



Higher National including Graded Units 1, 2 & 3

Qualification Verification Summary Report 2017

Accounting and Finance

Introduction

In September 2016 the external verification team met to agree upon those units to be externally verified. The norm has been to identify one specific financial accounting unit and one specific management accounting unit at each of the two HN levels on the Accounting framework and select at least one unit which appears in other frameworks. The units which had been under closer scrutiny in previous years were omitted and the team agreed to review the following units:

HNC Units

- F7JV 34 Recording Financial Information
- F7JT 34 Preparing Financial Statements
- F7JP 34 Using Financial Accounting Software
- F7JR 34 Cost Accounting
- F7JS 34 Management Accounting Using IT

HND Units

- HC43 35 Financial Reporting and Analysis
- HC44 35 Accounting for Specialised Transactions
- F82H 35 Management Accounting for Planning and Control
- F82J 35 Management Accounting for Decision Making
- F7R6 35 Business Taxation

During the session the HND or second-year units were updated and two units significantly amended. The team decided to review these second-year units as a priority to identify unanticipated issues. Some time had elapsed since some of these units had last been standardised, consequently the external verification team decided it would be appropriate to undertake a network review.

Category 2: Resources

Criterion 2.1: Assessors and internal verifiers must be competent to assess and internally verify, in line with the requirements of the qualification.

(This criterion should be completed for regulated qualifications only.)

Although this criterion is not covered for HN units or HN Graded Unit quality reviews, some centres have begun to present continuing professional development (CPD) records and staff qualifications in the documentation that they provide for review. This is helpful for quality review purposes to ensure that the teams in centres have appropriate experience to be able to react to changes in frameworks, and support candidates throughout their learning journeys.

Evidence of CPD is especially helpful, as the changes to the legislation covering the profession over the past few years have led to some significant changes to the framework, and evidence of CPD demonstrates that staff are up to date and equipped to provide a robust support to candidates.

In most centres visited, or reviewed remotely this session, staff hold appropriate qualifications to deliver the specified courses, and support candidates through their learning journey. Nevertheless, external verifiers' discussions with centre staff revealed that there are fewer opportunities for staff to gain CPD. The amalgamation of regional centres has resulted in fewer opportunities for staff to obtain release to undertake CPD, although there are one or two notable centres that actively encourage their staff to participate in CPD activities.

During this past academic period, the external verification team received considerable positive feedback about the SQA Annual Network Support Event. Many people described it as 'invaluable', with attendees commenting that it was particularly useful to be able to network with others in the sector. This ongoing opportunity for networking has seen an increase in the sharing of materials across the sector over time, thus broadening candidates' experience.

Criterion 2.4: There must be evidence of initial and ongoing reviews of assessment environments; equipment; and reference, learning and assessment materials.

Most centres reviewed during this session had documented their reviews of assessment materials, but fewer had recorded reviews of assessment environments and equipment. During discussions, however, it became apparent that teams in centres are in fact carrying out these reviews, they are just not recording this activity in their documentation.

Significant changes to the frameworks over the past few years has necessitated regular reviews of learning and assessment materials. The following unit assessment materials require annual updating: Business Taxation, Income Tax, and Graded Units 2 and 3.

The external verification team regularly reminds teams in centres of the support available in updating assessments in the form of prior verification, should they feel this is necessary. This provides a degree of comfort to teams that they are updating in an appropriate manner and that candidates are being assessed in a way which meets the requirements of the unit specification.

A very few centres have moved towards having dedicated assessment rooms and independent invigilators.

Many centres have brought in revised assessment policies and procedures which require candidates to remove any internet-enabled watches during assessments — many of the assessments in the HN Accounting framework are closed book. Candidates confirmed with external verifiers that almost all of the assessments undertaken are managed in an appropriate manner and that assessment events are held in appropriate conditions.

Centre staff discussed with external verifiers how they select assessment instruments, but acknowledged that the logic behind these decisions is not usually recorded. It is therefore

recommended that future discussions on the selection of the assessment instrument be recorded as evidence of the ongoing internal verification process.

During the year there have been a number of cases where re-assessment instruments were not prepared, resulting in delays in candidates completing units. Centres should identify where re-assessment instruments are available and ensure that, where there are gaps, these are dealt with early on in the session using their existing internal verification procedures. As noted above, prior verification is available to ensure that re-assessment instruments meet the unit specifications.

In one centre there was evidence that learning materials had not been updated – they were showing VAT at 12.5% – for a very long time. It is strongly recommended, and a requirement of most unit specifications, that teams at centres use the current tax rates for all areas of tax as per the HMRC website and the most up-to-date Finance Act.

Category 3: Candidate support

Criterion 3.2: Candidates' development needs and prior achievements (where appropriate) must be matched against the requirements of the award.

There is little opportunity for any recognised accreditation of prior learning for HN Accounting, unless candidates have completed other HN units as part of other qualifications and those units are in the HN Accounting framework. Most centres visited had mechanisms to identify these either at interview or shortly after candidates had started their programmes. Some offered other units in place of those already achieved to allow candidates to gather credits and ease the burden of their studies if they continued from HNC onto HND.

Criterion 3.3: Candidates must have scheduled contact with their assessor to review their progress and to revise their assessment plans accordingly.

In all centres visited candidates reported that they had regular scheduled contact with assessors, and that they had access to other staff, including assessors, at other times. Feedback from candidates indicated that, in almost all centres, the teams involved in candidate support were approachable and willing to assist them where necessary, often outwith scheduled class contact time. As such, feedback was positive and most felt that they were supported and had access to additional support should they require it. In most centres the teams were able to identify the need for, and put in place, any additional support needs at the candidate entry point.

Towards the end of the session 2016-17 some candidates expressed their concern that their assessment schedules and plans had been disrupted by industrial action within the college. However, most reported that the teams had been able to reassure them that their programme of study would complete on time and that every effort would be made to spread the assessment burden.

In relation to Graded Unit 2, a number of centres did not retain records of their ongoing meetings with or support offered to candidates, despite this being one of the requirements in the unit specification and the subject of discussion at the 2017 Annual Network Support event.

Some centres do make arrangements for candidate revision sessions at the outset of their Graded Unit 2 delivery, but this was not consistent across campuses within centres. Evidence of some good practice in these sessions was provided: for example, centres had adjusted the delivery of contributing units to suit the Graded Unit 2 assessment instrument selection and then provided some revision sessions covering topics from the HNC year to enable candidates to prepare appropriately.

Category 4: Internal assessment and verification

Criterion 4.2: Internal assessment and verification procedures must be implemented to ensure standardisation of assessment.

Most centres were found to have adhered to their own assessment and verification procedures. Some use invigilators for graded units and one centre uses invigilators to cover all assessments. This removes the possibility of any collusion.

Some teams did not record results on candidate scripts and in some cases it was difficult to see how internal verification activity could have taken place, as clear decisions were not noted on scripts. Assessors should clearly identify the different types of accounting errors and the number of those errors on scripts, and record whether the candidate has met the requirements of the assessment or not. In some cases it was not clear if candidates had passed an assessment or had a resit/rework to undertake.

In some cases, reviewing scripts did not make it clear whether internal verification activity had taken place. In most of these situations internal verification documentation had been completed, but there was no evidence of this on the chosen sample scripts. For most centres, the policy states that any scripts subject to internal verification should clearly show that internal verification has taken place.

Most centres use a customised front page for submissions and in many cases it was not clear if the work submitted for review was from the first sitting or a re-assessment. It is recommended that centres clearly identify on submissions whether the candidate has passed an outcome and also if it was the first or second attempt.

For the Graded Unit 1 and 3 exams many centres have developed procedures to ensure that candidates are not able to breach the assessment conditions.

During this past year some centres presented evidence of candidate work which had been assessed and subject to internal verification and there had been a difference of opinion between assessor/assessors and or internal verifiers. In these cases it was not clear what the outcome of the review was and how any disagreements had been resolved. It is recommended that the teams in centres record such situations and the outcome of those discussions.

Criterion 4.3: Assessment instruments and methods and their selection and use must be valid, reliable, practicable, equitable and fair.

Almost all centres had used SQA-produced Assessment Support Packs to assess candidates. However, some had not updated them in line with SQA updates or changes in legislation. This is not acceptable and revisits were required to review reassessments of candidates using appropriate assessment instruments.

The first task of the external verification is to ensure that the assessment instrument is appropriate and has been subject to the centre's internal verification procedures. If one or both of these is not the case then the internal verifier cannot proceed with the review of the candidate scripts. The external verification team have, over a number of years, recommended that centres take advantage of prior verification to ensure that assessment instruments are appropriate and that they meet the requirements of both the unit specification and current legislation.

In relation to the selection of the assessment instruments, as has been noted above, most centres confirmed that they had discussed the selection of the instrument within their teams but had not formally recorded these discussions as part of evidence of the initial and ongoing external verification. It is strongly recommended that notes on the reason behind the assessment instrument selection are recorded in the internal verification documents. In some cases it was very difficult for the external verification team to confirm that the assessment instrument selection had been valid, reliable, practicable, equitable and fair.

Criterion 4.4: Assessment evidence must be the candidate's own work, generated under SQA's required conditions.

Most centres now have a policy within their centre to ensure that candidates sign to confirm that their submission is their own unaided work. In closed-book assessments this is not always necessary, but for the sake of implementing a consistent approach many use the same form irrespective of the assessment conditions. For written submissions many centres use anti-plagiarism software, the most common being Turnitin. This was confirmed by candidates during interviews.

Some teams have discussed the issue of Graded Unit 2 as an area of concern for this criterion. While it is possible to put the report through anti-plagiarism software, this can often lead to a stressful result, because it is necessary to quote sections of the case study in the report. It is not possible to put excel spreadsheets through anti-plagiarism software and the assessors must then go back into the work, where it has been submitted electronically, to ensure that the candidate created the spreadsheets themselves and did not copy from a colleague.

One or two centres had recorded situations where they had assured themselves that submissions were a candidate's own work by discussing the logic behind assumptions in the report with the candidate. This is an example of good practice.

Criterion 4.6: Evidence of candidates' work must be accurately and consistently judged by assessors against SQA's requirements.

In most cases the external verifier's reviews suggested that assessment decisions were undertaken in a consistent manner. There was some evidence of differences in approach where the units were offered across different campuses.

It was often difficult to get an overall picture of assessment decisions because centres were reticent to provide the external verifier with the results of ALL candidates in the cohort, irrespective of whether they were selected for review. It is highly recommended that centre teams get into the habit of providing, as a matter of course, the results of every candidate at the centre, across all campuses for the unit(s) under review. This is of particular significance and importance for Graded Units 1 and 3 when they are submitted for central verification. This allows the external verifier to put into perspective the sample that they have been presented with. Unless this is done the external verifier cannot ensure that the sample is representative of the whole cohort's results, and it is difficult therefore to confirm a consistent approach with what the external verification team would expect across the sector.

As noted above, some teams are still not noting final assessment decisions on candidate submissions. This makes internal verification and external verification reviews particularly challenging. It is highly recommended that assessors note on scripts the type and number of errors made by candidates and the overall assessment decision.

In terms of graded units, where groups of marks are allocated to a particular task, the external verifiers found it difficult to confirm that assessment decisions were consistent. This subject was discussed at the 2017 Network Support Event and it was recommended that all centres develop their own detailed marking schemes for Graded Unit 2. For the most part, teams at centres had acted upon this advice and as a result most had completed this task. A few centres offered to share their detailed marking scheme with the rest of network.

The best example identified what the assessor was looking to be included in each submission for each group of marks. This was particular to the centre, as the team involved in delivering the contributing units was aware of the topics that had been covered and the emphasis placed upon them by the individual lecturers. This had clearly been a lengthy, but useful, exercise which can be adapted for the different case studies for GU2.

This issue also arose, unexpectedly, during the review of Graded Unit 3 scripts at central verification. A few centres had not standardised their approach to how marks would be allocated for the constituent parts of the task under review. There was clear evidence of a lack of consistency with these centres across campuses and assessors.

As noted above, the external verification team recommend that discussions and marking schemes preparation be recorded by the teams at centres for review.

Teams are reminded that, for Graded Unit 2, when making assessment decisions the use of half marks has been phased out. They should also note that candidates must meet the minimum evidence requirements for each section (as detailed in the unit specification) before moving on

to the next stage of the project. Assessors are reminded that they should review the minimum requirements very closely. It is not acceptable for candidates to submit the development and evaluation stages together, as was the case with one centre during this year.

Criterion 4.7: Candidate evidence must be retained in line with SQA requirements.

All centres which were subject to quality reviews in the past year had retained evidence for inspection by the external verifier. The range of retention policies indicated that centres were mindful of retaining documentation for review but of also meeting their own sustainability policies.

Criterion 4.9: Feedback from qualification verifiers must be disseminated to staff and used to inform assessment practice.

Most centres were able to show how feedback from verification reviews is disseminated during team meetings. In only a very few centres was this information saved on an intranet shared drive and made readily available as a reference document. Some centres allow staff to attend the SQA Annual Network Support Event. This provides an opportunity for practitioners to share their experiences and receive updates from both the external verification and the Qualifications Team.

In at least one centre there was evidence that the team had not applied changes as highlighted in the SQA update letter and that they were not using the most up-to-date unit specifications. Some of the team members had attended Network Support Events and disseminated information which was clearly available for review on the centre master folders drive, but some team members had failed to act upon these updates, which the external verification team viewed as cause for concern.

External verifiers heard from some teams that there was considerable delay in receiving updates from their quality departments. While this is an internal issue, the external verifiers did advise that all letters and updates are available on the SQA page for Accounting and Finance HN. It is recommended that the teams in centres review this page prior to the start of each academic session, and make a point of reviewing it regularly as part of their ongoing internal verification. Most changes to unit specifications take place with effect from 1 August, but occasionally some happen during the session.

Areas of good practice report by qualification verifiers

The following examples of good practice were reported during session 2016–17:

- φ Preparation of detailed marking guidance for Graded Unit 2
- φ Retention of a centrally held master folder in electronic format to ensure standardisation across campuses
- φ Assessment events being handed over to the invigilators to run, completely independent of the assessor and delivery teams for all units, including Graded Units.

Specific areas for development

The following areas for development were reported during session 2016–17:

- φ Regular reviews of the SQA HN Accounting page for update bulletins and notification of forthcoming changes to units or the frameworks. This should be recorded in the internal verification documentation.
- φ Consistent marking strategies should be rigorously applied, and negative marking strictly avoided.
- φ Evidence of discussions regarding the selection of assessment instruments should be recorded in internal verification documentation.
- φ Only fill marks to be used when making assessment decisions for Graded Units 2 & 3.
- φ Centres must ensure that candidates meet the minimum evidence requirements of each of the sections in Graded Unit 2 before progressing to the next stage.
- φ Clear marking of the types and numbers of errors on scripts along with a clear assessment decision.
- φ Records of meetings with candidates for Graded Unit 2 to be completed and retained as part of the evidence submitted for review.
- φ Evidence of the outcome of discussions between assessor(s) and internal verification where the assessment decision has been challenged.