

Information Notes Series 1:

Third Party Credit Rating for Credit Rating Bodies

Note 1.2 Entering into a contract with a third party

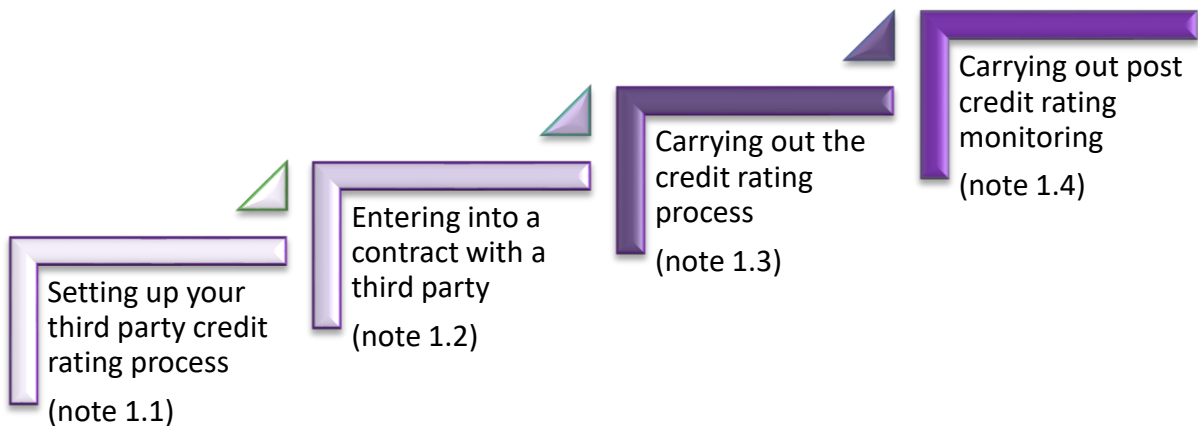
Information Note 1.2

Third Party Credit Rating for CRBs

Entering into a contract with a third party

This information note supplements the principles and guidance within the SCQF Handbook. Other useful documents include the Ceasing Credit Rating Flowcharts and for SCQFP Approved CRBs – the SCQF Quality Assurance Model (QAM) all of which are available from www.scqf.org.uk. (see links below)

This note is the second in a series about Third Party Credit Rating for CRBs. There are four notes in total, as indicated below.



Credit Rating will be defined as third party where:

The CRB cannot make changes to the learning outcomes and/or assessment criteria of a programme without the specific permission of the submitting organisation. The CRB is also unable to offer this programme to any other organisation (as a product) without the permission of the submitting organisation.

Entering into a contract with a third party

Carrying out due diligence of the programme owner is a very important part of deciding whether or not to credit rate the programmes of a third party organisation and may avoid problems further down the process. It is key that you think carefully about the types of information you would want to know about the third party. As a CRB, you have a shared responsibility along with the SCQFP to maintain the quality and integrity of the SCQF. Your organisation's name must also appear on the certificate as the CRB, so you need to ensure you are content with the way the third party will operate its credit rated programmes.

Below are some things to consider when carrying out due diligence, creating a contract with the third party and developing costings.

- What due diligence will you carry out on the third party and its programme(s)?
 - Has the programme been credit rated before?
 - *Note: you can check the [SCQF Register](#) (including any archived programmes) or contact the Partnership for this information*
 - Has credit rating ever been removed from any of their programmes in the past?
 - *Note: Where the SCQFP has been informed of this by another CRB, information about the removal may be posted on the SCQF website in the FAQ section.*
 - Has the organisation approached or previously worked with any other CRB in terms of requests for credit rating?
 - Has the organisation had a request for credit rating turned down or has it previously obtained a credit rating decision from a CRB which it decided not to accept?
 - Does the third party own the programme?
 - *Note: It is important that you clarify this and ensure that the organisation has the authority to seek credit rating and that no other organisation would be able to independently submit the programme for credit rating. You should also clarify that no other organisation can offer/deliver the programme without the permission of the third party applying for credit rating.*
 - Does the third party deliver the programme itself or is it delivered through approved centres/delivery partners?
 - *Note: A multi-centre delivery approach may impact on the quality assurance evidence you may ask to see*
 - Is the third party based overseas, does it have centres overseas where this programme would be delivered or is the delivery of the programme only for the overseas market?
 - *Note: You will need to consider what additional arrangements might need to be in place for overseas delivery in terms of quality assurance and how you will be able to access that.*

- *Note: you should explore with the organisation its reasons for wanting programmes credit rated for the SCQF if it is based wholly outside of the UK. This could include:*
 - *the actual or potential number of Scottish candidates undertaking the organisation's programmes;*
 - *the benefits of SCQF credit rating to learners successfully completing existing credit rated programmes and why it would be important for them;*
 - *the number (potentially) of successful learners who would use SCQF credit to access further learning in the Scotland/UK or the number of those who would use SCQF credit to access the Scottish/UK job market;*
 - *partnerships with existing UK organisations and education bodies.*

- *Is the programme being delivered online?*
 - *Note: There may be additional quality assurance requirements you may wish to see for online programmes*
- *Is the programme being delivered in English or in a local language?*
 - *Note: There may be additional considerations regarding your ability to carry out quality monitoring if the programme is not being delivered in English*

- Do you have a standard contract or will you need to create one?
 - It should:
 - indicate the responsibilities of the CRB and of the third party clearly
 - include the arrangements for regular monitoring, the frequency and timing of this and any costs that may be incurred
 - indicate what will happen when the credit rating period comes to an end and the arrangements for the review of the credit rating at that time including the timescales for starting that process
 - indicate the circumstances and the processes by which either the CRB or the third party can give notice to end the credit rating
 - outline what will happen if the third party does not adhere to the quality assurance requirements or work within the SCQF principles including the guidelines for the use of the SCQF logo and brand
 - *Note: The list is not exhaustive and there will be other clauses and activities that you will wish to include in your contract*

- What will be your costing policy?
 - Do you have a clear costing policy that will enable you to give a cost to a third party and have you considered the costs of the on-going monitoring activities in that pricing policy (see note 1.4)?

- Will you provide other services to third parties linked to credit rating?

- If a third party approaches you and their programme or systems need development before it will be possible to carry out credit rating will you be providing this service and will it be costed? Remember the Partnership offers the Would You Credit It? workshop free of charge for third parties (normally free to UK organisations) to help them to get their programmes ready for credit rating but they might not have the capacity to do this and may be looking for further assistance in this area to carry out the development. You will have to consider the separation of these services from the credit rating process itself.
- Will you be willing to provide a certification service?
- Will you provide further QA services such as internal verification/ moderation (there will be separation of process considerations here)
- Will you charge for these additional services?

Useful links	
SCQF Quality Assurance Model	QAM-full-updated-June-2025.pdf
SCQF Handbook	handbook.pdf
SCQF Level Descriptors	SCQF Level Descriptors - Scottish Credit and Qualifications Framework
SCQF Credit Points Explained	credit-point-explained-march-2017-web.pdf
Naming Qualifications and Programmes for the SCQF	naming-qualifications-guide-a4-final-web-may-2023.pdf
Credit Rating Criteria Explained	criteria-explained-final-web-oct-2017.pdf
SCQFP workshops	SCQF Partnership workshops
SCQFP Brand Guidelines	scqf.org.uk/wp-content/uploads/2024/09/SCQF-Brand-Guidelines-2024-FINAL.pdf
Additional Notes in this series	Resources for Credit Rating Bodies - Scottish Credit and Qualifications Framework