

BOARD OF MANAGEMENT – 31 OCTOBER 2016

For approval

Minutes of the one hundred and fourth meeting of the Board of Management held at 10 am on Wednesday 17 August 2016 in Arrol, Lowden.

Members	Officers
* Mr G Houston (Chairman)	* Ms J Blair
* Dr J Brown (Chief Executive)	* Ms M Cahill
* Mr J Edgar	* Mr S Davidson
* Mr S Hagney	* Ms L Ellison
* Mrs J Handley	* Mr J McMorris
* Dr W Mayne	* Ms J Ross
* Mr H McKay	* Dr G Stewart
* Mr R O'Hare	
* Mr R Stewart	
* Dr P Thomson	
* Mrs S Walsh	
* Ms C Wilkinson	
Observers	
* Mr K McKenzie, Scottish Government	

* indicates present

104/1 WELCOME AND APOLOGIES

The Chairman welcomed members to the meeting, and was delighted to extend the welcome to four new Board members, Mr Hagney, Mrs Handley, Dr Mayne and Mr McKay. Mr McKenzie was also in attendance from the Scottish Government.

104/2 DECLARATION OF ANY CONFLICTS OF INTEREST

There were no other conflicts of interest raised.

104/3 PREVIOUS MEETING

i Minutes of meeting held on 29 June 2016

The minutes were approved as an accurate record.

ii Action Grid

The contents of the action grid were noted.

iii Workplan

The contents of the workplan were noted.

104/4 MATTERS ARISING

B103/4 Chief Executive's Report

Regarding discussions with SQA unions, Ms Wilkinson advised that she had attended a fairly positive meeting with Unite the previous day.

B103/8 Financial Performance Report

In response to the Board on progress with the Spend to Save proposal, the Chief Executive reported that she had met with the Chief Information Officer to summarise SQA's financial and funding arrangements and review the SQA Change Programme. It had been a very productive discussion, and whilst significant headway had been made with the proposal, a final decision was still awaited from the Scottish Government.

There were no other matters arising.

104/5 CHAIRMAN'S REMARKS

The Chairman opened his report referring to the success of the celebratory afternoon tea with representatives from Who Cares? Scotland and several care experienced young people. Again, it had been a fantastic and inspiring event, this year attended by Deputy First Minister, Mr John Swinney and other colleagues from the Corporate Parenting and Formal Care team at the Scottish Government.

The Chairman's engagements had included numerous meetings with the Chief Executive, and attendance at the Remuneration, International and Commercial, and Audit Committee meetings.

The Board noted the update.

104/6 CHIEF EXECUTIVE'S REPORT

The Chief Executive presented a full update on her activities since the last meeting of the Board. She was particularly pleased to report on the dynamic and positive engagement with the Deputy First Minister and Cabinet Secretary for Education and Skills. Recent discussions had focussed on National Qualifications.

The Chief Executive also presented consideration of the award of SQA's Honorary Fellowship, which recognised sustained outstanding work and commitment to education and training in Scotland. It was proposed to award the fellowships to Mr Bruce Robertson, OBE and Mr Rob Wallen, Principal and Chief Executive, North East Scotland College. The proposals received the unanimous endorsement of the Board.

The Board noted the contents of the report.

104/7 NATIONAL QUALIFICATIONS – SUMMER DIET

The Board received a presentation outlining the activities and delivery of certification at the beginning of August. During the course of the presentation, it was discussed and noted that:

- This was another successful certification of over 140,000 candidates.
- 2016 had seen the first year of implementation of the new Advanced Highers and, for many centres, the first year of delivering the new Higher.
- There had been a small number of results breaches by the Universities prior to certification day and that the Chief Executive would meet with UCAS to discuss and seek assurances that processes would be reviewed to ensure no further

- reoccurrences. SQA had reiterated the significance and seriousness of the matter to UCAS and to the Universities involved.
- Complex analysis would be required by partners to fully understand the fall in entries at various SCQF levels. Many factors could influence the pattern of uptake and could be a reflection of the approach being taken by centres around curriculum models to local circumstances and the needs of candidates.
 - As is the normal practice, a lessons learned exercise would take place, taking consideration of the all inherent processes across the piece, to identify any changes that should be undertaken in the short and longer term. The findings of this work would be provided to the next meeting of the Board.

The Board commented positively on yet another successful delivery of the national qualifications and paid recognition to all SQA staff for their hard work, passion and dedication to make it happen.

104/8 NATIONAL QUALIFICATIONS

i CfE Programme Update

Dr Stewart presented the CfE Update and reported that the overall programme status continued to remain at amber due to the ongoing challenges around the multiple demands being placed on both SQA staff and Appointee resources.

The Board noted the report.

ii Report from the Certification Programme Group

Ms Blair presented a full update on the Certification Programme Group (CPG), and was pleased to report progress to plan. She expanded on one factor reported at amber status, which referred to the continuing issue associated with the ability of the Scottish Government travel and accommodation contract holder to deliver. SQA would continue to monitor the position.

The Board noted the contents of the report.

104/9 FINANCE

i Annual Statement of Assurance to the Board

Mr Edgar, Convenor of the Audit Committee, presented the annual statement of assurance, which was offered to the Board in support of its consideration of the Annual Accounts. The statement demonstrated to the Board the close scrutiny and rigour of the auditing function, and detailed the various reports and assurances that had been considered by the Audit Committee during 2015-16.

In concluding the report, Mr Edgar was pleased to comment on the overall positive direction of travel, and the notably low number of outstanding audit recommendations.

The Board acknowledged the encouraging content of the statement that clearly demonstrated excellent progress and noted the recommendation to approve the Annual Report and Accounts for the year ended 31 March 2016.

ii **Draft Annual Report and Accounts 2015-16**

Ms Cahill, Director of Corporate Services, introduced the Annual Report, which presented a high level and factual account of SQA's progress and achievements against its strategic goals during 2015-16. Mrs Ellison, Director of Finance, continued with an overview of the Annual Accounts.

The Annual Report and Accounts had been scrutinised and formally approved by the Audit Committee on 1 August 2016, and there had been no issues to report.

The Board formally endorsed the Annual Report and Accounts for remit to the Scottish Government and the Scottish Parliament. The Chief Executive and Chairman signed the Accounts in the presence of the Board.

iii **Financial Performance Report**

Mrs Ellison, Director of Finance tabled and presented the Quarter 1 forecast update, which reflected the amalgamation of recent submissions from the business.

The Board noted the financial position and that ongoing dialogue took place with Scottish Government to monitor and manage funding arrangements.

104/10 BUSINESS DEVELOPMENT REPORT

Mr McMorris, Director of Business Development provided the Board with a comprehensive update on business development activity in all key markets as at end 30 June 2016 and against Q0 targets.

During discussion, the Board noted that it was a critical year for SQA to identify and secure business and build its pipeline to address the financial challenges being faced in 2017-18.

The Board noted the contents of the report.

104/11 SQA CHANGE PROGRAMME

Mr Davidson, Director of Business Systems, presented the update on progress against the various workstreams underway in the SQA Change Programme.

The Board noted the contents of the report and that a fuller discussion on the programme would take place at the next meeting.

104/12 CORPORATE RISK REGISTER

Ms Cahill presented the current status of the Corporate Risk Register.

The Board noted the contents of the Register and endorsed the decision of the Audit Committee to escalate two risks from departmental level.

104/13 SPEND APPROVAL – COURIER SERVICES

Ms Cahill presented the Tender Evaluation Report for Courier Services. This provided the proposal for the award of four new contracts due to commence on 1 December 2016 for a period of three years (with the option to extend for a further one year due to satisfactory supplier performance). In light of the approximate total value of £1.8 million over four years, and in line with the Scheme of Delegation, the Board was invited to consider and approve the recommendation for the award of the contracts.

The Board approved the award of the contracts to cover all types of Courier Services.

104/14 COMMITTEE REPORTS

i Accreditation Committee – 20 June 2016

Ms Wilkinson had referred to the business of the meeting at the last meeting of the Board, and members now noted the minutes.

ii Audit Committee – 1 August 2016

Mr Edgar reported on the business of the last Committee and again on the overall positive landscape within SQA was delivering.

iii International & Commercial Committee – 23 May 2016

Mr O'Hare had referred to the business of the meeting at the last meeting of the Board, and members now noted the approved minutes

iv International & Commercial Committee – 1 August 2016

Mr O'Hare outlined the main areas of business covered and highlighted the importance for SQA to secure funding in order to support innovation and deliver against the digital agenda. It was agreed to hold a session in 2017 to discuss SQA's readiness.

v Qualifications Committee – 5 August 2016

Mrs Walsh outlined the main areas of business covered, which had focussed on the priorities of the Education Delivery Plan. The minutes would be presented to the next meeting of the Board.

104/15 ANY OTHER BUSINESS

The Chairman took the opportunity to extend thanks to Mr Edgar and Mrs Walsh for their unconditional commitment and remarkable contributions to SQA, the Board, and its Committees over the last eight years.

104/16 DATE OF NEXT MEETING

The next meeting of the Board would be held on Wednesday 19 October 2016 in Esk/Forth, Optima. *Later:* Rescheduled to 31 October 2016.