

Ofqual Board

Paper 27/16

Date:

27 July 2016

Title:

Vocational Qualifications Update

Report by:

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Paper for information and decision

Open paper (some paragraphs closed)



Issue

1. This report updates on the work of VQ Directorate. The Skills Plan, setting out Government's plans for technical education, is discussed separately in paper 29/16.

Recommendation

2. To note and discuss the issues raised in the report.

Policy issues

Apprenticeships reforms

3. We will shortly issue a guidance paper which sets out Ofqual's approach to the regulation of new apprenticeship end-point assessments (EPAs). It will help the trailblazers (the groups of employers responsible for developing new apprenticeship standards) to make informed decisions about whether to ask Ofqual to provide their external quality assurance arrangements, and assist assessment organisations to understand the implications of Ofqual regulation.
4. The paper explains:
 - that Ofqual will only regulate EPAs where we are asked to do so by the Trailblazer responsible for developing the associated apprenticeship standard and assessment plan

- that we will regulate EPAs as qualifications, and what that means
 - the process for a Trailblazer to request Ofqual to regulate its EPAs
 - that assessment organisations wanting to offer those EPAs which Ofqual will regulate will need to be recognised by Ofqual
 - the broad approach we will take to regulating EPAs.
5. The Board agreed at its last meeting that, where apprenticeship trailblazers want us to regulate their EPAs, we will convene a technical advisory group of people from across Ofqual to review their assessment plans to decide whether we can regulate them.
6. The Group has now met twice, and we have confirmed to four trailblazers that we will regulate their end-point assessments, and asked a further three for more information before we can make a decision. The types of concerns that the Group had, and which led them to reject requests to regulate or seek further information, included:
- too much weight given in the grading to a very small part of the assessment;
 - grading criteria for merit and distinction referencing behaviours only, rather than knowledge and/or practical skills;
 - the appropriateness of assessment approaches – for example, personal accountability being assessed through a 3-hour synoptic test;
 - unexplained variations in standards in similar assessment plans from the same Trailblazer; and
 - issues of security and predictability in online assessments, if, for example, only one version of the test is available for an extended period, or if there is a limited question bank.
7. We plan to come back to the Board in September with further details of our proposed approach to the regulation of EPAs, which we will develop in light of the work of the advisory group. This will include any proposals to consult on apprenticeship-specific Conditions and/or guidance that we judge we will need.
8. Separately, we expect a National Audit Office report on the apprenticeship reform programme to be published in early September. Ofqual is referred to in the report, but we do not expect any significant criticisms or recommendations addressed to us.

Functional skills

9. We continue to work with the Education and Training Foundation (ETF) on the draft content for English and maths functional skills. Learning from the GQ reform programme, we have used subject experts to inform our comments to ETF on the draft content, with the aim of them producing content that is likely to support valid qualifications.
10. There is a lot of work for ETF and its partners to do in a short space of time, particularly with a new skills Minister, but we remain hopeful that we will be able to consult on new qualifications in the late autumn as planned, with a view to introducing the new qualifications in 2018.

ICT standards

11. The functional skills reform programme covers maths and English qualifications, but there are also functional skills qualifications in Information and Communications Technology (ICT), which many stakeholders judge are out of date. The Skills Plan emphasises the importance of digital skills and promises a further review, so it is clear that Government sees digital qualifications as important.
12. The Tech Partnership, which is the sector skills council for IT, has been asked by DCMS (where the Digital Economy Unit sits) to develop new standards for ICT qualifications, including those for Functional Skills, and they have been consulting on them. However, given the concerns about the current ICT qualifications, Tech Partnership are keen to introduce revised qualifications before the new English and maths functional skills. We are working with them and DCMS to consider how to make this happen.

European developments

13. On 20 June, the European Commission launched the New Skills Agenda for Europe which it had adopted on 10 June. The aim is to ensure that people develop a broad set of skills from early on in life and to make the most of Europe's human capital, to ultimately boost employability, competitiveness and growth in Europe. This is clearly of less significance to us in the long-term, given the outcome of the referendum, but it may have an impact in the short-term while we remain a member of the EU.
14. The Agenda calls on Member States and stakeholders to improve the quality of skills and their relevance for the labour market. It includes a Skills Guarantee to help low-skilled adults acquire a minimum level of literacy, numeracy and digital skills and progress towards an upper secondary qualification, and a review of the European Qualifications Framework (EQF).
15. We have a meeting in early August with BIS and DfE officials to discuss the Agenda and the UK reaction to it.

16. More broadly, we have not yet done a full analysis of the implications of Brexit. There are likely to be some legal consequences – for example, the EU services directive impacts on some aspects of our work, and Condition A2 require AOs to be established in the EU or the European Free Trade Association – but we cannot assess the implications until we know more about the likely legal relationship with the EU following exit, and how and whether EU legislation will be replaced under UK law. We may no longer have to worry about some of the EU requirements that impact on qualifications (as well as the EQF, there are, for example, requirements around non-formal and informal learning which could have an impact in future), though again this will depend on the terms of exit.
17. We know that some AOs operate in Europe, though we do not currently have a clear picture of this, and most European countries do not operate a qualification market model; so it may be that the impact of reduced access to the free market – if that is the outcome of the negotiations – will be limited. We will set in hand work on this as the picture becomes clearer.

Regulating

18. The main areas of focus of our regulatory work, in line with the corporate plan, have been:
 - responding to the concerns in the Skills Plan, in particular intelligence around problems with 14-19 qualifications and removing unused qualifications; and
 - undertaking various pieces of work relating to awarding organisations' controls on centres (see strategic risk 8), where we now have evidence of serious failings in a number of areas. We have some enforcement activity in hand, and we are considering our wider response to the concerns: we want to make sure that awarding organisations understand and respond to the failings we have found.
19. We convened the first Board level enforcement committee at the beginning of July, where three Board members considered and agreed a proposal to impose a fine on City & Guilds (the minutes of the committee are at paper 31/16).
20. During early 2015, City & Guilds was unable to issue results on time for some of its paper-based Functional Skills qualifications. Over 22,000 learners received their results late as a result of the incident. City & Guilds admitted the breaches during the case and decided not to argue against the imposition of a fine.

21. The notice of intention to fine has been published on our website¹. The enforcement committee will consider the case again next month following any representations received, and make a final decision.
22. We are currently undertaking reviewing compliance with our new requirements around Total Qualifications Time, which came in at the end of June, in the light of concerns that some AOs may have overstated the sizes of their qualifications. We will report on the outcomes of this work at the next meeting. We will then conduct a lessons learnt exercise, to try and identify any other areas where there is a risk that our requirements are not sufficient to prevent AOs responding inappropriately to external pressures.
23. We now hope to publish the report of our findings on qualifications used in the security sector at the beginning of September – this is later than planned due to regulatory work feeding into the report taking longer than expected. We have discussed our plans with the Security Industry Authority and the Home Office, and we are optimistic that they will issue positive responses.
24. We committed at the last Board to create a summary version of the management information which is less detailed than that we have provided to the Board in past meetings. We had hoped to have this ready for this meeting of the Board, but pressure of work particularly on apprenticeships and technical education has meant that I am not yet satisfied that we have a format that is sufficiently useful for the Board. We intend to have this ready for the next Board meeting.

Finance and Resource

25. Nothing new to report.

Impact Assessments

Equality Analysis

26. No specific issues.

Risk Assessment

27. No new risks.

Regulatory Impact Assessment

28. No specific issues.

Timescale

29. Timescales for each area of work are set out above.

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/534783/C_G_-_Notice_of_Intention_-_5_July_2016.pdf

Communications

30. *This paragraph has been redacted as its publication would be prejudicial to the effective conduct of public affairs.*

Internal Stakeholders

31. All other Directorates have an interest in the work set out in this report.

External Stakeholders

32. Relationships with stakeholders remain generally positive. Sally and I have had meetings with, among others, the Federation of Awarding Bodies, the Education & Training Foundation, and the Quality Assurance Agency for higher education. Relationships with Government are discussed in the paper on the skills plan.

Paper to be published	YES - except certain paras to be advised at the meeting
Publication date (if relevant)	With meeting minutes