

BOARD OF MANAGEMENT – 21 MAY 2008

Minutes of the forty-eighth meeting of the Board of Management held at 10 am on Wednesday 9 April 2008 in the Chief Executive's Office, the Optima Building, Glasgow.

Members

- * Mr J McCormick (Chairman)
- Dr J Brown
- * Mr A Cassidy
- * Mrs J Gillespie
- * Prof A MacLennan
- * Mrs L McKay
- Mr J Mitchell
- * Mrs M Nicol
- * Mr G Rodgers
- * Prof J Simmons

* indicates present

Officers

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

Observers

Ms C Carlin, Scottish Government

In attendance

Ms J Faulds (item 48/7 only)
Mr A MacGregor (item 48/7 only)

48/1 WELCOME AND APOLOGIES

The Chairman welcomed members to the meeting. Apologies were received from Mr J Mitchell, Dr J Brown, Mr J McDonald, Dr G Stewart and Mr J Young.

The Chairman noted formally that this would be Mrs McKay's final meeting of the Board. On behalf of the Board, he acknowledged Ms McKay's outstanding contribution to SQA that demonstrated her commitment and dedication to the organisation and its work. This was echoed by all members of the Board, who looked forward to being able to pay tribute at a social occasion next month.

In response, Mrs McKay recorded that she had very much appreciated her time serving on the Board and associated committees. She went on to recognise those who had contributed as part of those working groups and paid due recognition to the Director of Qualifications, Mr John Young for his ongoing support throughout her appointment.

48/2 PREVIOUS MEETING**i Minutes of meeting held on 13 February 2008**

The minutes were approved as an accurate record of the meeting.

ii Action Grid

The contents of the action grid were noted.

48/3 **MATTERS ARISING**

46/7 **Meeting with Cabinet Secretary**

The Chairman reported that a meeting had taken place with Fiona Hyslop, MSP on 17 March, where discussions had taken place around CfE and new qualifications. The Cabinet Secretary's commitment to the work of SQA had been apparent, along with a determination to drive forward the 'science' agenda.

General debate took place around the impact of CfE, and the Board was agreed that actions would be taken forward following the Cabinet Secretary's forthcoming parliamentary statement.

Linked to this, SQA had provided a number of options in response to proposals from the Scottish Government relating to the introduction of a Baccalaureate. A number of briefing papers had been developed for discussion at the Qualifications Committee, and it was agreed that these should be circulated for information to members of the Board.

Ms McCallum advised that internal preparations for a high level programme of work was underway to progress the outcomes of CfE, and that this would address, amongst other things, the plans for implementation, dependencies and resource planning.

47/5 **Edexcel Scanning farm in Hellaby**

Ms McCallum advised that it was intended to present the Board with more detail on this work later in the year, offering members full discussion around the opportunities that were potentially under consideration. There was also a possibility for Board members to accompany SQA officers on a visit to the scanning farm, and further detail would be circulated once available.

47/7 **Development of Results Online into MySQA**

The recent user testing had recommended a number of changes, some of which had been accommodated for the current Diet. A varied promotional campaign was underway and focused on offering candidates the opportunity to pre-register for receipt of their examination results by emails and text (optional) between 8am and 9am on Tuesday 5 August 2008. To date, 915 candidates had pre-registered for the service, and registration would open officially on 1 May 2008.

48/4 **CHAIRMAN'S REMARKS**

Public Sector Pay Policy

Members of the Board had been forwarded a copy of the letter received recently by the Chairman from Maureen Watt, MSP regarding public sector pay policy as applied to SQA's Chief Executive and Directors in 2006. The content had raised important issues for the Board, and members shared strong concern about the tone of the letter and the implication that the Board of SQA had knowingly breached public sector pay policy.

There was unanimous support for the Chairman's response that made clear the position of the Board and that, throughout the process, the Remuneration Committee and Board had acted in good faith.

The Board noted its concern around the negative impact on Executive Team morale, and fully endorsed the clarity of the Chairman's response and his recommendation to move forward from the current position.

Reappointment

The Chairman advised the Board that his appointment would be extended for a period of four months, to 31 December 2008. This would enable the Chairman to carry his appointment through the complete activity for the 2008 Diet, as well as providing time to put a timetable in place for the recruitment and handover of a new Chair.

Board Away Day

The Chairman proposed that the forthcoming Away Day in Glasgow should focus on skills development in Scotland. It was suggested that the Board meeting would take place on the morning of 21 May, supported by presentations pertinent to skills development. In the afternoon, Board members would be joined by invited guests representing key stakeholder groups, with a formal dinner being held in the evening. Ms Ross would contact members direct to confirm preference on timings and structure for the event.

48/5 CHIEF EXECUTIVE'S REPORT

In Dr Brown's absence, Mr Sylvester presented an overview of the headline issues since the last meeting of the Board. Further to the contents of the report, he reported that:

Dangerous Goods Driver Training

The pilot for providing on-line training had been well received by the Department for Transport, who had acknowledged the significant progress made by SQA in managing the contract since having assumed responsibility.

Continuous Improvement

Mrs McKay asked for clarification on the new Director structure and whether this would result in a contested appointment within the Executive Team. It was confirmed that, consistent with the structure presented to the Board in December 2007, there would be one less post in the Qualifications Development directorate. The Board was assured that due diligence had been followed, and the Chairman confirmed that the detailed management of this would be handled by the Remuneration Committee.

48/6 REPORT FROM CERTIFICATION PLANNING GROUP

Highlighting that the examinations would commence in three weeks time, Ms McCallum advised that:

- the marking teams were in place for all April projects;
- marker requirements for the main Diet were progressing well; and
- all Chief Invigilator nominations had been received.

Commenting on the amber graded performance measures, she provided an update on Qualifications Approval for Centres. As mentioned at the previous Board meeting, Heads of Centres had been contacted in writing to raise awareness about the deadline dates for approval requests. Whilst this had dealt with a number of late and "hold" applications, eight centres

had missed the deadline date for 2008 certification. This had reaffirmed the need to hold a firm position on adherence to deadlines, and for the next Diet, it was intended to target and enhance the various channels SQA used to communicate key dates with Centres. It was suggested that it might be prudent to include such dates on future examination timetables.

Gaelic Intermediate 2 2008

A potential security risk had triggered an investigation into the Gaelic Intermediate 2 Question Paper for 2008, and the outcome of this work would be considered before contingency arrangements would be invoked.

Coincident Examinations

Referring to PFN 3, the analysis of timetabling procedures and episodes of coincident examinations had identified that the largest incidences of multiple examinations were concentrated in the first two weeks of Standard Grade examinations, with an increasing trend of candidates sitting a combination of Standard Grade and Intermediate level examinations.

It was evident that a review of timetable construction rules would be required, and the Board was assured that this would be supported by a robust consultation programme with stakeholders.

Electronic Marks Capture (EMC)

SQA had introduced a limited EMC project in 2006, and in preparation for the 2008 examination diet, further work was taking place to enhance the EMC system and to refine the Quality Assurance models for both Marking from Image (MFI) and Marking from Paper (MFP). Ultimately this would enhance 'front ended' quality assurance and contribute to the development of increasingly robust and consistent quality assurance across subjects. It could also serve to reduce the need for a Markers' Check or Finalisation.

A training workshop for all PAs and Examiners had taken place in February, and a presentation by OCR would be a major feature of the annual PA Conference in April. It was intended to organise a full demonstration for the Board later in the year.

Performance Measures Diet 2008

The Board approved the performance measures for 2008 Certification.

[In light of Mrs McKay having to leave the meeting early, it was agreed to reorder business and consider item 48/9 ii at this point of the meeting.]

48/9 ii Advisory Council held on 4 February 2008

Mrs McKay outlined the main business covered at the last meeting of the Advisory Council.

On discussion of the CfE consultation, there had been general agreement that the options within the document might not have been appropriately considered in terms of feasibility or cost.

A brief discussion had also taken place around the Baccalaureate Options, when members had raised their concerns over the complexity of the document and how that limited them in being able to comment meaningfully on the proposals presented. In summary, the Advisory

Council had felt that they required more clarity around the purpose of the Baccalaureate and its positioning in SQA's suite of qualifications.

Mrs McKay left the meeting.

48/7 **CONTINUOUS IMPROVEMENT (CI)**

Mrs Jacqui Faulds and Mr Alastair MacGregor were welcomed to the meeting.

Ms McCallum introduced the item by paying tribute to Mrs Faulds and Mr MacGregor for their significant contributions in taking forward the work of the CI project. She went on to provide an overview of the work completed to date, highlighting that the review of processes, roles, structure, systems and competencies went towards determining many improvements and refinements. The new structure that had been identified would allow SQA to become more focused on its customers' needs, thus enabling a more responsive approach to developing qualifications and placing emphasis on maintaining 'quality' throughout all its activities.

The culmination of the CI activity, which had taken place over a number of months, had been the identification of over 117 potential improvement activities. A further process of mapping these activities into existing projects and initiatives had led to the consolidation of 20 improvement activities that were then ranked in terms of priority. Within each project would sit a number of strands that would be managed by a Programme Board, established both to ensure appropriate allocation of resource, and to monitor milestones, investments and savings.

Four change periods had been planned in line with quarterly finance reporting, each supported by a Change Management team that ensured transition plans were in place and managed effectively.

During discussion, the Board was assured that staff engagement had remained and would continue to remain, high on the agenda. To date there had been positive feedback from staff, and it was noted that on completion of the first changes, a 'lessons learned' exercise would be undertaken, with any recommendations being fed into future transition periods. It was suggested that a mechanism should be introduced to monitor impact on staff, and it was agreed to include such a reference in the next staff survey.

The Board looked forward to further updates on progress.

Mrs Faulds and Mr MacGregor left the meeting.

48/8 **FINANCE AND CORPORATE GOVERNANCE**

Mr Sylvester provided an update on staffing and business in the Finance and Corporate Governance Directorate.

Staffing

Mrs Jean Blair would assume the new post of Quality Systems Manager and as a result of this change in structure, the Corporate Strategy, Corporate Performance and Governance team had been merged into the Finance Business Area, under the management of Ms Karen Dinwoodie. The remaining areas of Procurement and Legal would report directly to Mr Sylvester.

Procurement

The business case for eProcurement Scotland had been withdrawn due to lack of funding from the Scottish Government. As an alternative, it had been decided to implement electronic Purchase Order Processing within SAP.

Year end Update

Purchase ledger payments of £2.9m in the period 28-31 March had resulted in a year end cash balance of less than £10. Outlining the year end timetable for completion of the draft accounts and audit working papers, Mr Sylvester advised that the 2007-08 Accounts would mark the end of the three year plan during which SQA had been committed to saving £1m. Work was underway to finalise the year end savings figures, and it was anticipated that SQA had met the target set.

Annual Review

This year would see the 'web-only' launch of the Annual Review. Complementing the more formal Annual Report and Accounts, it was hoped to have the Review completed by the end of May, a month earlier than previous years. The new style of the Annual Review would be presented to the next meeting of the Board for approval, and then publicised to customers and stakeholders as part of the *Connecting with Customers* e-zine.

Budget Update

The budget for 2008-09 had been submitted to the Scottish Government for approval, and included a 2% efficiency saving target.

48/9 **COMMITTEE REPORTS**

i Accreditation Committee held on 4 March 2008

Prof Simmons announced that as a result of the new SQA structure, Mr George Brown would now report direct to the Chief Executive. This emphasised the separation between the Accreditation function and SQA as an Awarding Body. Relating to this restructure, there had been discussions around the Accreditation Unit's approach to two of the CI projects, when it was noted that a dedicated regulation team would focus solely on quality assurance activities.

Future considerations of the Committee would include a communication strategy on the work of the Accreditation Unit, and time dedicated to how the emerging European Qualifications Framework would link into the SCQF.

ii Advisory Council held on 4 February 2008

Noted earlier in the meeting.

iii Audit and Performance Committee held on 20 February 2008

Mr Cassidy drew attention to the main business covered. One duty of the Committee was to ensure that recommendations of Internal Audit reports were tracked and monitored. He was pleased to provide the Board with the comfort and assurance that, from audits relating back to the period 2005-07, 84% of recommendations had now been fully implemented.

He also advised that the Committee had given its approval of the Anti-Fraud Policy and annual audit plan for Audit Scotland in 2007-09.

48/10 **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 29 February 2008

PFN 2 Endorsement

PFN 3 Examination timetabling – an Analysis of Coincident Examinations

48/11 **DATE OF NEXT MEETING**

The next meeting of the Board of Management would be held on Wednesday 21 May 2008. Details and venue to be confirmed.

Later: Meeting scheduled to take place in Suite 107, Jurys Inn, Glasgow.