
Ofqual: Guidance to the General Conditions of Recognition

Department for Education – Ofqual

RPC rating: fit for purpose

Description of proposal

Under the Apprenticeships, Skills, Children and Learning Act 2009, Ofqual is required to publish supporting guidance to its '*General Conditions of Recognition (GCR)*' document. The guidance intended to help awarding organisations to comply with the conditions laid down in the GCR. Examples include: '*use of language and stimulus materials*', '*setting the assessment*' and '*arrangements for special consideration*'. The measure in question relates to the publication of new guidance for 11 conditions and updated guidance for 2 further conditions.

Impacts of proposal

The cost to business of the measure is expected to relate solely to familiarisation. The assessment states that awarding organisation employees are expected to read and reflect on the new guidance.

To estimate readership across the entire industry, the assessment considers the number of staff expected to read the guidance in small, medium and large organisations. Small organisations are defined as those that award fewer than 100,000 certificates per annum. Medium organisations are defined as those that award between 100,000 and 1 million certificates per annum. Large organisations are defined as those that award more than 1 million certificates per annum. For large organisations, of which there are 5, it is assumed that 10 employees per business will read the guidance. For medium organisations, of which there are 10, it is assumed that 5 employees per business will read the guidance. For small organisations, of which there are 141, it is assumed that 2 employees per business will read the specifications. Overall, it is assumed that 382 staff members across industry are affected. These assumptions are based on Ofqual's estimates of the number of staff in each organisation that deal with compliance with regulatory requirements.

There are 51 pages of new guidance to read, and Ofqual assumes that the guidance will be read 6 times, for the initial reading time and further time to absorb the

information. Using a reading speed of 200 words per minute and an industry average wage rate of £26 per hour, Ofqual estimates the total one-off cost to business at £50,653.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

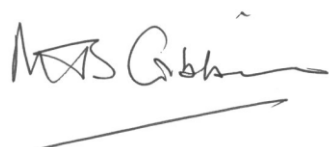
The assumptions underlying the calculations of the number of staff expected to read the guidance could be more clearly justified. However, the RPC is confident that the EANDCB of the measure will round to zero irrespectively.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	£0.0 million
Business net present value	-£0.05 million
Societal net present value	-£0.05 million

RPC assessment

Classification	Qualifying regulatory provision
EANDCB – RPC validated ¹	£0.0 million
Business Impact Target (BIT) Score ¹	£0.0 million
Small and micro business assessment	Not required



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANDCB and BIT score figures to the nearest £100,000.