

**BOARD OF MANAGEMENT – 10 DECEMBER 2008**

Minutes of the fifty second meeting of the Board of Management held at 10 am on Thursday 9 October 2008 in the Conference Room at the Business Centre, Cardonald College.

**Members**

- \* Mr J McCormick (Chairman)
- \* Dr J Brown
- \* Mr A Cassidy
- Mr J Edgar
- \* Mrs J Gillespie
- \* Prof A MacLennan
- \* Mr J Mitchell
- \* Mrs M Nicol
- \* Mr G Rodgers
- Prof J Simmons
- Mrs S Walsh

\* indicates present

**Officers**

- Ms M Cahill
- \* Mr R Gibson
- \* Ms K McCallum
- \* Mr J McDonald
- \* Ms J Ross
- \* Dr G Stewart
- Mr R Sylvester
- Mr J Young

**In attendance**

Ms K Dinwoodie

**52/1 WELCOME AND APOLOGIES**

The Chairman welcomed members to the meeting. On behalf of the Board, the Chairman congratulated Dr Stewart on her recent appointment as Director of Qualifications Development.

The Chairman also welcomed Mr Gibson, recently appointed as Director of Business Systems, to his first meeting of the Board and Ms Dinwoodie, who would attend the meeting in the absence of Mr Sylvester.

Apologies were received from Ms Cahill, Mr Edgar, Professor Simmons, Mr Sylvester, Mrs Walsh and Mr Young.

There were no conflicts of interest declared.

**52/2 PREVIOUS MEETING****i Minutes of meeting held on 13 August 2008****51/6 MySQA**

It was suggested and agreed that the reference to SQA's reliance on centres to provide personal information such as candidates' addresses should be made more explicit.

Subject to this minor amendment, the minutes were approved as an accurate record of the meeting.

**ii Action Grid**

The contents of the action grid were noted.

## 52/3 **MATTERS ARISING**

### 51/5 **SQA Fellowship**

The Chairman was pleased to advise the Board that Mrs Linda McKay and Mr Bill Gold had been delighted to accept the accolade of SQA's Fellowship. The Chairman would present the Fellowships at the SQA Star Awards being held on Friday 21 November.

## 52/4 **CHAIRMAN'S REMARKS**

### ***Board appointments***

The appointment of two new Board members had been officially announced that week: Mrs Susan Walsh, Principal and Chief Executive of Cardonald College, Glasgow and Mr James Edgar a Chartered Management Accountant with recent non-executive experience in the Further Education sector. Members looked forward to welcoming them onto the Board and it was hoped that they would be able to attend the next meeting in December.

The recruitment of the new Chair was underway; with the interview process due for completion by the end of October. It was anticipated that recommendations for appointment would be submitted to Ministers at the beginning of November.

### ***Scottish Government Personnel***

The Chairman informed members that Mr Pete Hancock had recently retired from his post of Senior Policy Officer at the Scottish Government. The Board formally recorded their appreciation of Mr Hancock's commitment and contribution to SQA, and particularly to the Executive Management Team.

## 52/5 **CHIEF EXECUTIVE'S REPORT**

Dr Brown presented an overview of the headline issues since the previous meeting of the Board. Further to the contents of the report, she reported:

### ***Dalkeith Office Relocation***

Officers continued to work closely with colleagues at the Scottish Government, and were currently in the process of commercial negotiations with three options. The Board was assured that officers continued to stress that the timeframe for relocation was critical to ensure SQA's operations were embedded in preparation for the delivery of new qualifications.

### ***National Economic Forum***

The second National Economic Forum had met on 8 October 2008. The event had focussed on discussions around the current economic climate, in particular the impact on the construction industry. It was noted that SQA was conducting exploratory work into future skill demands as a result of the current challenges being experienced in this sector.

A key aspect of the Forum was to consider how public bodies in Scotland could work together to deliver on the Government Economic Strategy and achieve higher sustainable economic growth throughout Scotland. Whilst the next meeting of the Forum was scheduled to focus on Energy, it had been agreed that initial discussions should take place around Skills.

### **Staffing**

The Chief Executive noted formally Mr John Young's forthcoming retirement from SQA. She acknowledged Mr Young's dedication and commitment to a number of significant educational developments and achievements at SQA. This was fully endorsed by members of the Board, who extended their appreciation and best wishes to Mr Young for the future.

### **Trading Subsidiary**

The business case had been presented to the Minister and a decision was awaited. As a matter of priority, the Board urged SQA to progress this matter through strategic dialogue with the Scottish Government.

## 52/6 **SQA NEW ORGANISATIONAL STRUCTURE**

Following the cross-functional review of how SQA operated, work had been undertaken by SQA staff and HOSCA consultants to identify a strategy and vision for the future. A restructuring exercise, based on the outputs of this Continuous Improvement Review in 2007, was nearing completion. The new structure would create a framework that supported SQA in being market driven, focused and flexible, and able to respond quickly with strengthened quality assurance.

The Board received a detailed presentation on each of the directorates, including their roles and functions. In summary:

The **Corporate Office** would:

- Enhance clear separation of SQA's accreditation and awarding functions. It was noted that the Cabinet Secretary had recently approved the extension of the Accreditation Unit's remit and further detail of this would be presented to a future meeting of the Board.
- Provide clearer focus on "quality enhancement" of products and services.
- Manage and advise on SQA's relationship with media.
- Provide a more coordinated approach to supporting the Board, Committees and Executive team.

The **Business Development** directorate would:

- Provide strategic resource to identify and develop new products, sectors, markets and corporate relationships.
- Achieve growth in uptake of SQA's products and services, and develop and manage existing and new opportunities outside Scotland.
- Focus on delivering a customer led approach. It was noted that a software package would be introduced to support Customer Relation Management, and that a further update on this would be presented to a future meeting of the Board.

- Improve the use of Business Intelligence across SQA. It was confirmed that any research associated with assessment methods would move to the Qualifications Development directorate.

The **Qualifications Development** directorate would:

- Increase market and customer focus to determine what SQA should develop.
- Increase the flexibility of products.
- Introduce flexible use of development resources to meet business and customer needs.
- Increase the development of e-assessment.

The **Operations** directorate would:

- Ensure clear ownership of all delivery processes from approval to certification.
- Oversee the delivery and Quality Assurance of external and internal assessment.
- Introduce new models of delivery for the management, production and distribution of question papers, coursework and associated materials.

The **Business Systems** directorate would:

- Focus on systems and new developments to support the needs of SQA and contribute to the development of the business.
- Provide and embed the business analysis function within projects and programmes.

The **Finance and Corporate Governance** directorate would:

- Strengthen the link between corporate planning and finance management.
- Support and manage the governance of the Continuous Improvement programme.
- Further develop SQA procurement processes to deliver best value.
- Provide legal support across the business on policy and compliance issues.

The **Human Resources** directorate would:

- Provide a business area dedicated to the management of appointee services. This was a substantial piece of work of great importance to SQA, and it was noted that the findings would be presented to a future meeting of the Board.
- Ensure corporate and strategic development of Corporate Social Responsibility.
- Include management of facilities; internal communication; H&S; shared services.
- Support the significant change management programme, staff development, and partnership working.

It was recognised that this work was not without its challenges; however the move from a functional structure to one that was aligned across the organisation with 'horizontal' teams would serve to deliver clearer product and customer focus, opportunities for staff to broaden their skills and experience, and the scope to continue to develop new ways of working.

The Executive Management team was fully committed to measuring the attainment of objectives and monitoring milestones for each of the Continuous Improvement projects.

The Board welcomed the update on progress and was reassured that the work would be kept under review.

## 52/7 **CURRICULUM for EXCELLENCE**

Dr Stewart reported that the final consultation events would conclude that week. To date there had been a wide ranging representation across sectors and groups, with an encouraging level of participation in discussions.

The advertisements for the CfE Qualifications Development Team vacancies had been published and meanwhile, work had been initiated internally to prepare for the development of the new qualifications. This had included work around:

- Quality assurance and validation processes.
- Unit/course specifications and design principles for qualifications.
- Costings for 2009-10 and beyond.
- The operational implications of dual running the current and new qualifications.
- Work on Literacy and Numeracy.

The Board noted that the consultation would conclude that month, and as part of the next Board meeting, members looked forward to a full discussion on the delivery of Curriculum for Excellence.

## 52/8 **REPORT FROM CERTIFICATION PLANNING GROUP**

Ms McCallum was pleased to report that work was on target, with efforts currently focussed around Stage 2 appeals. In the main, the revised procedures to handle late and incomplete appeals submissions had been received positively by centres.

## 52/9 **BUSINESS DEVELOPMENT REPORT**

Members had before them a new report that had been developed to update the Board on SQA's business development activities.

In line with the reporting format agreed by members of the International and Commercial Committee, the high-level report was compiled with input across the business, and served to provide a streamlined overview of activities with commercial targets for Scotland, the rest of the UK and internationally.

Mr McDonald advised that the report was divided into three sections, incorporating an analysis on income and expenditure, progress against business plan objectives, and an update on activity and intelligence.

Following a detailed presentation of the report, the Board:

- Suggested that officers should reflect the change in position on progress with the establishment of a fully operational trading company, and reassess the status rating accordingly.
- Noted that sub-Committees of the Board would receive a paper articulating the work that would be undertaken around the pricing model review.
- Requested that future reporting could possibly highlight significant movement in critical project target achievements.

The Board welcomed sight of the comprehensive overview of SQA's commercial activities.

## 52/10 UPDATE ON 2009-12 CORPORATE PLANNING

Ms Dinwoodie introduced the status of SQA's strategic goals. It was noted that:

- Work was ongoing to determine performance measures.
- Goal 1 should articulate SQA's role in providing constructive and timeous advice to the Scottish Government.
- Goal 2 would be reviewed in light of the Scottish Government's approval of the Accreditation Unit's broader remit. The Chairman and Chief Executive were in close dialogue around the role and remit of the accreditation function. A formal paper on the outcomes of these discussions would be brought to a future meeting of the Board.

Members were invited to provide further comment and feedback direct to Ms Dinwoodie.

## 52/11 COMMITTEE REPORTS

### i **Accreditation Committee held on 2 September 2008**

The Board noted the contents of the minutes.

### ii **Advisory Council held on 5 September 2008**

Prof MacLennan provided an outline of the business covered. The minutes of the meeting would be reported to the next meeting of the Board.

### iii **Audit and Performance Committee held on 9 July 2008**

The Board noted the contents of the minutes.

### iv **Audit and Performance Committee held on 17 September 2008**

Mr Cassidy outlined the business of the last meeting held on 17 September, in particular highlighting the progress with internal audit tracking and reporting. The minutes of the meeting would be reported to the next meeting of the Board.

### v **International and Commercial Committee held on 23 September 2008**

Mr Cassidy provided an outline of the business covered. The minutes of the meeting would be reported to the next meeting of the Board.

### vi **Qualifications Committee held on 26 September 2008**

Mrs Nicol provided a summary of the main business covered. The Committee had considered and endorsed the proposal to develop a new category of small flexible group awards. Based on feedback from the portfolio review where National Progression Awards (NPAs) had been identified as not fully meeting customer needs, this new product type would be designed to ensure flexibility to meet existing and future needs. The category would be managed and controlled through appropriate and robust internal management processes, supported by quarterly reporting to the Qualifications Committee.

The Committee also considered SQA's response to the findings from the evaluation of the 2003 HN design principles and consultation on the HN modernised project exit strategy. Members had acknowledged the issues around burden of assessment for candidates. SQA would convene internal working groups to take forward actions.

#### 52/12 **ANY OTHER BUSINESS**

There were no matters raised for discussion.

#### **PAPERS FOR NOTING**

The Board noted the contents of the following reports:

**PFN 1** Financial Report to 31 August 2008

#### 52/13 **DATE OF NEXT MEETING**

The next meeting of the Board of Management would be held on Wednesday 10 December 2008 in the Boardroom, SQA Offices, Dalkeith.