

BOARD OF MANAGEMENT – 25 MAY 2011

For approval

Minutes of the sixty-eighth meeting of the Board of Management held at 10.30 am on Wednesday 30 March 2011 in Esk/Forth, the Optima Building, Glasgow.

Members

- * Mr G Houston (Chairman)
- * Dr J Brown (Chief Executive)
- * Mr J Edgar
- Mr W Gallagher
- Prof A MacLennan
- Mr K McKay
- * Mr R O'Hare
- Prof J Simmons
- * Dr P Thomson
- * Mrs S Walsh
- Ms C Wilkinson
- * indicates present

Officers

- * Ms M Cahill
- * Mr R Gibson
- * Ms K McCallum
- * Mr J McDonald
- * Ms J Ross
- * Dr G Stewart
- * Ms K Dinwoodie (item 68/10 only)

Observers

- Mr M McVicar
- Ms M Verrall

68/1 WELCOME AND APOLOGIES

The Chairman welcomed Ms Verall and Mr McVicar to the meeting. He formally recorded Ms Verrall's departure from the Scottish Government and her final attendance at SQA Board meetings. On behalf of the Board, he thanked Ms Verrall for her support to SQA, and in particular for her influence in securing approval for the establishment of a Trading Subsidiary. Ms Verrall reciprocated the sentiments, and acknowledged the support she had received from the Board and members of the Executive Management Team.

Apologies were received from Mr Gallagher, Prof MacLennan, Mr McKay, Prof Simmons and Ms Wilkinson. These apologies had ranged from business to personal reasons, with two notes of apology received at very late notice. It was duly recorded that the Board meeting was not quorate and that any decisions would require further ratification under the terms of the Board Standing Orders.

In view of this, the Chairman clarified that the Board was not in a position to comment on, or settle any discussions on SQA's budget position. He recorded that the Board had received a letter of response from the Cabinet Secretary, in relation to SQA's funding gap entering into 2011-12, and that next steps would be progressed in consultation with all members of the Board.

68/2 DECLARATION OF ANY CONFLICTS OF INTEREST

There were no conflicts of interest declared.

68/3 PREVIOUS MEETING**i Minutes of meeting held on 26 January 2011**

The minutes were approved as an accurate record.

ii **Action Grid**

The contents of the action grid were noted. The Chairman would invite the Minister of Skills and Lifelong Learning to a future meeting of the Board.

68/4 **MATTERS ARISING**

There were no matters raised.

68/5 **CHAIRMAN'S REMARKS**

There were no matters raised.

68/6 **CHIEF EXECUTIVE'S REPORT**

Dr Brown referred to the contents of her report and highlighted specific areas of interest and progress.

- There would be a loss of skills and valuable experience as a result of the Voluntary Release Scheme, and business continuity plans were being developed to manage this.
- As the regulator for Scotland, a meeting had taken place with Ofqual to take forward discussion around the desire to introduce common principles of regulation shared by all 4 countries across the UK.

Mr McDonald provided a brief update on the pieces of work underway in the Middle East. The current political unrest in the Gulf States placed SQA income under significant threat, and a risk analysis of this impact was being undertaken. He assured the Board that appropriate steps had been taken to protect and remove SQA contractors stationed in Bahrain. The situation was being closely monitored. Ms McCallum added that with regard to candidates, the Certification Planning Group was in the process of exploring contingency options with the centres.

The Board noted the content of the report.

68/7 **CfE UPDATE**

Dr Stewart provided an update on progress against CfE deliverables. The Board noted the:

- publication of the draft Rationale and Course Summaries for new National 4 and 5 qualifications on the SQA Website;
- approval from the Scottish Government for the NAR2 business case;
- confirmation of assessment requirements for the CfE Scottish Survey of Literacy and Numeracy 2011;
- work underway to develop Quality Assurance models;
- ongoing review of 2011-12 budgets and resourcing. The Executive Management Team was monitoring the risk and impact of the difficulties being experienced in the recruitment and retention of seconded staff from centres. A review of all CfE funded staffing contracts across SQA was also scheduled;
- work on the development of draft Rationale and Course Summaries for new Higher qualifications was on schedule.

Clarification was sought on the communications route for the CfE Headteacher events, and it was noted that invitation letters had been issued to School Heads of Centre, College Coordinators, and Local Education Authority contacts. For those who could not attend the event, an overview of the matters covered would be soon made available on the CfE website.

In the course of discussion, the Board sought assurance that there was no risk to deliverables as a result of the recent merger and establishment of SEQIA. It was confirmed by Ms Verrall that any risks would be inextricably linked to the CfE Management Board risk register.

The Board noted the update.

68/8 REPORT FROM CERTIFICATION PLANNING GROUP

Ms McCallum provided an update on activity flagged at amber status. In particular she highlighted the issues that had come to light with SQA's contracted supplier for examination script scanning. She assured the Board that appropriate contingencies had been in place and invoked, and following a robust assessment of the associated risk and cost, it had been agreed to revert to traditional forms of marking for 2011, applying Marking from Paper where appropriate. This was endorsed by the Board.

The Board noted the update on certification planning and was pleased to note that activity was progressing on schedule.

68/9 BUSINESS DEVELOPMENT REPORT

Mr McDonald went on to present the report for the period to end January 2011. In response to the Board, it was confirmed a mechanism by which to monitor and track centre activity was being explored. It was also noted that an evaluation was carried out following all tender submissions.

The Board noted the position update on UK and international based commercial activity, and made comment that the predicted SQA budget was very much reliant on optimistic income projections being realised through this work.

Trading Subsidiary

Mr McDonald was pleased to report that the trading subsidiary had been registered with Companies House as SQA Solas Ltd and that a meeting would take place later that day to develop a detailed project plan.

68/10 FINANCIAL REPORT TO 31 JANUARY 2011

Ms Dinwoodie was welcomed to the meeting.

The Board noted the financial position as presented, and commented on the criticality of accurate budget forecasting going forward.

Ms Dinwoodie and Ms Verrall left the meeting.

68/11 SQA BUDGET

The meeting was not quorate and therefore this item was deferred.

68/12 COMMITTEE REPORTS

i Accreditation Committee – 18 January 2011

An update had been provided at the previous Board meeting. The approved minutes were enclosed in the Board papers. These were noted by the Board.

ii Accreditation Committee – 7 March 2011

In the absence of Ms Wilkinson, the Chief Executive reported that the meeting had focussed on the 2011-12 budget and reduction in grant in aid funding. Whilst approving the operational plan, concern had been expressed around the ability to deliver this commitment.

The Board noted the update.

iii Advisory Council – 31 January 2011

The minutes of the meeting were noted.

Mr McVicar was pleased to report that appointment letters had been issued to the new members of the Advisory Council. The appointment of Prof Simmons as Convenor of the Advisory Council had also been approved. At this point, the Chairman noted formally that this had been Prof MacLennan's final meeting as Convenor, and he acknowledged his commitment and dedication to the work of the Advisory Council.

iv Advisory Council – 28 March 2011

The Advisory Council had convened for a brief formal meeting that week, when the proposal to change the NQ appeals system had been presented and discussed.

Following that, members had attended an external event with stakeholders. The focus of the day had been on e-portfolios, with presentations from three sector groups. The outputs had highlighted the range of drivers behind e-assessment tools along with the diverse potential uses. In discussion, the Board recognised that it would be difficult to mandate a single ePortfolio system, and that different approaches would be required across different centres. It was also noted that SQA was not a lead partner in this work, but would have a strong role to play in promoting uptake through engagement with customers.

v Audit Committee – 24 February 2011

The minutes of the meeting had not been available at the time of print. Mr Edgar provided an overview of the business covered, which had included an update on SQA's approach to risk management, a useful debate on the quarterly performance report, the routine consideration of PwC audit reports, and the approval of the appointment of internal auditors (as referred to in paper B68/6).

- vi **Qualifications Committee – 26 January 2011 AND**
- vii **Qualifications Committee – 23 February 2011**

The minutes of the meetings were noted.

Mrs Walsh updated the Board on the matters that had been considered. The Board went on to discuss the operational and financial aspects of Scottish Baccalaureates at length, commenting that any continued activity would require active engagement with the Higher Education sector. It was agreed that it could be useful to invite the comments and views of the Advisory Council on the operation of the Scottish Baccalaureate. It was noted that the future of Scottish Baccalaureates was dependent on Ministerial and stakeholder demand.

68/13 **ANY OTHER BUSINESS**

There were no matters raised for consideration.

PAPERS FOR NOTING

1 **Shawfair Relocation Highlight Report**

The current position was noted and welcomed.

68/14 **DATE OF NEXT MEETING**

The next meeting of the Board will be held on Wednesday 25 May 2011, in Esk/Forth, the Optima Building, Glasgow.