure A)	AS levers to become standalone qualifications	Maintain AS/A2 structure but change the weighting that each compote carries towards the final A-level mark
Condition 4 Variety of question types	A-levels to include a variety of question types, as stated in the consultation document (sub-measure A)	As Option 1	As Option 1
Condition 5 Synoptic assessment	A-levels to include synoptic assessment at the end of year 2 only (sub-measure B)	As Option 1	Synoptic assessment in year 1 and year 2
Condition 6 Purpose of assessment	Purpose of the assessment clearly defined, as stated in the consultation document (sub-measure A)	As Option 1	As Option 1
Condition 7 Assessment requirements	A minimum of 60% of A-level marking to be through external examination, as stated in the consultation document (sub-measure A)	As Option 1	As Option 1
Condition 8 Evidence of support	Twenty HEIs to be engaged in A-level design. This includes 12 respected universities. Learned societies also involved in the development of A-levels. HEIs to select the most effective approach with which they will endorse A-levels. This cost is to be met by AOs. Costed for a formal endorsement and without an endorsement by the HEIs. (sub-measure A and D)	As Option 1	As Option 1
Condition 9	Exception handled on a case-by-case basis, as stated in the consultation document (sub-measure A)	As Option 1	As Option 1

## Annex 5 Sensitivity calculation

**Figure A5.1 Condition 8 financial costs and savings**

Stakeholders	NPV low cost estimate (£m)	NPV of preferred options (£m)
<b>Awarding organisations</b> Option 1	134.8	137.5
<b>Awarding organisations</b> Option 2 and 3	109.0	111.8
<b>Higher Education Institutions and learned societies</b> Option 1	-0.06	-0.3
<b>Higher Education Institutions and learned societies</b> Option 2 and 3	-0.06	-0.3

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