



Qualifications and
Curriculum Authority



Llywodraeth Cynulliad Cymru
Welsh Assembly Government



Rewarding Learning

Post-accreditation monitoring report: Association of Accounting Technicians (AAT)

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Introduction

Regulating external qualifications

Responsibility for regulating external qualifications lies jointly with three regulators of external qualifications in England, Wales and Northern Ireland:

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

Following the accreditation of a qualification, the regulators of external qualifications in England, Wales and Northern Ireland systematically monitor awarding bodies against the requirements set out in the statutory regulations. The aim of this activity is to promote continuing improvement and public confidence in the quality of external qualifications.

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

Accreditation conditions and observations arising from this monitoring activity are specified at the end of each section of this report. Awarding bodies are required to produce an action plan to show how they will deal with accreditation conditions imposed as a result of a monitoring activity. The action plan will be agreed by the regulators of external qualifications in England, Wales and Northern Ireland and its implementation monitored.

The regulators of external qualifications in England, Wales and Northern Ireland will use the outcomes of monitoring and any subsequent action taken by awarding bodies to inform decisions on the re-accreditation of qualifications or, if necessary, the withdrawal of accreditation.

About this report

This report is the outcome of a post-accreditation monitoring activity carried out on the Association of Accounting Technicians (AAT) awarding body by QCA on behalf of the regulators of external qualifications in England, Wales and Northern Ireland from November 2006 to January 2007. It focuses on the systems underpinning the AAT's arrangements for delivering accredited vocationally related qualifications (VRQs) since the regulators of external qualifications in England, Wales and Northern

Ireland had carried out a post-accreditation monitoring activity in 2001 in respect of the AAT's national vocational qualifications (NVQs).

About the AAT

The AAT is a professional body that operates an awarding body that offers qualifications in accountancy and related matters to accounting technicians in the UK and overseas. For more information on the AAT and the qualifications it offers, visit its website at www.aat.co.uk.

Corporate governance and issue of certificates

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland, (2004)*, paragraphs 5, 6, 7 and 22.

Findings

1. The AAT is a company limited by guarantee. It is governed by a council of management that includes approximately 18 elected members plus 12 who are nominated by four of the leading UK accountancy bodies.
2. The AAT awarding body is an integral part of the AAT and there are no separate published accounts for the awarding body function.
3. The chief executive is the head of the awarding body. The director of education and training is the single named point of accountability for maintaining the quality and standards of all qualifications. The AAT had provided the regulators of external qualifications in England, Wales and Northern Ireland with an organisation chart for the AAT as a whole and one that identified the awarding body roles. The charts' reporting lines required some clarification and the AAT intends to bank new charts with the regulators of external qualifications in England, Wales and Northern Ireland that will be self-explanatory.
4. The director of education and training is responsible for the day-to-day work supported by a team that carries out all the activities of the awarding body. The director also has other responsibilities including student services and centre development. References to training on documentation appear to be historical and misleading. The AAT does not carry out training towards its qualifications. Candidates do not need to purchase any of the AAT's training aids in order to achieve the qualifications. The potential for conflict of interest was discussed and the regulatory monitoring team was satisfied that any potential conflict of interest was well managed.
5. The committee structure of the awarding body was clear. In essence it consists of an assessment panel reporting to an education and training monitoring panel which, in turn, reports to the learning and development board, for which the director of education and training acts as secretary. The board reports to the council. Terms of reference were clear throughout. There are other committees that help to carry out certain functions for the awarding body such as the regulation and compliance panel and the disciplinary panel.

6. The regulatory monitoring team examined all the documents that the AAT had banked with the regulators of external qualifications in England, Wales and Northern Ireland, not just those concerned directly with governance. It is a condition of recognition that an awarding body must keep these banked documents up to date. In some cases, the awarding body had included a level of detail not required by the regulators of external qualifications in England, Wales and Northern Ireland that became out of date quickly and, in others, there were minor omissions or inconsistencies. The regulatory monitoring team asked AAT to submit new documents covering:
 - corporate governance
 - reasonable adjustments and special consideration policy
 - customer service statement
 - sample certificates
 - malpractice procedures
 - enquiries and appeals.

7. The AAT provided full details of its fees structure, in confidence, to the regulatory monitoring team.

8. The AAT had omitted to inform the regulators of external qualifications in England, Wales and Northern Ireland of the involvement of another company in the delivery of a qualification it was successful in having accredited. It therefore received an accreditation condition requiring immediate action. The omission related to its use of another company involving another awarding body in the hosting and monitoring of assessment.

9. In addition to this omission, the AAT had issued valid certificates that were not in accordance with the design required by the regulators of external qualifications in England, Wales and Northern Ireland and this was also noted as an accreditation condition requiring immediate action.

Accreditation conditions

1. The AAT must bank and keep up to date those documents specified as required by the regulators of external qualifications in England, Wales and Northern Ireland (*The statutory regulation of qualifications in England, Wales and Northern Ireland, 2004, paragraph 6c*).
2. The AAT must provide a written statement of each organisation's responsibilities where it offers qualifications in a partnership or in a consortium with other organisations, including identification of the lead organisation that will manage quality assurance and amend the AAT application for continued recognition as an awarding body (*The statutory regulation of qualifications in England, Wales and Northern Ireland, 2004, paragraphs 5c and 6d*).
3. The AAT must produce certificates that are designed in accordance with the requirements set out by the regulators of external qualifications in England, Wales and Northern Ireland (*The*

statutory regulation of qualifications in England, Wales and Northern Ireland, 2004,
paragraph 22a).

Observations

1. The AAT should redraft its banked organisation charts to make the reporting lines self-explanatory.

Resources and expertise

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

Findings

1. The AAT employs over 40 people on awarding body activities. Recruitment and selection policy procedures exist and specimen job descriptions and person descriptions are clear although some need to be updated. CVs of key staff were seen and the regulatory monitoring team was satisfied that the required level of expertise is available to the awarding body.
2. All centres visited by the regulatory monitoring team referred to the website as helpful and accessible. External verifiers cover the whole country for NVQs and centres clearly appreciate the level of support and guidance that they provide. The process for VRQs is different. There is a centre adviser who visits the centre annually. The centre is expected to submit a self-assessment report to the awarding body annually. Centres with an external verifier appear to gain more benefit even for the VRQs as they are involved in quality assurance. The awarding body should keep under review what level of support is appropriate for centres that are not running the NVQs as these are likely to increase in number over time.
3. The regulatory monitoring team observed that the awarding body's quality control of its centres' internal assessment depended to a great extent on an external sampling process. This was under review at the time of audit and it is essential that this is resolved in order to reduce the current delay between the date of assessment and the review process, which in some cases is after certification has occurred.
4. The regulatory monitoring team attended examination setting and moderation meetings that were properly conducted with clear procedures being applied.
5. There was no evidence of any shortage of resources in terms of numbers or expertise.

Accreditation conditions

There are no accreditation conditions for this section.

Observations

2. The AAT should keep under review the level of support available to centres from its centre advisers.
3. The AAT should improve the sampling policy to reduce the delay between date of assessment and review. The new procedure should ensure sampling takes place before certification.

Application of assessment methods: Quality assurance and control of internal assessment

This is subject to *The statutory regulation of external qualifications in England, Wales and Northern Ireland* (2004), paragraphs 13, 36, 38–2, 56–57, 59–2.

Findings

1. The majority of AAT VRQs – or Diploma pathway as the centres know them – have an element of internal assessment as part of the assessment strategy. Centres assess candidates throughout the course by using skills tests provided by the AAT. These are similar to the independent written examinations that are both set and marked by the AAT and which candidates sit for all AAT-accredited qualifications. Centres mark skills tests according to a mark scheme provided by the AAT. In one unit there is the option, instead of skills tests, of project work that is assessed by the centres, again following guidance from the AAT.
2. The guidance given by the AAT is comprehensive, except in the case of projects where there is no clear guidance on the amount of assistance that can be given to the candidate by the centre or on the number of occasions that work can be re-submitted for assessment.
3. The awarding body's arrangements for checking and standardising internal assessment depend on centres submitting their completed assessments to a team of scrutineers who work together. Control of the work submitted is maintained as centres record and advise the results of internal assessment to AAT on a regular basis. Written feedback is provided to the centres on each assessment scrutinised in centralised sampling. There is no surprise element in the sampling because centres are given considerable notice of the request to submit their assessments.
4. The regulatory monitoring team did not have the opportunity of attending a meeting of the sample scrutineers but understood that a great deal of attention was given to standardising assessments. The regulatory monitoring team saw evidence of the feedback provided when visiting centres and it was both detailed and relevant in its comments.
5. The mark scheme for the AAT skills tests was sufficiently detailed to ensure that competence was assessed to a standard method although the guidance was diluted by the statement that assessors could use their discretion for marginal failures. The system of centralised sampling of skills tests that moderated internal assessment would reveal excessive leniency of marking, but not harshness as only successes are sampled. The AAT considered that their scrutiny of statistics on candidate achievement would alert them to excessive harshness.

6. Centres are allowed to carry out supplementary questioning of candidates who are assessed as close to competent after sitting the AAT-devised skills tests. These centre-devised questions are checked by the AAT during sampling as all additional assessments must accompany the original. There was some confusion when the regulatory monitoring team asked AAT and centre staff when and who was doing the checking. No centre visited was able to provide details of the criteria used to approve centre-devised questions where these had been used.
7. Some centres' assessors had asked a supplementary question narrowly focused on the area where the candidate had not shown competence. It is not clear how such a narrow retest ensures competence. The *Assessment and administration manual* comments that 'For the Diploma pathway (i.e. VRQs) the AAT is satisfied that where a student demonstrates competence in a simulation (i.e. a skills test) covering most assessment criteria then it infers that they have competence in all assessment criteria, as the students will not have known which criteria would be assessed.' It seems that the opposite case – lack of competence in an assessment area – implies a lack of competence in other areas and, therefore, a narrow retest is inappropriate.
8. The regulatory monitoring team was, otherwise, generally satisfied that the awarding body provided its centres and staff with guidance on internal assessment of the VRQs. In the past, the majority of assessments in AAT qualifications have followed the model for NVQs. The AAT needs to ensure that people understand what is different about the guidance for VRQs, because in conversation with the regulatory monitoring team, the AAT staff made comments that reflected the NVQ guidance and not that for the VRQs.
9. The awarding body had detailed procedures for monitoring the work of its examiners, including annual reports on their work.
10. The AAT has provided guidance on retaining records of assessment over time and centres were aware of this. However it is not checked specifically on the centre adviser's report, there being some confusion with the NVQ requirement, which is different. However, when the regulatory team visited centres, all assessment records were available.
11. The AAT's design of its answer books could be improved in order to help scrutineers moderate the assessments. For example, mark schemes often specified the maximum number of errors permitted, but in accountancy a single miscalculation can affect a number of subsequent figures. There was no mark box on the pages used by candidates for their answers in which the assessor could indicate the number of errors, nor was there a comment box so that the assessor could indicate why competence had been agreed despite an apparently high number of errors. This resulted in the scrutineers criticising assessors for not complimenting candidates

in the comments box at the front of the answer book. Clearly assessors were using this box to communicate with moderators rather than with candidates.

12. The AAT used plain English in all its assessments and English was the only language used, although the AAT was willing to provide assessment in other languages where there was a demand. The AAT had conflicting statements on this subject, however, in its publications. Consistency of information is required. The publications were being looked at by another team from the regulators of external qualifications in England, Wales and Northern Ireland at the time of this monitoring activity, which is why no accreditation condition appears in this report (other than accreditation condition 1 to bank refreshed documents).

Accreditation conditions

4. For internal assessment, the AAT must specify the extent to which candidates can be allowed to redraft work before it is finally assessed and the limits on assistance that can be given to candidates as well as ensuring that any alternative assessments devised by centres are equivalent to the standard arrangements (*The statutory regulation of qualifications in England, Wales and Northern Ireland, 2004, paragraphs 60c, 60d and 60h*).

Observations

4. The AAT should consider introducing an element of surprise into its sampling of internal assessments.
5. The AAT should consider producing some written guidance to enable centres to devise their own supplementary questions.
6. The AAT should make clearer the distinction between NVQ and VRQ requirements, such as proof-reading its centre guidance to ensure that advice appropriate to its VRQs/technical certificates is not hidden under the label of NVQs.
7. The AAT should redesign the answer books to make it clearer how the mark scheme has been applied.
8. The AAT should examine its statements on using other languages (e.g. in its *Guidance on the application of reasonable adjustments and special consideration in AAT assessments*) and make them consistent.

Application of assessment methods: Quality assurance and control of independent assessment

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

Findings

1. The AAT uses conventional written examinations as its method of independent assessment for most of its VRQs. The level 2 bookkeeping qualification follows a different system but this was not monitored on this occasion. Records are kept for the purposes of comparing standards of achievement over time. Security of the examination process is maintained by a set of procedures that both candidates and invigilators must observe. It was not possible for the regulatory monitoring team to see these procedures in operation at an examination centre during the audit period.
2. The regulatory monitoring team was able to attend the examinations panel (a question paper setting meeting) and a markers' standardisation meeting (which considered the question paper, answers, mark scheme, candidate performance, feedback from tutors and candidates before recommending a competence level for each paper). Both meetings were well conducted and showed that the awarding body invested a considerable amount of resource in getting these things right. All regulatory requirements were considered, including plain English. The regulatory monitoring team saw that statistics were produced that allowed comparison with previous sittings to be made.
3. Many of the regulatory criteria relating to independent assessment also apply to internal assessment (e.g. the language of assessment) and these have already been commented upon in the section on internal assessment as the AAT writes the internal assessments as well as the independent assessments.
4. The AAT keeps full records of candidates' work to enable monitoring of provision over time and monitors the work of all assessors, including chief assessors and moderators. Examiner numbers are restricted to the minimum requirement for the volume of candidates.
5. The AAT evidenced the suitability of the staff involved in the work of independent assessment via the CVs of a number of examiners. Continuity of examiner or scrutineer on successive papers facilitates monitoring over time.

6. Examination papers are set against the standards. Mark schemes for independent assessment are detailed and clear and subject to continuous improvement.

Accreditation conditions

There are no accreditation conditions for this section.

Observations

There are no observations for this section.

Determination and reporting of results

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

Findings

1. The AAT examiner sets the pass mark for an examination but the examinations review panel may subsequently modify this. Candidates must pass the skills tests that are internally assessed as well as the independently assessed examinations. The centres visited by the regulatory monitoring team reported that the awarding body had provided clear information on how the overall award was derived from candidate performance.
2. Detailed statistical information is available to the examiners from the AAT to enable standardisation from examination to examination. Decisions were clearly reviewed where errors were identified, albeit retrospectively after certification could have occurred in the case of internal assessments. Comment has already been made on the need to provide more frequent sampling of internal assessment to minimise this possibility.
3. The method of reporting internal assessment to AAT is changing from a paper-based system to an online system. The centres visited welcome this improvement. Currently, there is a time delay before the centres are aware that the information sent has been received and correctly processed.
4. The regulatory monitoring team was satisfied that the determination and reporting of results was carried out properly.

Accreditation conditions

There are no accreditation conditions for this section.

Observations

There are no observations for this section.

Registration

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

Findings

1. The AAT has detailed procedures in place for centre registration. Its registration procedure is heavily influenced by the NVQ system. This has the virtue of ensuring that most of the regulatory criteria are met, including the adequacy of staff and resources. However, there is no agreement in the application form or the declaration signed by the centre to provide the awarding body and the regulators of external qualifications in England, Wales and Northern Ireland with access to premises, people and records, and to cooperate with the awarding body's monitoring activities.
2. The AAT requires centres to provide statistical information on candidates but little use is made of the information gleaned. This appears to have been done in the past but it would be a major exercise to collate this information at present if the regulators of external qualifications in England, Wales and Northern Ireland did demand it.

Accreditation conditions

5. The AAT must ensure that all centres give their agreement to providing the AAT and the regulators of external qualifications in England, Wales and Northern Ireland with access to premises, people and records, and to cooperate with the AAT's monitoring activities (*The statutory regulation of qualifications in England, Wales and Northern Ireland, 2004*, paragraph 11f).

Observations

9. The AAT should collate the basic data known about its candidates and make use of the information for its own monitoring processes.