

Office of Qualifications
and Examinations Regulation
Spring Place
Coventry Business Park
Herald Avenue
Coventry CV5 6UB

Telephone 0300 303 3344
Textphone 0300 303 3345
info@ofqual.gov.uk
www.ofqual.gov.uk

2 September 2013

Robert Gardner

BY E-MAIL ONLY: request-171363-803def6f@whatdotheyknow.com

Our Ref : F/241

Your Ref :

Dear Mr Gardner

Request for Information

I refer to your recent request for information received by Ofqual on 3 August 2013 and made under the Freedom of Information Act 2000 (the Act). You requested the following information:-

I have a number of questions about Ofqual and would be grateful if you could provide answers to these. Some of these requests fall under the Freedom of Information Act whereas others should be answerable in line with the Government's best practice principles on regulatory transparency, stakeholder engagement and demonstration of the effectiveness of your regulatory framework and use of public funds.

- 1. On page 4 of your annual report 2012-13 you highlight that you have inherited "some poorly designed qualifications [and] market distortions". Can you provide a list of specific qualifications which you know to be poorly designed and the market distortions that your regulatory framework has been designed to mitigate? Can you also explain your work to assess the impact these qualifications and distortions are having on the system and your plan of action to address these specific failures in line with your statutory objectives in relation to standards, assessment, confidence, awareness and efficiency?*
- 2. On page 7 of your annual report you note that you "are continuing to develop our regulatory arrangements to make a reality of our risk-based approach to regulation". Please can you describe your regulatory framework for risk-based regulation, in particular how you identify, assess, monitor, control and evaluate risks in the system and how you learn from, and adapt, your approach to reduce future risks? Please can*

also you demonstrate how your approach follows best practice, for example better regulation principles such as the Hampton principles?

3. *On page 8 of your annual report, you state that Ofqual's "main measure of confidence is our annual survey of perceptions of A levels". A key part of public confidence is confidence in the regulator and its effectiveness. Please can you explain how you have sought feedback from stakeholders on their confidence in Ofqual as an organisation and their beliefs on your effectiveness and publicly provide the results of this feedback.*
4. *Please can you set out your programme of work over the next two years to meet your efficiency objective as mentioned on pages 9 – 10 of your annual report.*
5. *On page 10 of your annual report, you highlight that between 2012-13 and 2014-15 Ofqual's budget will fall from £17.1m to £15.7m. You also highlight that you will increase the number of staff to around 200 by the end of 2013 – 14. Can you explain how you will achieve the 8.2% cost reduction alongside the increase in staff and confirm where pay reductions are necessary, these will be across the board including at chief executive, director and senior management level. If these cost reductions are not achieved through salary reductions, what other specific actions will be taken to reduce costs by £1.4m and how will this impact the delivery of your statutory objectives?*
6. *Table 5 and the explanatory text on page 15 of your annual report highlights that during 2012-13, 26 temporary staff were paid £2.532m (almost a fivefold increase from 2011-12). This equates to an average employment package of £97,380 p.a. per temporary person. Please can you explain:*
 - *why it was necessary to pay such high packages to these temporary staff (given table 5 illustrates they were not consultants)*
 - *what their jobs were*
 - *what skills were required for these jobs*
 - *what skills, qualifications and experience these 26 people brought*
 - *how they were recruited (including the competitive tendering process undertaken)*
 - *what output they produced*
 - *how their effectiveness was assessed*
 - *how much money was paid to recruitment agencies during the process*
 - *the accountability mechanism for this spending on temporary staff*
 - *who each temporary staff member directly reported to*

Please can you also confirm the package for the highest paid member of temporary staff at Ofqual during 2012-13 on an anonymised basis (given their salary was comparable, if not in excess of, that paid to the Chief Executive), and their skills, output and accountability.

7. *On page 18 of the annual report, you highlight that 6.1% of staff at Ofqual are disabled. Please can you confirm that Ofqual's office is fully accessible for disabled people, in particular that all rooms where meetings are held (including the Chief Executive's office and board room), open plan areas, facilities and fire escapes are accessible by wheelchair users and suitable provisions have been made for individuals with other disabilities including for example blind and deaf employees and external visitors. Please also confirm that Ofqual's health and safety policy documents set out appropriate processes for evacuation of all employees and visitors (non-disabled and disabled) in the event this is necessary.*
8. *On page 56 of your annual report, the net expenditure of the policy and engagement and risk and markets segments during 2012 – 13 was £2.862m. Please can you explain the key deliverables and outcomes achieved by these two segments and their contribution to Ofqual's effectiveness in achieving its statutory objectives.*
9. *On page 58 of your annual report, you highlight that temporary staff in 2012 – 13 were employed to "assist with the implementation of organisational change". The results of Ofqual's civil service staff survey for 2012 (available at <http://www.civilservice.gov.uk/about/improving/employee-engagement-in-the-civil-service/people-survey-2012>) show that only 13% of Ofqual employees believed that change was managed well (question B45) and only 26% believed changes were made for the better (question B46). As highlighted in question 6 above, each of these temporary staff was paid on average £97,380 p.a. Please explain why such high remuneration packages were justifiable given the staff survey showed such a poorly handled change process. Please can you explain where this went so wrong and the lessons learnt from this exercise.*
10. *Table 7.4 on page 60 of your annual report highlights that Ofqual paid £347k to allow 16 people to take voluntary redundancy, at a time when Ofqual was (and still is) clearly under-resourced given the plans for expansion of the workforce. Please can you explain with reference to their skills, qualifications, experience and length of service, why none of these people were suitable for any roles within the organisation. The £347k redundancy package would have paid for a considerable amount of retraining and could potentially have saved the costs of 16 of Ofqual's*

temporary staff (the output and effectiveness of which, as highlighted in question 9 above, appears to be minimal). This redeployment would have equated to a saving to Ofqual of roughly £1m (even taking into account salary costs), which would have significantly helped the organisation to reduce taxpayer spend. Please can you explain how this was allowed to happen at a time of financial austerity.

11. Ofqual's Corporate Plan 2012 – 15 sets out your priorities and plans over the coming years. Please can you explain your progress in relation to the following priorities and plans:
 - Implementing changes arising from your QCF review (page 9)
 - Reviewing promotional material from awarding organisations (page 10)
 - Reviewing pricing structures (page 10)
 - Working to improve incentives in the market (page 10)
 - Reviewing the way you regulate (page 11)
 - Developing the register of qualifications (page 11)
 - Identifying and mitigating systemic risks (page 11)
 - Tracking the burden of Ofqual's requirements (page 12)
 - Building capacity in operational regulation (page 12)
 - Getting the best out of your staff through good management support and training (page 12)
 - Making sure your capacity and capability best match what is needed (page 12)
12. Please can you provide impact assessments for all significant new regulations Ofqual has implemented or significantly changed over the last year. In particular, please can you provide the impact assessments for Ofqual's policy to ban awarding organisation seminars for schools and for Ofqual's policy to subsequently reinstate these seminars for schools, and explain the change in circumstances and new evidence available which led to the reversal of this decision.
13. Please can you provide an up-to-date organisation chart showing all jobs within Ofqual, those occupied by permanent staff, those occupied by temporary staff and all vacancies. Please can you indicate on the organisation chart the job title, job role, skill requirements and grade of each position.
14. Please can you confirm the date of Ofqual's last skills audit, provide a summary of the key skills currently missing from the organisation, explain which roles these missing skills relate to and your plan of action to tackle these skill shortages.

15. *Please can you provide details of Ofqual's approach to assessing its managers' skills in people management. In particular can you confirm the training in people management managers are offered and take-up. Can you also confirm whether Ofqual uses the best practice approach of 360 degree appraisals to enable managers to seek feedback on their people management skills from a representative selection of employees at all grades within the organisation.*
16. *Please can you explain the organisation's understanding of the reasons for the extremely adverse performance of Ofqual in the 2012 civil service staff survey in comparison with the civil service benchmark (of the 71 questions in the survey, Ofqual performed below the civil service benchmark on 65 questions, <http://www.civilservice.gov.uk/about/improving/employee-engagement-in-the-civil-service/people-survey-2012>). Can you explain what lessons are being learnt and what plans of action are in place to remedy the problems identified in the survey responses. Given the apparent low morale of the workforce, what impact is this having on Ofqual's ability to meet its statutory requirements?*

Under the Act, public authorities have two duties to individuals requiring information: firstly to confirm whether or not they hold the information requested, and secondly to provide a copy of that information unless one of the exemptions under the Act applies.

I confirm that Ofqual holds information of the type you have requested and your request, with Ofqual's response indented underneath is included below. A number of pieces of information that fall under your request are available online. Because the information is reasonably accessible to you and already in the public domain it is exempt from disclosure under Section 21 of the Act. Links to the information are provided where appropriate.

1. *On page 4 of your annual report 2012-13 you highlight that you have inherited "some poorly designed qualifications [and] market distortions". Can you provide a list of specific qualifications which you know to be poorly designed and the market distortions that your regulatory framework has been designed to mitigate? Can you also explain your work to assess the impact these qualifications and distortions are having on the system and your plan of action to address these specific failures in line with your statutory objectives in relation to standards, assessment, confidence, awareness and efficiency?*

This question is answered together with question 2 below.

2. *On page 7 of your annual report you note that you “are continuing to develop our regulatory arrangements to make a reality of our risk-based approach to regulation”. Please can you describe your regulatory framework for risk-based regulation, in particular how you identify, assess, monitor, control and evaluate risks in the system and how you learn from, and adapt, your approach to reduce future risks? Please can also you demonstrate how your approach follows best practice, for example better regulation principles such as the Hampton principles?*

The main way Ofqual regulates is by setting the standards and rules that awarding organisations need to meet when they design, deliver and award regulated qualifications. When we decide whether to recognise organisations we judge their applications against the General Conditions of Recognition which can be viewed at <http://ofqual.gov.uk/how-we-regulate/regulatory-documents/> . Once recognised, each awarding organisation is subject to these Conditions.

Ofqual is a risk-based regulator and resources are concentrated where they are most needed. The framework we use to assess risk and plan our monitoring activities is in line with the Hampton principles of good regulation and is as follows:

- **An annual Statement of Compliance process** - This requires all recognised Awarding Organisations to confirm their compliance with the Conditions of Recognition every year. When an organisation declares that they are not compliant with a condition we ask them to tell us how they are addressing the non-compliance, and when they expect to become fully compliant. Every recognised Awarding Organisation has to return their annual statement by an agreed deadline, which this year was 17th May.
- **Entity risk profiles** - the annual statement is used together with other information we hold about every recognised Awarding Organisation to formulate an evidence based risk profile for each body that we regulate. These risk profiles are produced twice a year.
- **Annual monitoring programmes and Thematic Reviews** - The risk profiles are used to inform the annual risk based Monitoring plan and our annual programme of Thematic Reviews. The Monitoring and Thematic Review programmes are led by the Compliance and Monitoring team. These programmes can identify areas for improvement, either in individual Awarding Organisations or more widely across the

sector (see systemic risk below). The action taken as a result of identifying areas for improvement will depend on the severity of the issue. Action can range from agreeing action plans or undertakings up to formal enforcement action such as a Direction, a fine or withdrawal of recognition. The 'Taking Regulatory Action' policy is available on the website, as are details of the regulatory action we have taken

<http://www2.ofqual.gov.uk/files/2012-03-05-taking-regulatory-action-version-2.pdf?Itemid=142> and

<http://ofqual.gov.uk/regulatory-actions/> .

- **Identifying Systemic risk** - Additionally, the range of data we hold is used to identify systemic risks that are wider issues that apply across the sector.

You have asked specifically about poorly designed qualifications and market distortions. The framework described above picks up issues related to the standard of qualifications. This year's annual Statement of Compliance process asked Awarding Organisations to provide specific comment on how they assure their governing bodies that qualifications are of the right standard. Additionally, our annual programmes of Thematic Reviews and Monitoring activity both have a focus on standards related issues. We do not hold a list of specific qualifications that are poorly designed.

We recognise that in this market place purchasing decisions are often made by those with no or limited financial responsibilities for the cost of the products and services they are purchasing which may weaken the incentive on awarding organisation to operate efficiently. We are about to complete a large survey of schools and colleges purchasing behaviours to better understand how they are controlling the cost of exam expenditure and whether there is more we can specifically require of AOs.

We also recognise that there can be risk to standards from the other activities that exam boards undertake in this market place. We have recently undertaken a comprehensive review of the business separation measures that Pearson has in place between its awarding and publishing activities. The outcome of this work is available to view at <http://ofqual.gov.uk/news/ofqual-publishes-report-on-pearson-education/> . We will be publishing a consultation next month on our proposals to regulate exam board endorsement of textbooks and other resources with the objectives of protecting exam standards and driving up the quality of these resources.

3. *On page 8 of your annual report, you state that Ofqual's "main measure of confidence is our annual survey of perceptions of A levels". A key part of public confidence is confidence in the regulator and its effectiveness. Please can you explain how you have sought feedback from stakeholders on their confidence in Ofqual as an organisation and their beliefs on your effectiveness and publicly provide the results of this feedback.*

Detail of the annual perceptions surveys can be found on our website at <http://ofqual.gov.uk/standards/statistics/perceptions/>. This includes reports and spread sheets of the results from the survey dating back to 2003. The survey includes questions on the recognition and perceived effectiveness of Ofqual as well as a range of questions about the trust in examinations information. Historically we have sought the views of teachers, parents, students and the general public and in 2012 we also asked employers and HEI recognising them as key users of qualifications. As will be obvious from a review of the reports, this is a quantitative survey and focuses on school-based qualifications rather than work-place based vocational qualifications.

Ofqual also engages regularly with groups of stakeholders, such as awarding organisations and teacher unions, where we continue to monitor confidence in Ofqual. We have plans to do more sectoral stakeholder engagement in the very near future.

4. *Please can you set out your programme of work over the next two years to meet your efficiency objective as mentioned on pages 9 – 10 of your annual report.*

We do not view our efficiency objective in isolation from our other objectives. Our strategic objectives state that we aim:

- to secure (and where necessary reset) the standards of qualifications and assessments, and promote confidence in them
- to secure a healthy, robust and efficient qualifications system

Our most recent focus of our markets work was set out in an exchange of letters with Ministers in November 2011 setting out a series of shorter term projects in particular around:-

- Conflicts of interest

- The role of market forces
- Market distortions

The exchange of letters can be viewed at <http://www2.ofqual.gov.uk/downloads/category/132-correspondence?download=1324%3Aletter-to-dfe-and-bis-regarding-healthy-markets-nov-2011> and <http://www2.ofqual.gov.uk/downloads/category/132-correspondence?download=1325%3Aletter-from-dfe-and-bis-regarding-healthy-markets-nov-2011>

In August 2013 we published our findings on Pearsons' business separation measures to manage the conflict of interest between its awarding and publishing activities. We are due to consult on proposals to regulate endorsement by awarding organisations of resources to support delivery of its qualifications to promote sufficient choice in these resources and to drive up the quality of resources offered in September 2013.

We are working proactively with awarding organisations to manage the totality of qualifications in the market. Our work on understanding distortions in the market and the systems and processes for employer engagement in the qualification system is informing our monitoring and compliance activity as well as how we can develop our regulatory approach to meet the challenges of the significant reform agenda. We have expanded our annual market report (to be published in early September 2013) to include more segmented market information including qualifications bought by schools and also the Further Education and skills sectors. We have included information on the comparative prices of key vocational qualifications.

Going forward our markets work is necessarily focused on supporting the reform of GCSEs, AS and A levels in England as well as changes to vocational qualifications as a result of a number of Government initiatives in the further education and skills sector. Specifically we will be:

- undertaking regulatory impact assessments to support decisions on our regulatory requirements for reformed GCSEs and A levels;
- working with awarding organisations to identify the cost drivers for new GCSEs, AS and A levels qualifications and future expected profitability of these qualifications to:
 - Understand and manage the markets risks and risk to our efficiency objective of the reforms

- Collect and monitor cost information as these qualifications start to be delivered in schools to assess the value for money of these qualifications
- We also intend to determine underlying cost drivers for key vocational qualifications and report on the extent to which they represent value for money.
- If desirable, we will seek additional statutory powers and resources to enable us to regulate for the cost of both general and vocational qualifications.

5. *On page 10 of your annual report, you highlight that between 2012-13 and 2014-15 Ofqual's budget will fall from £17.1m to £15.7m. You also highlight that you will increase the number of staff to around 200 by the end of 2013 – 14. Can you explain how you will achieve the 8.2% cost reduction alongside the increase in staff and confirm where pay reductions are necessary, these will be across the board including at chief executive, director and senior management level. If these cost reductions are not achieved through salary reductions, what other specific actions will be taken to reduce costs by £1.4m and how will this impact the delivery of your statutory objectives?*

Our funding for the years 2010-15, set in the 2010 Comprehensive Spending Review, reflected our projected changing spend profile over this period. We were established as an independent regulator in 2010 and incurred numerous start-up costs in our early years. As start-up costs declined and our cost profile has changed, resources have been switched to staff costs. This has enabled us to increase staff numbers despite the decrease in CSR funding. We are increasing staff numbers to help us deliver our statutory objectives; no pay reductions are necessary to achieve this.

6. *Table 5 and the explanatory text on page 15 of your annual report highlights that during 2012-13, 26 temporary staff were paid £2.532m (almost a fivefold increase from 2011-12). This equates to an average employment package of £97,380 p.a. per temporary person. Please can you explain:*

- *why it was necessary to pay such high packages to these temporary staff (given table 5 illustrates they were not consultants)*
- *what their jobs were*
- *what skills were required for these jobs*
- *what skills, qualifications and experience these 26 people brought*

- *how they were recruited (including the competitive tendering process undertaken)*
- *what output they produced*
- *how their effectiveness was assessed*
- *how much money was paid to recruitment agencies during the process*
- *the accountability mechanism for this spending on temporary staff*
- *who each temporary staff member directly reported to*

Please can you also confirm the package for the highest paid member of temporary staff at Ofqual during 2012-13 on an anonymised basis (given their salary was comparable, if not in excess of, that paid to the Chief Executive), and their skills, output and accountability.

We employ temporary staff for one of three reasons: either to cover maternity leave or absence due to long-term illness; to cover the period from when a role needs to be filled and a permanent member of staff being recruited; and to provide either additional short term capacity or skills for which we do not have a long-term need. As you note, these roles were not consultants rather we employed people to do specific jobs for varying periods of time across the organisation. The majority of temporary staff covered senior roles prior to staff being recruited and the cost you quote is in line with the total employment cost of equivalent civil service staff when employers' national insurance and employers' pension contributions are considered. (These on-costs are around 34% of salary cost).

Temporary staff were recruited in accordance with our recruitment policy, a copy of which is attached, and in line with civil service principles. Applicants needed to demonstrate they had the knowledge, skill and experience to be able to make an immediate contribution in the role for which they applied. Where they were recruited through an agency, the agency was selected in accordance with our procurement policy, details of which are available to view at <http://ofqual.gov.uk/help-and-advice/procurement/> and spending on temporary staff was controlled in accordance with our financial procedures. Agency costs for temporary staff totalled £58,960. Temporary members of staff reported to nominated line managers; many were appointed to senior roles and these often reported directly to directors. They were all appointed to enable us to deliver our objectives and their effectiveness was assessed by the extent we made progress in doing so. The 2012/13 Annual Report and Accounts reports on our activity in the year.

The highest paid temporary member of staff in 2012-13 was the person recruited to the cover role of Regulation Operating Officer until a permanent member of staff was recruited and was able to start. The total cost was £145,800. This does not equate to salary as it includes the on-costs of employer's pension and national insurance contributions. The equivalent salary before these on-costs is around £108,000 which is within the senior civil service pay band 1 which is the role's level.

7. *On page 18 of the annual report, you highlight that 6.1% of staff at Ofqual are disabled. Please can you confirm that Ofqual's office is fully accessible for disabled people, in particular that all rooms where meetings are held (including the Chief Executive's office and board room), open plan areas, facilities and fire escapes are accessible by wheelchair users and suitable provisions have been made for individuals with other disabilities including for example blind and deaf employees and external visitors. Please also confirm that Ofqual's health and safety policy documents set out appropriate processes for evacuation of all employees and visitors (non-disabled and disabled) in the event this is necessary.*

Ofqual's offices are compliant with the Disability Discrimination Act 1995. All areas including those specified in your request are accessible by wheelchair users and appropriate provisions are made for individuals with other disabilities, for example the use of a hearing loop. Ofqual confirms that its Health and Safety policy documents set out appropriate processes for the evacuation of all employees and visitors both disabled and able bodied.

8. *On page 56 of your annual report, the net expenditure of the policy and engagement and risk and markets segments during 2012 – 13 was £2.862m. Please can you explain the key deliverables and outcomes achieved by these two segments and their contribution to Ofqual's effectiveness in achieving its statutory objectives.*

Key deliverables from the Risk and Markets and Policy and Engagement directorates are set out below:-

Risk and Markets

Provision of information to Ofqual and external parties including Official Statistics, publications and the Annual Market Report.

Support other teams within Ofqual through the collection, analysis and presentation of data from awarding organisations and other

sources such as the Skills Funding Agency Individual Learner Record and the DfE National Pupil Database. For example support to Ofqual's investigation into the awarding of GCSE English in 2012 and examples can be seen in the report of the investigation that can be viewed at <http://ofqual.gov.uk/news/poor-design-gcse-english-exam-grade-variations/> .

One of Ofqual's Statutory Objectives is to secure that regulated qualifications are provided efficiently. The markets team leads Ofqual's analysis of the qualifications market and identifies where regulatory action may be required. Examples of work that has been published include the textbook action plan <http://ofqual.gov.uk/news/review-into-exam-textbooks-published/> and the subsequent investigation into publishing firewalls at Pearson <http://ofqual.gov.uk/news/ofqual-publishes-report-on-pearson-education/> .

We are also conducting an analysis of the 'demand side' which is looking into the buying practices of schools and colleges. The objective of this work is to identify how these practices could be improved which should lead to greater efficiencies in the system. We will be reporting on this work later in the year.

Over the last 12 months we have started to develop an approach to identifying and managing systemic risks including the use of systems analysis and causal loop diagrams. Whilst Ofqual's regulatory powers relate mainly to awarding organisations and their qualifications, risks to the qualifications system can arise from other parties. This work is informing the allocation of Ofqual's resources and recognises where Ofqual needs to influence change beyond its direct regulatory remit, for example we have worked with DfE to consider the impact of school accountability measures on the way in which qualifications perform. <http://ofqual.gov.uk/news/our-response-to-the-secondary-school-accountability-consultation/>

Policy and Engagement

Policy, communications and engagement teams at Ofqual work in support of Ofqual's statutory objectives. In particular those that focus on public confidence in, and awareness of, regulated qualifications. They are:-

The public confidence objective: to promote public confidence in regulated qualifications and regulated assessment arrangements.

The awareness objective: to promote awareness and understanding of the range of regulated qualifications available, the benefits of regulated qualifications to learners, employers and institutions within the higher education sector, and the benefits of recognition under section 132 of the ASCL Act to bodies awarding or authenticating qualifications.

Our teams do this in a number of ways:-

Policy – our staff work with Ministers and officials at DfE and BIS on policy issues affecting qualifications and to co-ordinate Parliamentary Questions and Select Committee appearances that cover the work of Ofqual and the examinations and qualifications system. This work is vital at a time of reform and change within the education system.

Communications – we have a small team working on national and regional media liaison and other staff who produce our publications and web site (in particular to make them more accessible to more people). These are important contributions to our work to increase public awareness and confidence.

Engagement – in the past year we have increased our engagement with those who have a stake in the examinations and qualifications system, including teacher and head teacher organisations, employers, higher education, students and parents. The directorate organises a range of formal – and less formal – events to engage with these groups. This work has led to a greater understanding of Ofqual's role and responsibilities as well as enabling our work to be informed by those it impacts upon.

9. *On page 58 of your annual report, you highlight that temporary staff in 2012 – 13 were employed to “assist with the implementation of organisational change”. The results of Ofqual's civil service staff survey for 2012 (available at <http://www.civilservice.gov.uk/about/improving/employee-engagement-in-the-civil-service/people-survey-2012>) show that only 13% of Ofqual employees believed that change was managed well (question B45) and only 26% believed changes were made for the better (question B46). As highlighted in question 6 above, each of these temporary staff was paid on average £97,380 p.a. Please explain why such high remuneration packages were justifiable given the staff survey showed such a poorly handled change process. Please can you explain where this went so wrong and the lessons learnt from this exercise.*

Ofqual does not agree with your presumption that the 2012 staff survey provides a reliable measure of how well the organisational change process that took place in 2012 was handled. The organisational change has significantly strengthened Ofqual's ability to meet its objectives. At the time the survey was completed, a number of staff did not understand or accept the challenges facing Ofqual and the need for change; the picture painted by the survey is not one that would be recognised now. To assist with continuous improvement the 2012 change programme has been reviewed to establish whether there were lessons that could be learnt from it. The temporary staff engaged to support this project were paid at the market rate.

10. *Table 7.4 on page 60 of your annual report highlights that Ofqual paid £347k to allow 16 people to take voluntary redundancy, at a time when Ofqual was (and still is) clearly under-resourced given the plans for expansion of the workforce. Please can you explain with reference to their skills, qualifications, experience and length of service, why none of these people were suitable for any roles within the organisation. The £347k redundancy package would have paid for a considerable amount of retraining and could potentially have saved the costs of 16 of Ofqual's temporary staff (the output and effectiveness of which, as highlighted in question 9 above, appears to be minimal). This redeployment would have equated to a saving to Ofqual of roughly £1m (even taking into account salary costs), which would have significantly helped the organisation to reduce taxpayer spend. Please can you explain how this was allowed to happen at a time of financial austerity.*

Requests for voluntary redundancy were assessed against criteria including whether the people seeking to leave had key knowledge and skills required by the organisation. If they did, requests were not accepted. It should be noted that not all requests for voluntary redundancy were accepted.

An objective of the organisational change programme was to increase the capability of the organisation. If training could have provided the staff who left under the voluntary redundancy programme with the knowledge and skills needed within a reasonable time to enable them to perform at the level required, and if the individuals concerned had the will to learn, they may not have asked to leave and/or Ofqual may not have approved their request.

The value for money of the voluntary redundancy scheme was considered and authorised by the Cabinet Office before being

offered and was implemented in accordance with the current controls in place to ensure public spending is properly managed. The expenditure incurred was audited by the National Audit Office as part of their annual programme of work.

11. *Ofqual's Corporate Plan 2012 – 15 sets out your priorities and plans over the coming years. Please can you explain your progress in relation to the following priorities and plans:*

Implementing changes arising from your QCF review (page 9)

Ofqual's corporate plan 2012-15 set out priorities for a three year period. Our work over the preceding year has been focused on understanding of the scope and full range of issues we want to pursue in relation to the QCF. We now plan to review this issue in detail. We set out in our most recent corporate plan (2013-16 – available to view at <http://ofqual.gov.uk/files/2013-08-09-corporate-plan-2013-16.pdf>) our plans to "review fundamentally the Qualifications and Credit Framework" in 2013-14. We will implement any necessary changes following this review.

Reviewing promotional material from awarding organisations (page 10)

Two pieces of work have been completed in this area, both of which have been published on our website.

- Changes to exam board seminar events. We are tightening controls, with new conditions coming into effect in September. This will be followed by monitoring in this area over the coming months. Details are available at <http://ofqual.gov.uk/news/changes-to-exam-board-seminar-events/>
- A self-investigation has been conducted by Pearson on their management of conflicts of interest. We published a report on the findings earlier this month which can be viewed at <http://ofqual.gov.uk/news/ofqual-publishes-report-on-pearson-education/>

Reviewing pricing structures (page 10)

Reviews of pricing structures are undertaken in a number of contexts that reflect the range of Ofqual's activities. The following are examples of our work:-

- We review the pricing structures for GCSEs and GCE A levels on an on-going basis and each year we publish our analysis in our Annual Qualifications Market Report. The 2012 edition of the report can be found here:
<http://www2.ofqual.gov.uk/downloads/category/99-market-reports?download=1401%3Aannual-qualifications-market-report-2012>
- The next edition of the Annual Qualifications Market Report will be published in September 2013. This latest edition of the report extends our analysis of pricing structures to include information on qualifications other than GCSEs and GCE A levels. Specifically, we will report on the prices charged by awarding organisations for the 20 non-GCSE/A level qualifications with the most achievements taken in schools, and the prices for the qualifications to be included in school performance tables from 2014.
- In June and July 2013, we conducted a survey of schools and colleges in England and Northern Ireland (534 interviews were completed). The purpose of the survey was to collect information on how centres make purchasing decisions and how they record and monitor their expenditure on qualifications. The interviews included questions on the importance of price in purchasing decisions and the transparency of the pricing information that awarding organisations make available to centres. A report on the findings of the survey is currently being prepared. The findings of the survey will, inter alia, form the basis for further analysis of pricing structures, including aspects of pricing such as charges for late fees, enquiries about results and the packaging of qualifications with other products and services. The findings of the survey will also inform our work to monitor awarding organisations' compliance with Section F of our General Conditions of Recognition, which can be found here:
<http://ofqual.gov.uk/files/2012-11-20-general-conditions-of-recognition-november-2012.pdf>
- As part of the work we are doing to quantify and analyse examination expenditure in schools and colleges, we have undertaken an analysis of expenditure on late fees and enquiries about results including trends in expenditure over time. We also review pricing structures in connection with other qualification market issues, for example when

undertaking technical reviews of applications for recognition and when investigating stakeholder concerns and complaints.

Working to improve incentives in the market (page 10)

We are undertaking a wide range of work to identify the incentives that drive behaviour in the qualifications market and the extent to which these incentives produce good outcomes. Where necessary, we are introducing controls that are designed to change the behaviour of market participants. Our work includes:

- Research on textbooks and publishing. Our publications can be found here: <http://www.ofqual.gov.uk/files/2012-11-07-textbooks-risks-and-opportunities-action-plan.pdf> and here: <http://ofqual.gov.uk/files/2013-08-14-conclusion-on-pearson-business-separation-measures-v2.pdf>
- Controls on teacher seminars run by exam boards. Information can be found here: <http://ofqual.gov.uk/news/changes-to-exam-board-seminar-events/>
- A demand-side survey of schools and colleges (referred to above). This survey included a range of questions designed to identify how purchasing decisions in schools and colleges are made and the incentives for staff to monitor and control their expenditure on examinations. The findings of this survey will help to identify incentives that lead to inefficient purchasing decisions.
- A study of awarding organisations' connected activities. Under Section 149 of the Apprenticeships, Skills, Children and Learning Act 2009, Ofqual may keep under review the connected activities of recognised awarding organisations. Connected activities will influence market behaviours and may incentivise behaviours that present risks to Ofqual's statutory objectives. We are using the findings of the study to develop our approach to managing the risks associated with connected activities.

Reviewing the way you regulate (page 11)

The response to your question 2 above also covers this question.

Developing the register of qualifications (page 11)

The development of the register is on-going, and is a longer term piece of work that currently does not have a fixed end date. Areas that are being explored include:

- Considering options for how we can make the Register user friendly and easier to search
- Making sure we have the correct information about qualifications
- Making sure we share appropriate information required by DfE, BIS, SFA, UCAS, etc
- Making sure we share the appropriate information required by the public, including schools, teachers, parents, candidates and employers
- Considering how best we should provide information
- Reviewing what information we receive from external stakeholders

Identifying and mitigating systemic risks (page 11)

The response to your question 8 above also covers this question.

Tracking the burden of Ofqual's requirements (page 12)

For new and revised requirements we undertake a consultation with relevant stakeholders to understand the impact that our requirements have on them.

We have also developed a methodology for undertaking regulatory impact assessments to understand and document the costs and benefits associated with regulatory interventions or changes to our regulatory requirements. We carry out an impact assessment where an intervention or change is likely to be significant, and there are different levels of impact assessment that we can undertake depending on the scale of changes.

To date we have carried out a full impact assessment on A level reform (<http://www.ofqual.gov.uk/files/2012-11-08-equality-analysis-of-the-a-level-reform-consultation.pdf>) and are in the process of undertaking an impact assessment on GCSE reform.

Building capacity in operational regulation (page 12)

We have recruited to posts at all levels across the Regulation Directorate over the past 12 months. The recruitment has built capacity and capability in all aspects of regulatory activity. The organisation chart provided in response to your question 13 below includes detail of the Regulation Directorate.

Getting the best out of your staff through good management support and training (page 12) Making sure your capacity and capability best match what is needed (page 12) [NOTE: these two questions responded to together]

Development needs are identified through the Corporate and Business Plan, through the Civil Service Competency framework and through individual performance reviews. Development is undertaken in line with Civil Service Learning.

12. *Please can you provide impact assessments for all significant new regulations Ofqual has implemented or significantly changed over the last year. In particular, please can you provide the impact assessments for Ofqual's policy to ban awarding organisation seminars for schools and for Ofqual's policy to subsequently reinstate these seminars for schools, and explain the change in circumstances and new evidence available which led to the reversal of this decision.*

Ofqual takes full account of the impact of changes to its regulatory requirements in advance of making its decisions. Where the circumstances of the particular case warrant it, Ofqual will conduct a full Equality Impact Assessment and/or a Regulatory Impact Assessment. The only full Regulatory Impact Assessment during the period in question relates to A Level reform and can be viewed at <http://www.ofqual.gov.uk/files/2012-11-07-impact-assessment-of-a-level-reforms.pdf> . The equality analysis of Ofqual's A level reform consultation can be viewed at <http://www.ofqual.gov.uk/files/2012-11-08-equality-analysis-of-the-a-level-reform-consultation.pdf> . Other equality analysis carried out by Ofqual can be viewed at <http://www2.ofqual.gov.uk/downloads/category/149-equality-analyses> .

The material that we published about our decisions over exam board seminars set out the ways in which we gauged and took into account impact. We conducted both an initial call for

evidence and a subsequent formal consultation on our regulatory requirements. All of the information relating to our decision can be found at <http://ofqual.gov.uk/news/changes-to-exam-board-seminar-events/> and <http://www2.ofqual.gov.uk/news-and-announcements/83-news-and-announcements-news/885-changes-to-seminars> .

13. *Please can you provide an up-to-date organisation chart showing all jobs within Ofqual, those occupied by permanent staff, those occupied by temporary staff and all vacancies. Please can you indicate on the organisation chart the job title, job role, skill requirements and grade of each position.*

A copy of the up to date organisation chart is attached. Ofqual does not hold an organisation chart showing all of the detail you have requested. While Ofqual holds the information you have requested this is retained in separate locations and Ofqual would need to compile the information in the form you have requested. However the Act does not oblige public authorities to create new information to respond to requests. If Ofqual were to undertake this task it is likely that this would push the whole of the request outside of the cost of compliance limit. Cost of compliance is dealt with at Section 12 of the Act which makes provision for public authorities to refuse requests for information where the cost of dealing with them would exceed the appropriate limit, which for public bodies is set at £450. This represents the estimated cost of one person spending 18 hours in determining whether the department holds the information, locating, retrieving and extracting the information.

14. *Please can you confirm the date of Ofqual's last skills audit, provide a summary of the key skills currently missing from the organisation, explain which roles these missing skills relate to and your plan of action to tackle these skill shortages.*

An organisational wide skills audit was last conducted in February 2011. The survey questions were not intended to identify specific skills gaps but to identify and record a range of skills sets and areas of expertise that could be utilised to assist with specific projects or work streams that might arise in the future. The results were not analysed to identify skills shortages.

15. *Please can you provide details of Ofqual's approach to assessing its managers' skills in people management. In particular can you confirm the training in people management managers are offered and take-up. Can you also confirm whether Ofqual uses the best practice approach of 360 degree appraisals to enable managers to seek feedback on their people management skills from a representative selection of employees at all grades within the organisation.*

Manager's skills are assessed on an individual basis through the Ofqual Performance Management process. Performance objectives are set based upon individual, organisational and role priorities and any related development needs are recorded and planned for. The Civil Service Competency Framework is used to identify behavioural development needs. Further individual development is identified during regular 1 to 1 meetings at which progress and performance is discussed.

The Civil Service Learning portal enables access to the full range of available civil service management development opportunities and programmes.

16. *Please can you explain the organisation's understanding of the reasons for the extremely adverse performance of Ofqual in the 2012 civil service staff survey in comparison with the civil service benchmark (of the 71 questions in the survey, Ofqual performed below the civil service benchmark on 65 questions, <http://www.civilservice.gov.uk/about/improving/employee-engagement-in-the-civil-service/people-survey-2012>). Can you explain what lessons are being learnt and what plans of action are in place to remedy the problems identified in the survey responses. Given the apparent low morale of the workforce, what impact is this having on Ofqual's ability to meet its statutory requirements?*

As noted in response to question 9 above, the staff survey took place at a time when the organisational changes were having the greatest impact on staff and Ofqual considered that the picture painted was neither surprising nor accurate. Some of the problems suggested in the survey results can be attributed to the wording of the questions in the survey itself, for example some questions were not neutral in the way they were asked and presumed and potentially exaggerated issues (e.g. paraphrasing: 'on a scale of 1-10 how dissatisfied are you?').

As noted in response to question 10 above, the purpose of the organisational changes was to increase our capability. Our

revised structure has and is enabling us to address some long-standing issues resulting in improved individual and collective performance. The civil service survey while flagging issues does not provide information on the cause or nature of those issues and following receipt of the survey we held meetings with staff to explore issues and we have been working to address issues reflected in the survey results. Our 2012-15 Corporate Plan published last year included the objective to develop our capability and performance and actions taken and being taken include developing behaviours and the processes to assist these.

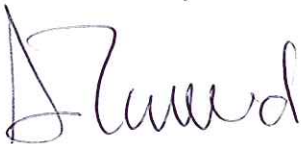
If you are unhappy with the way in which your request has been handled you have the right to request an internal review. You can request an internal review by contacting:-

Alison Townsend
Board Secretariat Manager
Ofqual
Spring Place
Coventry Business Park
Herald Avenue
Coventry, CV5 6UB
(alison.townsend@ofqual.gov.uk).

If you are dissatisfied with the outcome of the internal review, you can apply to the Information Commissioner. Complaints to the Information Commissioner should be sent to:-

FOI/EIR Complaints Resolution
Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF

Yours sincerely



Alison Townsend
Board Secretariat Manager
Direct line 024 7671 6726

Att:- (1) Ofqual Recruitment Policy – Q6
(2) Organisation chart – Q13