

Consultation on Ofqual's Economic Regulation function and the use of our fee capping powers March 2011

F. This procedure is transparent but time consuming. Fees are set annually. If the proposals in this consultation are accepted there will at least be notification of new fees with enough time for Colleges to decide whether they wish to offer the qualification at that cost. However the qualification might be offered by one AO and the College may well have committed itself to it by investing in resources and curriculum development. We are aware that Ofqual, along with other public organisations will have their resources reduced. If fee capping is a lengthy procedure it will not help Colleges plan their curriculum or make choices of Awarding Body on an annual basis

G. AoC welcomes Ofqual's clear description of its activity to regulate qualifications by value for money, efficiency and transparency. We also welcome a clear process for fee capping. We are heartened by the commitment to involve stakeholders.

However we would make the following suggestions.

We feel that as an independent regulator we would wish to see an articulation of how Ofqual expects to be more proactive in its recommendations to government particularly when government wishes to innovate. The development of Diplomas cost £296 million. This does not include the College expenses who took the lead in most local consortia.. We would expect Ofqual to describe how they can moderate the cost of government changes to qualifications. We also expect a clear strategy on how Ofqual will move to rationalising the number of qualifications in the market.

Risk reviews will take too long. We are disappointed that these could take over 15 months.

The government will make Colleges and schools (and universities) more accountable through the provision of transparent and comparable public information. This year the attainment tables for schools included how much each institution had spent on each of its activities. We would expect Ofqual to require this sort of comparable information from AOs so that consumers can see where the fees that they pay are allocated. We are keen to see a comparison website hosted through Ofqual which allows qualifications to be compared on cost and customer services. Invoicing is a particular concern to Colleges and we welcome your proposals to make future approval dependent on fair invoicing policies that would stop current practices of multiple invoices, often for small amounts of money.

We are concerned about the monopoly that Edexcel have in the HND/C market. These qualifications are favoured by the current government minister which puts pressure on Colleges to offer them..We would like to see HND/Cs as a brand like A levels with other AOs able to offer them. We encourage Ofqual to describe how they will protect the demand side from this monopoly.

Some awarding bodies have charitable status. We would expect Ofqual to work with the Charity Commissioners to ensure that this is justified. As AOs drive towards greater

efficiency we are concerned that costs are increasingly being passed to Colleges. An example of this was changes made to external verification processes for Edexcel qualifications. Although verification is now the responsibility of College internal verifiers, who have to undertake training, the cost payable to the AO has not reduced. We would expect prices to be fixed at the beginning of the year and for the information provided to Ofqual as part of registration to include confirmation that changes will not take place in year.

The consultation mentions a research function for Ofqual. We would like to see this informed by stakeholders.

Sector Skills Councils are an important element in the qualifications market. We expect the economic regulation of qualifications to examine their role. We expect the regulator to ensure that there is no conflict of interest between a sector skills council who is also an awarding organisation. This consultation does not mention this important area.

The consultation describes responsibilities for Ofqual which we are concerned it does not have the resources to fulfil. Many Colleges have now established consortia to work as efficient purchasers of qualifications. We seek assurance that Ofqual will be able to provide the transparency and confidence described in this consultation to inform procurement decisions for the next academic year.