



Ms Lynne Neagle AM
Chair - Children, Young People and Education Committee
National Assembly for Wales
Cardiff Bay
Cardiff. CF99 1NA

By Email: Lynne.Neagle@assembly.wales

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Dear Lynne,

Qualifications Wales Annual Report - written response

Thank you for the opportunity to respond to the Committee's questions during the scrutiny of our Annual Report on 22 January. The Committee did not ask all of its questions in the scrutiny session, so we agreed to respond in writing to the questions that the Committee did not have time to ask. Thank you for sending these through to us and please see our responses below:

1. What is the process for determining your budget allocation from the Welsh Government? Are you satisfied that you have all of the resources you need to carry out your functions effectively?

Qualifications Wales maintains a rolling medium-term financial plan that identifies our anticipated budget requirements over a three-year period. We use this information to discuss our annual budget with Welsh Government. We understand the financial pressures that the public sector face and we are careful to ensure that our public sector expenditure is necessary and delivers value for money. Until recently our medium-term financial plan demonstrated our ability to cover our costs within the baseline grant allocation made by Welsh Government.

Since establishment we have slightly underspent our grant allocation, but we have seen our annual requirements grow each year (as expected) as we have grown into our role. We are expecting to face budget pressures in the future that would result in our budget requirement



exceeding the current baseline, and we will need to work with Welsh Government to consider how these additional cost pressures will be met.

Our main expenditure is on pay and we align with Welsh Government's pay awards. If our budget is not adjusted in line with agreed increases, then we anticipate future difficulties. We have written to Welsh Government about this issue and received a response acknowledging the impact and agreeing to keep it under review.

We recognise that we will need to review and reform qualifications to support the new curriculum and completing this in the timescales needed will require additional resources, including additional staffing. We have provided Welsh Government with our anticipated requirements for the next five years. In the coming year we will need an additional £980k and over the five years we anticipate needing £5.7m in total. We are monitoring this closely as the work progresses.

2. Does Qualifications Wales have any income sources other than the Welsh Government? Do you raise any money from commercial activities?

We have a good modern IT infrastructure and have, over the last two years, started providing IT support services to the Local Democratic Boundary Commission and the National Academy for Educational Leadership. Both are smaller organisations that needed to find a supplier to support them. In accordance with 'Managing Welsh Public Money' we only re-charge the costs associated with the services provided which gives us an income of around £40k per year. In the coming year we intend to use these funds to appoint a Software Development apprentice. We do not intend to provide these services more widely, but the arrangement works well, and we believe both organisations are pleased with the support that we provide.

3. Whilst your primary role is to regulate the measurement of individual learners' achievement through qualifications rather than standards of delivery of education, what comments can you offer on the progress being made in school improvement and the approach that is being taken across Wales in this regard?

As the qualifications regulator our role is confined to the quality of qualifications and how they are used. For this reason, our primary focus is on qualifications standards and ensuring that qualifications provide a fair representation of learners' attainment.

We are, however, concerned that existing school accountability arrangements place a disproportionate focus and reliance on qualification results as the main indicator of school performance, and the potentially negative effects this can have on schools' decisions about which qualifications to offer and how they are delivered. Whilst attainment in qualifications is an important component in understanding a school's performance, it must be considered in context and alongside other information about the school.

Under current arrangements, there can be a tendency for school improvement activities to focus on improving qualifications outcomes as an end in itself, rather than improved learner performance being the natural consequence of better teaching and learning. This approach

can have several unintended negative impacts, such as a narrowing of the curriculum, prioritising teaching time for qualifications that feature in performance measures, offering qualifications based on their contribution to performance measures rather than value to learners, increasing pressure on assessment integrity, and teaching to the test.

School improvement is central to Wales' ambition for all learners; it is essential and should receive resources and focussed attention. Our primary concern is that a narrow focus on qualification results driven by accountability measures may be driving the wrong behaviours across the system and promoting some of the negative impacts already mentioned.

Yours sincerely



David Jones OBE DL
Chair



Philip Blaker
Chief Executive

Cc Judith Askew, Qualifications Wales Sponsor Team