

Ofqual Board

Paper 57/16

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Title:

Strategy, Risk and Research Update

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Paper for discussion/information

Open paper, annexes are closed.



**Strategic Policy and Risk
Regulatory Strategy**

1. At the end of October, the Board met for its bi-annual strategy day. The Board provided valuable feedback on the prioritisation of our regulatory activity, which will inform strategic planning for 2017. We will bring our thinking back to the Board at the January meeting, and then in the form of a draft Corporate Plan at the February strategy day. The Board will be asked to formally approve the Corporate Plan prior to publication at the March meeting.

Strategic Risk

2. The Strategic Risk Register is shown in Annex A. The register continues to evolve and become more dynamic as we strengthen our risk management processes. The latest assessment of each risk is set out for the Board to consider.
3. Board members are asked to note that our assessment of the risks related to Apprenticeships has heightened as public attention and expectation of our role increases. Further, the risks associated with Funding Pressures and People have been redefined and assessed to reflect the resource

issues that will arise is there is a significant programme of reform across all vocational and technical qualifications.

4. The risk related to AO Capacity is proposed for closure at the strategic level. It will continue to be managed via the Directorate Risk Register and will be escalated again if appropriate.
5. Two new risks are proposed. First, a risk related to Board transition in light of a change in Chair and a significant proportion of Board members. The second proposed risk relates to the perception of BTEC qualifications. The Board are invited to comment on the newly identified risks. Both will also be considered in detail at the next Audit and Risk Committee meeting.

Entity Risk

6. We have undertaken the first stage of a review of past risk information related to AOs. This has included data from Statements of Compliance, complaints, AO's formal notifications to us of events where actual or potential adverse effect has occurred, and the targeting of audit activity. Data has been categorised to identify high-level themes and trends in the types of issues and risks that arise. This initial analysis will feed into business planning for next year's audit programme. It will also contribute to the development of the new 'single view of risk' for each AO.

Systemic Risk

7. At the October strategy day, we presented the findings of the comparative judgement exercise to assess systemic risks. We have now completed analysis of the extent of 'grip' we have on each of the risks. This provides an assessment of the extent to which we can influence a particular systemic risk (is it within our remit?) and then the extent to which we have activity underway that will contribute to mitigation of that risk. It does not reflect the extent to which our activity is successful in mitigating the risk. Board members will find the systemic risk register in Annex B.

Regulatory Implementation Better Regulation

8. The Government's 'better regulation' agenda is focussed on three areas: the Business Impact Target (BIT), the Growth Duty and the Small Business Appeals Champion. Ofqual will be required to comply with these initiatives. Secondary legislation is expected to be laid before Parliament this month in order to bring the requirements for the BIT and Growth Duty into effect in early 2017. We are taking a proportionate approach to fulfilling our obligations which are summarised below for information.
9. The **BIT** is intended to drive down the cost to business of complying with regulation. A number of Ofqual's regulatory activities (whether they are new, amendments or cessations) will need to be economically assessed in order to gauge the level of financial savings or additional burden that

each activity will produce. These will form part of DfE's savings target that will be agreed with Government. Ofqual has not been given a savings target.

10. The regulatory activities covered will include our conditions, guidance, new policy initiatives (such as moving from the QCF to the RQF) or changes to our systems and processes that will impact on AOs (such as the introduction of the new Portal). Cost assessments will be submitted to the Regulatory Policy Committee, a non-departmental public body, for verification. Verified assessments will be published by the RPC.
11. A number of regulatory activities will be excluded from BIT. These include, for example, compliance and legal enforcement casework and consultation documents on proposed changes to policy. However, we will be required to report to the RPC on what the excluded activities are and how many there are.
12. Further, there is no 'de minimis' threshold permitting low impact measures to be excluded from BIT. Instead, there are steps to make reporting on small impact measures less onerous, for example, any BIT score of less than £50,000 is rounded down to £0 and we can be proportionate in these circumstances and provide only a brief summary of the measure.
13. The first period on which we are required to report to the RPC is May 2015 to May 2017. By June 2017 we will be required to publish a list of our validated excluded regulatory activities and validated assessments which are in scope of the BIT.
14. We are scoping the extent of retrospective regulatory activities covered / excluded, and are drafting economic assessments to test the content and process requirements. We recently held a productive meeting with the RPC to review our progress and discuss our approach to drafting assessments. We received positive feedback on our approach, as well as identifying some areas that will require further consideration. In particular, the RPC requested more clarity on the extent to which the burden created by GCSE reform had been created by Ofqual (as opposed to the Government's policy of reform).
15. The **Growth Duty** is the expectation that economic growth is an outcome that all regulators should be working towards. Ofqual will have a duty to have regard to the desirability of promoting economic growth amongst AOs. We will be required to report annually on the impact the Growth Duty has had on regulation, and the effect this has had on AOs. It is not known when the first reporting period will be.
16. We are working to embed the requirements of the BIT and Growth Duty into business as usual processes.
17. The **Small Business Appeals Champion (SBAC)** is intended to be a Ministerial appointment to review the effectiveness of regulators procedures for handling and resolving complaints and appeals from businesses.

However, the Government has put the SBAC on hold until sometime in 2017 so that further consideration can be given to this initiative.

Standards Awarding

18. Arrangements are in place to monitor the grading of the November re-sit series for GCSE English and mathematics, and IGCSE first language English. We expect entries to be similar to previous years and, although this is the penultimate series for these outgoing specifications, we expect that the cohort will be relatively stable. Results will be issued in January 2017.
19. Preparations are already underway to agree the detail of our requirements for summer 2017 awarding. We have just held a two-day meeting with exam board technical staff and Responsible Officers to consider some of the issues and we are planning ways to be more open and transparent in developing our requirements, by giving stakeholders opportunities to make representations at various points between now and publishing our requirements in June 2017.

GCSE Maths

20. We have conducted a piece of research to explore schools' approaches to entering students at tier level to the reformed GCSE maths qualifications in summer 2017. Given the reforms to the qualifications, there is a risk that if large numbers of students are inappropriately entered to the higher tier, then student performance and the resultant grade boundaries could be low. This could undermine public confidence in the new qualifications.
21. We visited 12 centres in May/June 2016 to discuss teachers' approaches to entering students to the reformed qualifications. The findings suggest that schools are taking into account the changes to the qualifications and are planning to enter more students to the foundation tier than in previous series. This is a reassuring indication that the risk of a large proportion of the cohort entering the higher tier in summer 2017 is likely to be minimal. The initial findings and the potential implications for maintaining standards have been discussed with technical colleagues in the exam boards.

A Level MFL

This section (paragraphs 22 – 24) has been redacted as its publication would be prejudicial to the effective conduct of public affairs.

Improving Awarding

25. One of our key activities is developing improved methods for maintaining GCSE and A level grading standards. Our starting point is that the comparable outcomes approach presently governs awarding but we recognise that, particularly at GCSE, there is some dissatisfaction in

schools that this methodology does not fairly reflect what they believe are improvements over time in pupils' attainment.

22. To help address that concern, we are introducing the National Reference Test but it only goes so far; it does not help with A levels for example. What we require are additional sources of evidence that can be used with confidence to support GCSE and A level awarding and which can give indications of how attainment is changing over time: improved awarding arrangements.
23. Following a discussion with the exam board Responsible Officers earlier in the year on how to improve awarding, we held a useful seminar on the topic on 18 October. Exam boards presented their research on topics such as how to triangulate multiple sources of weak evidence, how to support Principal Examiners to be able to detect changes in question paper difficulty, and the use of common candidate approaches. Responsible Officers have now agreed in principle to a programme of work across the industry to research and pilot ways to improve awarding.
24. In a related area, we reported to the Board in May about the start of a new joint project between Ofqual, Oxford University and AQA. Its focus is national, curriculum-related exam systems from a wide range of jurisdictions around the world. Experts from 15 jurisdictions have now been recruited. Their first task is to write a paper describing the processes used to set or to maintain standards in their jurisdiction and to explore the conceptualisations of standards that lie behind the processes.
25. The project is proceeding to plan. Presentations have been made to two international conferences. We will hold an international symposium next March at which experts will discuss the descriptions, comparing and contrasting approaches. We will learn from good practices in awarding used elsewhere.

Research A level Science

This section (paragraphs 30 – 38) has been redacted as its publication would be prejudicial to the effective conduct of public affairs.

Quality of marking

39. On 14 November we hosted an invited symposium on marking consistency. This coincided with the publication of our work to date on marking consistency metrics.
40. The marking consistency metrics presentation briefly described the various item, component and qualification level metrics. These metrics are built from the data collected through the exam boards' marker monitoring processes (mainly 'seeding' items). The presentation covered some important points around future usage of the metrics – to help establish

benchmarks against which we can evaluate marking consistency as well as highlighting the importance that the usage of these metrics should not undermine the marker monitoring process itself. The intention of the presentation was to help the audience to access the full report.

41. Ofqual also presented work simulating the impact of double marking. This work concluded that any advantage of double marking is only found for higher tariff items. Moreover, it is a small advantage which may be achieved by other, more cost-effective methods.
42. Other speakers provided a broad context to our findings. They include Martin Johnson, researcher at Cambridge Assessment, talking about senior examiners' feedback to assistant examiners to help them better understand how to apply the mark scheme, Professor Sue Bloxham talking about marking reliability in Higher Education, Dr Yoav Cohen from Israel talking about double marking, and Professor Ed Wolfe providing a US perspective on marking consistency. We also heard from teachers and examiners in a panel discussion.
43. The mood of the discussion was reflective and audience members commented positively on Ofqual's willingness to discuss quality of marking in an open and evidence based manner. As expected there was some reporting of the low probability of markers agreeing with the definitive grade (that which would be awarded if a small group of senior examiners marked all a student's work) in subjects such as English Literature.

Official Statistics

44. November and December are a busy time for the publication of Official Statistics with seven publications due to be released including Special Considerations (10 November), Malpractice (13 December), Access Arrangements (1 December), Reviews of Marking (formerly known as Enquiries about Results) (13 December) and VQ Quarterly (8 December).
45. We are reviewing all our Official Statistics publications to improve the content and design, and to make the statistics more useful and relevant for stakeholders. A number of Crown bodies producing Official Statistics have improved their publications by enhancing the visualisation of data, including infographics rather than static data tables or text. Some also include interactive graphs which allow users to dynamically interact with charts, for example, by selecting different categories, years, organisations etc.
46. In the Civil Service more generally there has been a drive for the use of data, through the use of Open Data, data science and big data. The Office of National Statistics has opened an important Data Campus in Newport, Wales, to help make effective use of data for improving public information. We will embrace these initiatives to help improve the quality

of our official statistics and use of data in general. Changes will be phased over 2017 and 2018.

47. Another area of change for Official Statistics relates to three country divergence (for example, increasingly different qualification offerings in each country and different appeals processes). We are keen that our fellow regulators begin to produce their own Official Statistics so that those for England can be clear and concise.
48. Qualifications Wales (QW), will be collecting data and publishing its own Official Statistics on qualifications taken by learners in Wales, starting at some point in 2017. We have a transition programme to hand over the data collection and report production. This has involved a number of workshops and shadowing visits in order for QW staff to understand processes and issues and ultimately ensure a smooth transition. This programme is being overseen by Ofqual's Head of Profession.
49. We have initiated similar discussions with CCEA Regulator to implement transition of Official Statistics. The exact nature and timeline of the transition is under discussion. Again, our intention is to stop producing Official Statistics for Northern Ireland at some point in 2017.

External Assessment Functioning in Vocational Qualifications

This section (paragraphs 50 – 52) has been redacted as its publication would be prejudicial to the effective conduct of public affairs.

KS2 Test Paper Content Validation

This section (paragraphs 53 – 55) has been redacted as its publication would be prejudicial to the effective conduct of public affairs.

AEA Research Conference

56. A number of researchers presented their work at AEA Europe this November. This is the key conference for assessment specialists. The programme can be found here: <http://www.aea-europe.net/index.php/about-the-conference-limassol>.
57. There were many interesting, relevant presentations - some focussing on the very qualifications we regulate. The research team presented findings from a number of projects, including quality of marking, validity, sawtooth, inter-subject difficulty, the effect of progress 8 on EAR behaviour and the impact of native speakers on the maintenance of standards in A level MFL. These activities are important for dissemination, gaining insight into research activities and methodologies, and for increasing the credibility and standing of Ofqual.

Paper to be published	YES
Publication date (if relevant)	After the meeting
If it is proposed not to publish the paper or to not publish in full please outline the reasons why with reference to the exemptions available under the Freedom of Information Act (FOIA), please include references to specific paragraphs	

ANNEXES LIST:-

ANNEX A closed

ANNEX B closed