



# **Audit Report**

**Scottish Bakers**

**23 January 2014**

## Note

Restricted or commercially sensitive information gathered during SQA Accreditation's quality assurance activities is treated in the strictest confidence. However, please note the following:

- ◆ The findings of this report and the associated Action Plan will be presented to SQA's Accreditation Committee.
- ◆ The report and Action Plan will be published on SQA Accreditation's website following receipt of the signed acceptance of audit findings.
- ◆ The contents will contribute towards the Quality Enhancement Rating which will, in turn, contribute towards the quality assurance activity and timescales.

Please note that SQA Accreditation's quality assurance activities are conducted on a sampling basis. Consequently, not all aspects of an awarding body's performance in quality assurance, contract compliance, implementation, awarding of certificates and fee arrangements (not an exhaustive list) may have been considered in this report to the same depth.

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## Executive summary

This was the eleventh audit of Scottish Bakers since it was approved as an awarding body by SQA Accreditation in June 1992.

### 1.1 Scope and approach

The audit was designed to review and evaluate Scottish Bakers' strategies, policies and procedures to ensure compliance under **SQA Accreditation's *Regulatory Principles (2011)*, Regulatory Principles Directives, the requirements of the clauses within and any conditions attached to the approved awarding body agreement and the Criteria for Accredited Qualifications.**

As this was a full audit of Scottish Bakers, all Principles were included within the scope of the audit.

A Requirement has been raised where SQA Accreditation found evidence that the awarding body has not met SQA Accreditation's regulatory requirements.

The following timescales apply:

- ◆ SQA Accreditation will issue this report within 30 working days of the audit date.
- ◆ The awarding body must sign and return the audit report and associated Action Plan within 30 working days of the audit report being issued.
- ◆ Within a further 20 working days of receiving the proposed action plan, SQA Accreditation will confirm whether the Action Plan is appropriate to address the Requirements. This will be subject to the actions proving appropriate to the issues raised.
- ◆ SQA Accreditation will monitor progress towards completion of the actions identified in the Action Plan.

A Recommendation may be recorded in instances where SQA Accreditation considers there to be scope for improvement. Where these are agreed during the audit, they are recorded on the report for future reference. As Recommendations are recorded for awarding body consideration only, it is not necessary to agree either actions or timescales to resolve these in the awarding body Action Plan.

## 1.2 Awarding body audit report timeline

Scottish Bakers audit date	23 January 2014
SQA Accreditation audit report date	26 February 2014
Date audit report and Action Plan to be signed and submitted by Scottish Bakers	9 April 2014

## 1.3 Background

Through the provision of advice, information, assistance and skills development, Scottish Bakers represents and promotes the bakery sector in Scotland.

Scottish Bakers is recognised by Investors in People (IiP) and has achieved the Matrix quality standard for information, advice and guidance services.

Scottish Bakers' headquarters are situated in Halbeath, Dunfermline.

The audit team was provided with full access to the awarding body's premises, staff and documentation.

## 1.4 Overview

As a result of the audit and post-audit activities, four Requirements have been raised and two Recommendations have been recorded.

The four Requirements form the basis of the Scottish Bakers Action Plan. This must be completed and submitted to SQA Accreditation for agreement within 30 working days of the audit report being issued. The Action Plan must be submitted by 9 April 2014.

Outcome(s)	Area(s) of concern	Risk rating
Requirement 1	Principle 1	High
Requirement 2	Principle 1 Regulatory Principles Directive RPDIR – 2 Data Submissions	High
Requirement 3	Principle 3	High
Requirement 4	Principle 5	High
Recommendation 1	Principles 1 and 6	N/A
Recommendation 2	Principle 18	N/A

## 2 Audit findings

The following sections detail Requirements raised and Recommendations recorded against SQA Accreditation's *Regulatory Principles (2011)*, Regulatory Principles Directives, the requirements of the clauses within and any conditions attached to the Approved Awarding Body agreement and the Criteria for Accredited Qualifications.

### 2.1 Requirements

**Principle 1. The awarding body must deal with SQA Accreditation in an open and co-operative way, and disclose anything which SQA Accreditation would reasonably expect to be made aware.**

During the pre-audit review of awarding body documentation held in Quickr, the audit team was unable to see sufficiently clear evidence of business contingency or continuity planning by the organisation in respect of its awarding function.

The audit team was able to review a document entitled *Policy and Procedure for Managing Staff Absence within the Awarding Body, March 2013*, which outlined the steps to be taken should the Centre Contact, an External Verifier, or a member of the Administration/ Finance team be absent. However, it was clear from the tenor of this document that it was principally designed with short-term absence due to illness, holiday or vacancies in mind. The reference to the 'Centre Contact for Scottish Bakers (SAMB)' also suggested that the focus extended to cover the organisation's approved centre/training activities and not just its awarding function.

It is the Lead Auditor's contention that this lack of clarity and definition could potentially have had negative repercussions for the awarding body in terms of any ongoing communication and dealings with the qualification regulator.

For example, it was noted that Scottish Bakers lost the services of its Training & Quality Manager for much of 2013 through illness. Consequently, the organisation was unable to respond in a timely manner to requests to update the full range of documentation held on Quickr with respect to *SQA Accreditation's Regulatory Principles (2011)*. A number of deadlines were missed and no immediate responses were forthcoming from the awarding body as to why this was the case. This could have resulted in a possible sanction being raised.

SQA Accreditation was not made aware of the situation and therefore not fully apprised of any contingencies put in place by Scottish Bakers that may have mitigated the issue arising.

Information that the awarding body's Training & Quality Manager was not available to carry out the requested task and was unlikely to be unavailable for some time, was brought to the attention of the relevant Regulation Manager through an alternative source within SQA.

Clarification of the situation was sought with the awarding body and an offer made to provide assistance in completing the required actions in respect of Quickr. This was not taken up by the awarding body.

The matter was discussed during the audit itself it was stated that a decision had been taken within the awarding body that all potential queries or issues, that would normally have been managed by the Training & Quality Manager, should be available to Scottish Bakers' Chief Executive for consideration and action. The latter monitoring all relevant correspondence on a regular basis for this purpose. Such an action would have been consistent with that proposed for the 'Centre Contact for Scottish Bakers (SAMB)' referenced within the *Policy and Procedure for Managing Staff Absence within the Awarding Body, March 2013*.

However, this mitigating action was not communicated to the Regulation Manager when contact was first made with the awarding body over the matter by telephone. Equally, there was no subsequent feedback received in response to a follow up email communication that was copied to the Training & Quality Manager's email address as a record and given the steps described, technically available to the Chief Executive if the mitigating actions had been working effectively.

The evidence available indicates that Scottish Bakers does not meet the requirements of Principle 1. This has been raised as **Requirement 1**.

**Principle 1. The awarding body must deal with SQA Accreditation in an open and co-operative way, and disclose anything which SQA Accreditation would reasonably expect to be made aware.**

And

#### **Regulatory Principle Directives RPDIR – 2 Data Submissions**

Discussions and evidence presented by colleagues from SQA Accreditation's Research and Information Section indicated that Scottish Bakers has not been providing accurate quarterly registration and certification data.

The awarding body has a recurrent issue of including statistics on qualifications which are accredited through SQA Awarding Body and Improve. For example the most recent quarterly return (Quarter 3, 1 October – 31 December) included the following qualifications which the organisation delivers only as an approved centre of SQA Awarding Body:

*SVQ 2 in Food and Drink Operations (Production and Processing Skills) at SCQF Level 5 (GG4Y 22)*

And

*SVQ 2 in Food Manufacture: Production Control Skills at SCQF level 5 (G8RR 22)*

Discussions during the audit itself seemed to suggest that there may not be a consistent understanding of the different mechanisms for reporting qualification uptake to SQA, relative to the different operational functions, throughout Scottish Bakers' personnel.

For example, the awarding body has only currently one approved centre, in effect itself, delivering the relevant accredited Scottish Vocational Qualifications (SVQs). Therefore, setting aside the issue of the inclusion of the erroneous qualifications mentioned above, it is relatively straight forward to provide statistical information from its own database for the purposes of quarterly returns.

However, as late as 2012 the awarding body had a number of external organisations approved as centres to deliver SVQs and the Training & Quality Manager indicated that it may have been the case that the awarding body did not include information on candidate registrations and certifications within the relevant quarterly returns as the organisation did not realise that this was necessary. The audit team noted their concerns over the possibility that such data has not been submitted and advised that it may be in the organisation's best interests to determine if the Training & Quality Manager's suspicions are indeed correct.

It was also noted across recent quarterly returns that have not provided statistical information in respect of a number of accredited qualifications. This is contravention with SQA Accreditation's *Regulatory Principles Directive RPDIR – 2 Data Submissions* which states that awarding bodies must ensure that data is submitted for all accredited qualifications which are considered to be 'live'. Live qualifications are considered to be those for which candidates can still be certificated and as such have not yet passed their accreditation end date. This includes qualifications in their lapsing period.

Likewise, awarding bodies must ensure that they do not omit live qualifications as a consequence of no uptake. Nil returns are a requirement.

The evidence available indicates that Scottish Bakers does not meet the requirements of Principle 1 and Regulatory Principles Directive RPDIR - 2. This has been raised as **Requirement 2**.

**Principle 3. The awarding body must ensure that they employ robust processes to protect their own business interests as well as the interests of their approved centres and learners.**

A review of the awarding body's policies, procedures and associated guidance documentation held on Quickr would suggest that there is insufficient clarity around the respective awarding and approved centre/training functions.

The audit team was presented with a range of documentation that solely related to the organisation's role as an approved centre for SQA Awarding Body. For example, a number of Qualification Verification Reports relevant to the Food Manufacturing SVQs, Workplace Core Skills, as well as a Systems Verification Report in relation to its ability to operate as an approved centre.

It should be noted that awarding body representatives endeavoured to rectify this issue during the audit and were able to provide the Auditors with evidence of Scottish Bakers led external verification.

The awarding body also provided the Auditors with an exemplar copy of an Initial Assessment (Skills for Life) document, copies of agendas and minutes relevant to standardisation meetings held by the assessment and verification team, as well as a range of copied certificates as evidence of occupational competence across said team. Although, there are no issues with the range of documentation itself, its presence on Quickr is not necessarily appropriate to the awarding function and again indicates that the organisation does not have sufficient understanding of its differing remits.

As noted above in Requirement 1 the audit team also saw a range of policies, procedures and other documentation which the awarding body had attempted to apply across a range of operational areas. The Lead Auditor would contend that this has been unsuccessful in a number of cases. The *Equality and Diversity Policy*, revised December 2013, represents a case in point in that it is described as an awarding body policy but fails to identify the organisation as such, instead offering a limited description as 'a Trade Association and Training Provider for the baking industry'.

In respect of Data Protection, the Auditors were provided with a Scottish Bakers headed document which noted that 'all candidates are registered with the Scottish Qualifications Authority (SQA)' to allow the candidate 'to undertake a training programme and gain a qualification'.

Of greater concern to the audit team was lack of documentation to underpin governance within the awarding body. An organisational structure was provided that identified members of staff and their respective areas of responsibility. However, there appeared to be little beyond this to provide the audit team with an understanding of the specifics of key roles, as well as Board, committee and team meeting structures and any respective terms of reference, the handling of potential conflicts of interest, etc.

The unavailability of the Training & Quality Manager for much of 2013 may have had an impact here as a Matrix assessment conducted in April of 2013 noted 'a clear organisational structure with line of reporting' as well as 'a schedule of meetings including quarterly Board meetings, weekly management and bi-monthly team meetings'.

The Auditors were unable to evidence a current business and marketing strategy document that would provide an indication that the awarding function held an integral place within the business and was governed by objectives and key performance indicators.

As an interim measure, awarding body representatives had provided the audit team with a copy of a set of slides from the Scottish Bakers strategy meeting which was held on 5 November 2013. The purpose of this meeting was to 'determine and agree the future strategic direction of Scottish Bakers and agree an operations implementation plan 2013 – 2016'. Although comprehensive and detailed in terms of the information provided, the Auditors would contend that much of it reflects the role as a trade association for the Bakery sector in Scotland. Very much focused upon growing association membership and continuing to positioning Scottish Bakers as the key body lobbying on behalf of the sector in Scotland, as well as strengthening partnerships in England and Northern Ireland.

The presentation does contain information on education and training but this is very much focused upon learner numbers across Scotland, England and Northern Ireland, Modern Apprenticeship funding in each country, as well as giving indications of learner and employer feedback on the success of provision to date. There appeared to be no clear identification of the awarding role as distinct from the general references to the offering training and qualifications and certainly no obvious KPIs noted in respect of this function.

During the audit it was noted that a draft business operations implementation plan was being presented to the Scottish Bakers Board by the Chief Executive. Consequently, the audit

team was unable to view the document to ascertain if it effectively referenced the awarding role with appropriate objectives and KPIs set around the current accredited provision.

The evidence available indicates that Scottish Bakers does not meet the requirements of Principle 3. This has been raised as **Requirement 3**.

**Principle 5. The awarding body must promote a culture of continuous improvement within the organisation and throughout their approved centres, and have in place a system which allows them to manage risk.**

As a consequence of the lack of a current business and operations plan the audit team reviewed previous iterations in an attempt to understand how Scottish Bakers approached business development in general.

In reviewing the awarding body's *Business Plan & Implementation Plan 2010 – 2011* and the *Self- Assessment Report (SAR) and Action Plan 2012 – 2013*, dated May 2012, it was noted that there was a degree of objective setting, allocation of responsibility for completion within timescales, as well as some consideration given to areas for improvement. However, none of this appeared to operate within a risk management framework.

The Training & Quality Manager indicated that Scottish Bakers does not currently have a formalised risk management policy and procedure.

The evidence available indicates that Scottish Bakers does not meet the requirements of Principle 5. This has been raised as **Requirement 4**.

## 2.2 Recommendations

**Principle 1. The awarding body must deal with SQA Accreditation in an open and co-operative way, and disclose anything which SQA Accreditation would reasonably expect to be made aware.**

And

**Principle 6. The awarding body and their approved centres must have the relevant expertise, quality assurance procedures, technological, financial, human resources and other physical resources, to carry out their regulated functions, during the life of the qualifications and Units they offer.**

Given the issue around clarity and definition in the range of documentation already identified in the Requirements raised in this report, Scottish Bakers may wish to review what is currently present on Quickr and remove anything it believes to be solely related to its approved centre/training function.

It then may wish to revisit the remaining documentation, particularly policies and procedures, to ensure that if they have been designed to apply to a range of operational functions that the awarding body aspects are identifiable in a clear and unambiguous way.

Scottish Bakers may wish to take into account the current review of SQA Accreditation's Regulatory Principles and associated timescales when addressing this recommendation.

**This has been recorded as Recommendation 1.**

**Principle 18. The awarding body and their centres must deal with complaints on a fair and equitable basis, in line with their published procedures and timescales, and without reasonable delay. The awarding body, their centres and learners must be made aware of how and when they can complain to SQA Accreditation. Where a complaint is upheld, the awarding body and/or centre must take appropriate, corrective and/or preventative action.**

The audit team noted that the awarding body had reviewed *Regulatory Principle Directives RPDIR – 5 Complaints handling* and had adopted appropriate references to the role of The Scottish Public Services Ombudsman (SPSO) in respect of complaints. However, it was noted that the awarding body had erroneously included the information within the awarding body document, *Policy and Procedure for dealing with significant cases of suspected malpractice by those involved in the delivery of qualifications, October 2013*, and not the *Candidate Complaints/Appeals Procedure, October 2013*.

**This has been recorded as Recommendation 2.**

### 3 Outstanding approval and accreditation conditions

A condition will be recorded at the time of approval of the awarding body or at the time of accreditation for an SQA accredited qualification. A condition is recorded when SQA Accreditation's Co-ordination Group (ACG) finds evidence that the awarding body does not fully meet the requirements under SQA Accreditation's *Regulatory Principles (2011)*, Regulatory Principles Directives, the requirements of the clauses within and any conditions attached to the Approved Awarding Body agreement and the Criteria for Accredited Qualifications.

Principle no.	Condition	Date due
None		

## 4 Risk rating of Requirements

SQA Accreditation assigns a risk rating to each Requirement recorded as a result of awarding body quality assurance activity. The table below illustrates how the rating for a Requirement is assigned. A weighting is applied that depends on the risk identified and the possible impact on qualifications and/or the learner of failure to implement that Requirement.

The assignment of a risk rating allows an awarding body to assign their resources to areas which have been identified as having a major impact on the qualifications and/or the learner. The risk rating also allows SQA Accreditation to assign its resources to support awarding bodies in improving their performance.

Risk	Impact of Requirements identified through quality assurance activity
Very Low	The Requirement has been identified as likely to cause minimal concern and would not threaten the integrity of the qualification or impact adversely on the learner. Any overall effect is likely to be small scale and/or localised, rather than widespread. The identified Requirement is unlikely to recur once resolved and no long lasting damage would be anticipated.
Low	The Requirement has been identified as low impact but is of sufficient importance to merit intervention, with a low threat to the systems or procedures associated with the qualification and/or impact on the learner. Disruption may not just be localised but more widespread and would possibly cause residual damage; however, this could be easily corrected without further consequence.
Medium	The Requirement has been identified as having the potential to damage the credibility of the qualification and/or be detrimental to the learner. There may be some impact to the systems or procedures that support the qualification or the operational effectiveness of the awarding body.
High	The Requirement has been identified as having a potentially high impact on the integrity and reliability of the qualification, or the effective operation of the awarding body as a whole, if corrective action is not quickly taken. There is a high probability that the qualification and/or learner will be negatively affected.
Very High	The Requirement has been identified as having a serious impact on the integrity and reliability of the qualification or the effective operation of the awarding body if corrective action is not immediately taken. There is a very high probability that the qualification and/or learner will be negatively affected.

In assigning a risk rating, each Requirement is considered on its own merit, taking account of the context in which it was identified.

## 5 Table of awards

Accredited qualifications currently offered by/2013 Scottish Bakers

SQA-accredited qualification title	Level	Code	Accreditation date	Re-accreditation date
SVQ 2 in Food and Drink Operations (Craft Bakery Skills)	SCQF Level 5	GG5Y 22	17/04/2013	28/02/2018
SVQ 2 in Food and Drink Operations (Distribution Skills)	SCQF Level 5	GG60 22	17/04/2013	28/02/2018
SVQ 2 in Food and Drink Operations (Food Sales and Service Skills)	SCQF Level 5	GG61 22	17/04/2013	28/02/2018
SVQ 2 in Food and Drink Operations (Production and Processing Skills)	SCQF Level 5	GG9X 22	17/04/2013	28/02/2018
SVQ 3 in Food and Drink Operations (Bakery Skills)	SCQF Level 6	GG62 23	17/04/2013	28/02/2018
SVQ 3 in Food and Drink Operations (Supply Chain Skills)	SCQF Level 6	GG66 23	17/04/2013	28/02/2018
SVQ 3 in Food and Drink Operations	SCQF Level 6	GG63 23	17/04/2013	28/02/2018
SVQ 2 in Food Manufacture: Craft Bakery Skills	SCQF Level 5	G8X8 22	19/03/2008	31/03/2013
SVQ 2 in Food Manufacture: Distribution Skills	SCQF Level 5	G8X7 22	19/03/2008	31/03/2013

SQA-accredited qualification title	Level	Code	Accreditation date	Re-accreditation date
SVQ 2 in Food Manufacture: Process Bakery Skills	SCQF Level 5	G8XE 22	19/03/2008	31/03/2013
SVQ 2 in Food Manufacture: Retail and Service Support Skills	SCQF Level 5	G8XD 22	19/03/2008	31/03/2013
SVQ 3 in Food Manufacture: Specialist Craft Bakery Skills	SCQF Level 6	G8X9 23	19/03/2008	31/03/2013
SVQ 3 in Food Manufacture: Specialist Improvement Skills	SCQF Level 6	G8XA 23	19/03/2008	31/03/2013
SVQ 3 in Food Manufacture: Specialist Management Skills	SCQF Level 6	G8XF 23	19/03/2008	31/03/2013
SVQ 3 in Food Manufacture: Specialist Supply Chain Skills	SCQF Level 6	G8XH 23	19/03/2008	31/03/2013
SVQ 3 in Food Manufacture: Specialist Technical Skills	SCQF Level 6	G8XC 23	19/03/2008	31/03/2013
SVQ 1 Food Manufacture	N/A	G8X5 21	19/03/2008	31/12/2012

## 6 List of documents reviewed pre and post audit

Document title	Date of issue	Version number
Policy and Procedure for Managing Staff Absence Within the Awarding Body	March 2013	
Investors in People Scotland Business Improvement Report	October 2013	
Scottish Bakers 2013 - 2018		
Scottish Bakers Annual Report 2012 -2013		
Annual Report and Review of the Year	11 May 2012	
Matrix Quality Standard for Information, Advice and Guidance Services	16/04/2013 – 17/04/2013	
Safeguarding Policy	Reviewed December 2013	
Data Protection for candidates 2013 (handout)		
SQA Assessor's Guidelines for the SVQs in Food Manufacture at levels 1, 2 and 3	August 2009	
Standardisation Meeting Minutes (various)		
Scottish Bakers (SAMB) Awarding Body Customer Service Statement	September 2013	
The Scottish Baker	December/January 2013/14	

Document title	Date of issue	Version number
Scottish Bakers (SAMB) Awarding Body – List of Approved Centres	3 December 2013	
Scottish Bakers Strategy & Collaboration – Structure of Scottish Bakers		
Assessors (SVQs)	December 2013	
Scottish Board Members 2013		
Assessment Strategy for Improve’s Accredited Qualifications Scotland	12 December 2012	Version 1
Scottish Bakers Arranging Standardisation Exercises	December 2013	
SQA External Verification: A Guide for Centres	October 2009	
Scottish Bakers Internal Verification Policy	November 2013	
Internal Verification Form 2013	November 2013	
Scottish Bakers Quality Policy 2013/14	December 2013	
Scottish Bakers Equality and Diversity Policy	Revised December 2013	
SAMB Financial Statements for the period end 31 March 2013		
Scottish Bakers Initial Assessment (Skills for Life)		

Document title	Date of issue	Version number
Scottish Bakers Strategy Meeting (Slides) – 5 November 2013		
Scottish Bakers Self-Assessment Report (SAR)	May 2012	
Scottish Bakers Business Plan & Implementation Plan 2010 - 2011		
Qualification Partnership Agreement between SQA and Scottish Bakers (Draft)	September 2012	
Scottish Bakers Candidate Complaints/Appeals Procedure	October 2013	
Scottish Bakers Awarding Body Policy and Procedure for dealing with significant cases of suspected malpractice by those involved in the delivery of qualifications	October 2013	

## 7 Action Plan

A separate document in Microsoft Word has been forwarded with this Audit Report.



Areas of concern	Requirement	Risk rating	Proposed action <small>(Please include a description of your intended methodology and details of the evidence that will be provided.)</small>	Target date for completion
Principle 1	The audit team was unable to see sufficient and clear evidence of business contingency or continuity planning by the organisation in respect of its awarding function.	High		
Principle 1 Regulatory Principles Directive RPDIR 2	Scottish Bakers' has not been providing accurate quarterly registration and certification data.	High		
Principle 3	Evidence the awarding body's policies, procedures and associated guidance documentation would suggest that there is insufficient clarity around	High		

<b>Areas of concern</b>	<b>Requirement</b>	<b>Risk rating</b>	<b>Proposed action</b> (Please include a description of your intended methodology and details of the evidence that will be provided.)	<b>Target date for completion</b>
	the respective awarding and approved centre/training functions.			
Principle 5	The awarding body could not provide evidence of a formalised Risk Management Policy.	High		

**Signatures of agreement of action plan**

For and on behalf of Scottish Bakers:

**Signature**

.....

**Date**

.....

For and on behalf of SQA Accreditation:

**Signature**

.....

**Date**

.....

## 8 Acceptance of audit findings

For and on behalf of Scottish Bakers:

**Signature**

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**Designation**

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**Date**

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For and on behalf of SQA Accreditation:

**Signature**

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**Designation**

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**Date**

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