



**Higher National Certificate and Higher National Diploma**  
**Qualification Verification Summary Report 2019**  
**Accounting and Finance**

Verification group: 266

## Introduction

In September 2018 the external verification (EV) team met for the first standardisation meeting of the academic session, to agree which units we would review across all centres over the year, and to review the 2017–18 session.

We have normally identified one financial accounting unit and one management accounting unit at each of the two HN levels in the Accounting framework, and selected at least one unit which appears in other frameworks. This remains our approach, and in addition some team members have been asked to take part in a monitoring standards exercise to review the qualification over time.

As noted previously, the units which had been under closer scrutiny in previous years were left and the team agreed to review the following units during their visits:

- F7JR 34 Cost Accounting
- F7JV 34 Recording Financial Information
- J0LY 35 Business Taxation (This unit was chosen because it had been updated and reviewed, and a new code allocated.)
- F82H 35 Management Accounting for Planning and Control

These were selected to enable the team to gather ongoing evidence of the delivery and assessment of the units in the framework over a longer period of time to confirm consistency.

These units will be reviewed by each external verifier during visits or remote reviews, wherever possible. In addition, a unit will be included from a framework other than Accounting, which has an accounting unit as a core unit. A number of centres offer a range of Accounting units as non-core units in other frameworks, and we plan to review as many of those as possible, to ensure candidates are being supported in an appropriate manner, that materials have been updated in line with current legislation, and that professional practice and assessment decisions are appropriate.

Over time all of the core units of HN Accounting have been subject to review.

### 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
- HH81 33 Recording Financial Transactions.
- F8KE 34 Accounting Graded Unit 1 (Exam)

### 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  
J0LY 35 Business Taxation (This was a new unit code for this session)  
F8KF 35 Accounting Graded Unit 2 (Project)  
F8KG 35 Accounting Graded Unit 3 (Exam)

During the 2018–19 session the HNC and HND Accounting frameworks had only minor changes. The main unit which was amended was Business Taxation.

During the 2016–17 session Scottish taxation codes had been introduced, and this session (2018–19) allowed the team to assess the impact on the optional units Payroll and Income Tax, both of which can be assessed using either UK or Scottish tax codes.

However, in line with SQA policy to review frameworks periodically, the HN Accounting framework will be subject to review during 2019–20, with planned implementation of changes during 2021–22.

There have been some changes to our professional standards which have an impact on our unit content. The main one currently is the introduction of IFRS16 in January 2019. This affects the treatment of leases and will have an effect on several of our units.

The plan is to review these units during the 2019–20 session with a view to revising them for the 2020–21 session. The units on which this has the most impact are HND (SCQF level 8) units. SQA has communicated how the units should be delivered and assessed during the coming session, because changing their teaching on leases, to bring this fully in line with the new professional standard, would mean that the required assessment would not meet the current unit specification. To rectify this, colleagues in the network are being asked to amend unit specifications, and the accompanying assessment support packs (ASPs), to bring them into line with current professional practice, as is the requirement for all units.

## **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 is one which is devolved to each centre and reviewed during systems verification to ensure that centres have appropriately qualified staff to support candidates. The requirement for the group to review staff CVs and continuous professional development (CPD) does not fall within the remit of HN reviews.

As in previous sessions, evidence for this criterion is not always presented during visiting or remote reviews. However, as previously noted, the team are finding that centres regularly present data relating to the qualifications and CPD of the staff involved in the delivery, assessment and internal verification (IV) of Accounting units. This is probably attributed to the requirement of those qualified in the field of accounting, or other financial roles, to maintain up to date CPD in order to maintain their full qualifications.

This year we have seen the introduction of Foundation Apprenticeship in Accounting, which is outwith the remit of this report, but staff who deliver HN are often involved in the delivery and assessment of candidates studying at levels below SCQF level 7.

Most centres, however, do present policies or procedures which cover the recruitment of appropriately qualified staff to deliver, assess and internally verify in their given field. Generally speaking, most centres have at least one appropriately professionally qualified member of the Accounting delivery team.

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

Most centre teams undertake the initial reviews, but not all are documented. Most centres have a pre-delivery checklist approach to delivery of Accounting units. This often contains confirmation that the current unit specifications and ASPs are being used, and notes the level of experience of the team delivering each unit. Checklists do not always include confirmation that reference and learning materials have been reviewed to ensure that they are in line with current unit requirements, but the experience of the EV team is that in most centres the teams spend a great deal of time updating materials. There is a professional requirement to ensure that units with a taxation content are updated annually, and generally speaking this has been done well in recent years. It is now common practice within the sector for teams at centres to discuss updates and sources of materials during the sessions at the annual network event. General feedback from centres is that these network events have been invaluable over the years for developing more sharing of materials and good practice. The EV team often finds the feedback to colleagues from network events being recorded in meeting minutes, which are also covered in criterion 4.9.

## **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 an increasing trend towards centres offering Accounting learning programmes at SCQF levels 4, 5 and 6. The NQ Accounting framework was reviewed during the 2017–18 and 2018–19 sessions. This review was tasked with removing duplication in unit content and assessment. What is now in place will hopefully ensure that candidates progressing through these levels will have a good foundation of accounting knowledge that can be used to help them with their HN studies at SCQF levels 7 and 8. Whilst the basic topics are covered at the lower SCQF levels, there is limited opportunity to enable candidates to request recognition of prior learning, as this learning is a foundation at SCQF levels below level 7.

In all centres a system of candidate support was in place and discussed with team members and candidates during quality assurance reviews. There is an increasing need for teams within centres to have in place additional support for candidates with mental health issues. It is not clear if this is as a result of an increase in the number of candidates presenting with mental health challenges, or that teams in centres have become more adept at identifying these issues, and are better equipped to support candidates. Ongoing monitoring over time will enable the EV team to identify the trend.

In all centres there was evidence of the delivery teams working closely with the candidate support teams within their centres, and candidates reported that they are informed at induction or pre-induction stage of the support available to them. The feedback from candidates accessing support, who chose to share this with the EV teams, is generally that this support is essential to their success.

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

Over recent years there has been much sharing of delivery models for both HNC and HND Accounting to best support candidates learning in a holistic manner. The result is that many centres are following similar delivery schedules for the framework. Most centres have adopted the two semester approach with 17 or 18 weeks of 2 hour sessions, although some have retained the three term approach where they have 12 weeks of 3 hour sessions.

During interviews with candidates, as part of the quality assurance process, most candidates confirmed that they had scheduled contact with tutors/assessors and that most of those tutors/assessors were contactable out of normal class face-to-face sessions for any questions that they may have. Whilst this is good for the candidates, it is a challenge for staff to complete all of their work commitments and provide additional support for candidates.

During Graded Unit 2 visits (GU2) there were some instances of tutors not formally recording the required interviews with candidates. It is strongly recommended that records of feedback interviews for each stage are signed by each student and kept safely.

There was one instance where a timetabling change had adversely affected candidates undertaking GU2. The Management Accounting for Planning and Control unit was timetabled in the second semester, which meant that candidates had not covered some of the topics required for the completion of GU2, which had commenced during the first semester. This was discussed during the visit with the curriculum head and it is to be rectified for the 2019–20 session.

Care should be taken when timetabling units which feed into graded units or other units, to avoid any detriment to candidates.

## **Category 4: Internal assessment and verification**

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

In most of the cases reviewed, the assessment and IV activity had been carried out in line with centre procedures. IV sampling had been carried out with centre policies which had bedded in. There has been an increase in the recording of professional discussions between assessors and internal verifiers where there has been a difference of opinion between the two. However, there are still some instances where the outcomes of differences in opinion are not clear. During visits the EV team members have reminded centre teams that it is not part of the quality assurance role to make the decision, but to review the decision and how it was agreed upon.

It is recommended that teams in centres ensure that, where the assessor and internal verifier disagree about particular points, they record any discussions and clearly note the final decision, either awarding marks in a graded unit or errors in other units. This will enable teams to ensure that decisions are consistent over time.

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

As previously in most centres, the SQA-devised assessment instruments have been used. Many centres have submitted alternative assessments for prior verification over the recent past, and as a result most centres now have alternative assessments for all outcomes of all units now. The recent amalgamation of teams means that there are often more assessment instruments available, which allows teams to rotate assessment instruments. All teams have been asked to consider sharing any centre-devised assessment instruments which have been submitted for prior verification and it is pleasing to see that this is now happening more.

Teams are still encouraged to submit for prior verification any centre-devised assessment instruments to ensure that they are valid, equitable, and fair.

The process for this is changing and teams are minded to review the updated SQA procedures.

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

In all reviews undertaken during the session, centres used candidate declaration documents for candidates to confirm that the work they submit is their own. There were some cases of malpractice, but these were voluntarily identified by the teams in the relevant centres, and the procedure the centres then followed had been recorded and the records were made available. In the cases reviewed, the teams had followed their own centre policy in resolving the issues and applied the appropriate sanctions.

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

On the whole, the assessment decisions made by assessors and verifiers in centres were consistent and appropriate. There were some recommendations for assessors.

With graded units it is recommended that assessors and verifiers do not note negative marks on submissions, to avoid possible confusion. If this practice is employed there is a strong chance that candidates marks may be affected, and they will be disadvantaged. It is a good idea to note when marks have not been awarded by using comments rather than negative marking annotation.

Where the assessor and internal verifier have differing opinions, the discussions and final decision should be recorded to ensure that there is consistency of approach over time.

With GU3, one centre submitted all of the required documentation, and the assessment decisions for the candidates' partial submissions were confirmed. However, there was a degree of concern that none of the candidates had completed section 2 of the exam paper. It is recommended that this be addressed for the preparation of any future cohorts. Any updates to the taxation content of the exam paper should be in line with the implementation dates of current UK legislation.

Some centres had requested that candidates note their names on scripts. However, the recommendation is to anonymise scripts — this will facilitate unbiased marking and meet GDPR requirements.

At one centre, an area of good practice was identified for Graded Unit 2. The numerical work submitted electronically by candidates was marked electronically, with a detailed marking scheme appended to the student submission, explaining why marks had or hadn't been awarded. The candidate submission was further annotated with comments from the internal verifier agreeing or disagreeing with the assessor's judgement and explaining any difference. This improves the verification process, as it makes more transparent why marks have been awarded.

Once again it is recommended that assessors apply a consistent approach to marking intermediate steps of tasks, and not just the final figures.

It is recommended that internal verifiers identify on scripts they review that they have seen the script and whether or not they agree with the assessor decisions. This was not the case during all reviews.

There were one or two occasions where teams had not applied consequential marking principles. These must be applied at all times for all units to avoid disadvantaging candidates.

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

In all cases the candidate evidence required for quality assurance was retained within the required SQA timeframe. Most centres still retain evidence until the start of the following academic session, but all who were asked retained evidence from candidates who had not completed their qualification, to enable them to return to their studies if they choose to do so.

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

It is essential that teams in centres review any correspondence from SQA in relation to assessment and verification, and other guidance. In particular for 2019–20 there are some amendments to core units based on changes in professional standards.

Good practice was identified in one centre where the quality team shares the anonymised outcomes of qualification verification activity with all curriculum areas, to allow for cross-college sharing of good practice and areas of recommended improvement.

## **Areas of good practice reported by qualification verifiers**

- ◆ Areas of good practice which have been identified during the 2018–19 session are noted against the relevant criterion above in order to contextualise them. These include the sharing of quality assurance feedback across all teams to encourage adoption of good practice.
- ◆ It becomes harder to identify new good practice as examples identified in previous sessions are implemented by other centres.

## **Specific areas for development**

The following areas for development were reported during session 2018–19:

- ◆ Any recommendations noted during visits in are identified above against the relevant criterion.
- ◆ In general, teams are reminded that they should record all professional discussions which arise when assessors and internal verifiers have a difference of opinion relating to assessment decisions.
- ◆ Teams should keep auditable records of discussions with candidates during Graded Unit 2 preparation.
- ◆ Consequential marking must be applied to all assessment submissions.