

BOARD OF MANAGEMENT – 18 FEBRUARY 2009

Minutes of the fifty-third meeting of the Board of Management held at 10 am on Wednesday 10 December 2008 in the Boardroom, Ironmills Road, Dalkeith.

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

Observers

- * Ms A Coull, Scottish Government
- * Mr J MacDougall, Scottish Government

In attendance

- Ms R Wright, SQA (item 53/7 ii only)
- Ms K Dinwoodie, SQA (item 53/10 only)

53/1 WELCOME AND APOLOGIES

It was noted that the meeting had been preceded by a private session of the Board.

The Chairman welcomed members to the meeting, including Mrs Walsh, recently appointed as an SQA Board member, to her first meeting of the Board. Apologies were received from Mr Cassidy and Mr Edgar.

Mrs Walsh declared a conflict of interest around the development of qualifications for Oil and Gas, as referred to in the Business Development Report.

53/2 PREVIOUS MEETING**i Minutes of meeting held on 9 October 2008**

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

ii Action Grid

The contents of the action grid were noted.

53/3 MATTERS ARISING**52/5 Dalkeith Office Relocation**

Mr MacDougall provided the Board with a full update on the status of the Dalkeith Business Case. The current economic climate had impacted on

progress, and SQA officers had been requested to carry out further analysis of the assumptions and financial appraisals for each option. On completion of that work, Scottish Government officials had scrutinised each of the options and recommendations, taking careful consideration of the associated operational risks. The Business Case and preferred option would be submitted to economists that week for final scrutiny in advance of submission to Ministers; an anticipated response time could not be guaranteed.

The Chairman stressed the criticality of reaching a timeous decision, and the Board was assured that the Scottish Government had taken cognisance of the timeframe for relocation that went to ensure SQA's operations would be properly embedded in preparation for the delivery of the annual Diet and the developments relating to CfE.

SQA staff would be kept abreast of significant developments, and a communications plan would be developed to support any announcement to staff about the final decision.

52/5 **Trading Subsidiary**

Following further interrogation of the business case and clarification of a number of financial matters with SQA officers, it was noted that the business case would be progressed for presentation to Ministers.

The Board stressed that the establishment of the trading subsidiary was imperative and as such, urged for completion by 1 April 2009.

It was confirmed that the Board would be responsible for determining the governance arrangements for the trading arm.

53/4 **CHAIRMAN'S REMARKS**

Retirement from the Board

The Chairman noted formally that this would be his final meeting as Chairman of the SQA Board. He recorded his thanks and gratitude to all members of the Board and SQA for the camaraderie and support during his tenure of appointment.

On behalf of the Board, the Chief Executive formally recorded their appreciation of Mr McCormick's outstanding dedication and contribution to SQA and its work. This was wholeheartedly endorsed by all members of the Board, who extended their best wishes to Mr McCormick for the future.

Review of Committees

It was noted that the revised standing orders would be ratified by the Board following input from PwC and submission to the relevant Committee Chairs.

NHS and Health Sector Skills Board event

An update on the outputs of the event would be provided to the February meeting of the Board.

53/5 CHIEF EXECUTIVE'S UPDATE

i Chief Executive's Report

Dr Brown presented an overview of the headline business since the previous meeting of the Board. Further to the contents of the report, she reported on the recent signing of two Memoranda of Understanding; one to mark the collaboration between Historic Scotland, Construction skills Scotland, and SQA to tackle the skills gaps in the construction industry; the second with Microsoft Partners in Learning, to explore the exchange of learning and teaching resources and to encourage the use of technology throughout the learning process.

Both agreements provided excellent examples of SQA's focus and commitment to strategic partnership activity.

ii Media Relations Plan

As part of the Continuous Improvement work, it had been agreed that media opportunities should sit under SQA's broader marketing plan. Focussing on the need to develop a more coordinated and proactive approach to communications and media handling, a detailed media relations plan would be developed. This would be supported by an interactive database encompassing a marketing calendar and media planner.

As part of this work, it was proposed and agreed to provide an update on media handling at a future meeting of the Board.

53/6 QUALIFICATIONS UPDATE

HN Modernisation Programme

Dr Stewart advised that this development programme was nearing completion. In close partnership working with Scotland's Colleges, there had been a number of positive outcomes including inter alia the rationalisation of HNs, the development of teaching and learning materials, and a reduction on the assessment "burden". Going forward, an important piece of work would be undertaken to develop a robust promotion plan.

The HN Modernisation Programme had been a substantial piece of work for SQA, and the Board recognised the opportunities it would offer SQA for enhancing qualifications development. In the course of discussion officers assured the Board that they would be mindful of the need to maintain the impetus of this work. It was noted that consideration should be given to the funding routes for HNC/Ds.

National Qualification Group Awards (NQGAs)

Dr Stewart was pleased to announce that SQA had recently secured monies from the Funding Council for 2009-11 of the NQGA Modernisation project. An economic impact analysis on the qualifications needs for Scotland had been conducted to ensure that this work was in line with the Scottish Government's economic strategy. Already two years into the development programme, this was an important piece of work for SQA and Scotland in developing clear qualifications and plans to support economic growth.

CfE

Moving onto the CfE programme of work, Dr Stewart advised on the spectrum of work being undertaken by SQA officers:

- As members of the Research Advisory Group, overseeing an analysis of the consultation responses
- Regular meetings with the Scottish Government to provide advice on options around the assessment for Literacy and Numeracy awards and the design of assessment for NQs.
- Continued progress with the high level programme plan for the curriculum development.
- Costings and assumptions for 2009-10 and beyond had been submitted to the Scottish Government for interrogation.
- Extensive work around the proposals for dual running, taking careful consideration of operational issues. This work would be scrutinised by the CfE Management Board.
- Internally, the recruitment process for the CfE Development Team was progressing well.

Baccalaureates

On 27 November, the Scottish Government had formally announced the specifications for the new Scottish Science and Language Baccalaureate awards. A launch event at the end of November had been well attended by over 90 delegates, including representatives from Education Authorities, Scotland's Colleges, Higher Education, employers and QAA Scotland. There had been a great deal of positive feedback in general, and clear support for the implementation of Baccalaureates. Discussions on the day had shown strong support for a partnership approach to the development of a robust internal assessment and Quality Assurance model, involving schools, colleges and Universities to ensure credibility.

53/7 **OPERATIONAL UPDATE**

i Report from Certification Planning Group

Ms McCallum presented the progress on certification planning and monitoring, and was pleased to report that work was on target. It was noted that the performance measures for 2009 would be presented to the February meeting of the Board.

It was reported that there had been no further media activity following the FOI request submitted by the Edinburgh Evening News. As part of SQA's commitment to Continuous Improvement, a review of the causes of post certification amendments would be undertaken to identify potential areas for improvement.

MySQA had reopened and in the period since the end of October, a total of 1027 candidates had newly registered. An extensive promotional campaign was underway to raise awareness and encourage registration across Scotland. It was agreed to incorporate the promotion of MySQA into the media plan.

ii **EMC (Electronic Marks Capture) presentation**

Ms Wright, Head of External Assessment Delivery, was welcomed to the meeting.

EMC had been covered briefly in discussions following the visit to Edexcel earlier that year, and scanning had been one of elements in the e-marking process that SQA had committed to report back on. It had not been possible to provide an online demonstration of e-marking in operation; however this could be made available to members at the next meeting of the Board, if required.

SQA's vision for the delivery of its externally assessed products was to:

- deliver assessments using the most appropriate and reliable means;
- ensure accurate marking;
- operate open and transparent quality assurance;
- assist the exemplification of standards; and
- maximise efficiency and effectiveness.

Ms Wright provided a brief overview of the current arrangements, highlighting those areas for improvement that could be addressed as part of the introduction of e-marking. Key benefits would include enhanced and front-loaded quality assurance methods, accuracy of marking and processing, and increased security of script handling.

The Board fully supported the work that was underway, recognising the process improvements and efficiency gains that could be achieved. Members were advised that SQA would take cognisance of the challenges around broadband connectivity and that alternative methods of delivery to support the needs of users were being explored.

In discussion around the next steps, it was suggested worthwhile to explore the opportunities for credited CPD. It was also agreed that updates would be provided to the Board as this work developed.

Ms Wright left the meeting.

53/8 **BUSINESS DEVELOPMENT REPORT**

The commercial sensitivity of the report was stressed to Board members.

Mr McDonald presented the business development report for international and UK-based commercial and development activities, which had been refined slightly in terms of aligning the reporting dates more closely to the business plan reporting schedule. He was pleased to report that overall performance was on track with the full year position forecast at a surplus of £1.453m.

Moving onto developments within the directorate, Mr McDonald advised that progress was being made in establishing the Business Development teams that would in turn facilitate the introduction of a new structure of support for centres in the new year. In January, centres would be notified of the detail of these changes along with information on key contacts and communication channels. In the meantime,

work was ongoing with the Operations business area to ensure that customers would receive a sustained and seamless transfer of responsibilities.

In other areas, there was ongoing work in the review of SQA's marketing function and processes supporting it. The Business Intelligence team continued to build on the production of market appraisal, working with colleagues in Business Systems on the introduction of a Customer Relations Management system. The business development strategy had now been aligned to SQA's corporate objectives and would be presented for approval to the International and Commercial Committee in the spring.

Awards UK

A paper setting out an update on SQA and Edexcel's plans for Awards UK was tabled. The Board noted the current position and fully endorsed the recommendations as presented.

53/9 ACCREDITATION REMIT

Following the review by SQA of its accreditation function in 2006, there had been a recommendation to extend the remit of the accreditation function beyond SVQs. Members had been provided with a copy of the letter recently received from Fiona Hyslop MSP, which outlined the approval for SQA to accredit all qualifications other than degrees. It was noted that SVQs delivered in Scotland would continue to be accredited by the Accreditation Unit and that other qualifications would be accredited on a voluntary basis, with the exception of those in the Modern Apprenticeship framework.

SQA officers were in the process of developing an implementation plan and associated marketing plan to ensure that all processes and procedures would be in place by 2010. This would be presented for consideration to the Accreditation Committee in March 2009. It was agreed that a fuller discussion on this would take place at a future meeting of the Board.

53/10 CORPORATE FINANCE & GOVERNANCE

Ms Dinwoodie was welcomed to the meeting.

i Current Performance at Q2

Ms Dinwoodie provided an update on the red graded performance measures within the Corporate Balanced Scorecard.

4 *increase qualifications uptake in target markets by 3% on the previous year*
This was contingent on both the funding methodology and a decrease in uptake of certain SVQ subject areas. The qualifications portfolio review would go to inform SQA's delivery of qualifications going forward.

18 *achieve environmental targets*
Increased mileage had been a contributory factor in slippage. Officers were actively looking to address this through the development of a travel plan.

In response to a query from the Board, it was confirmed that targets could not be adjusted in light of exceptional circumstances; however explanatory notes in the comments section would report fully on any variances from target.

The risk register reported a new reputational risk relating to a compliance issue with SQA's contract to provide assessment of Dangerous Goods Driver Training programmes with the UK Department for Transport. The Board was assured that the matter was being closely managed.

The Board noted the update on current performance.

ii 2009-12 Draft Corporate Plan

The draft Corporate Plan set out SQA's strategic direction for the next three years, and covered both SQA's Accreditation and Awarding functions. Through feedback from committee discussions, further refinements had been made to the actions at the corporate level. Members were presented with a revised version that highlighted the amendments at A1.4 and Goal 6.

On discussion, the Board requested one further addition at A1.1 to read "Develop and *execute* [insert] Curriculum of Excellence".

iii Draft Budget 2009-10

Ms Dinwoodie presented the draft budget, which took account of Ministerial Guidance and served to support the achievement of SQA's goals as outlined in the corporate plan. She provided a comprehensive overview of the assumptions and key points of note in reaching the draft budget position.

The Board formally approved the Corporate Plan for 2009-12 and its related budget for 2009-10 for submission to the Scottish Government.

Ms Dinwoodie left the meeting.

iv Annual Equality Review 2008

In line with the statutory requirement to report annually on the progress of SQA's Race, Disability and Gender Equality action plans, Mr Sylvester presented the Annual Equality Review for 2008.

The Board approved the report for publication.

It was noted that work continued in relation to assessing the impact of the new DDA Regulations and SQA's position on exemptions and annotation of certificates.

53/11 COMMITTEE REPORTS

i Advisory Council held on 14 November 2008

The Board noted the contents of the draft minutes.

ii **Audit and Performance Committee held on 5 November 2008**

Mr Mitchell provided an outline of the main business covered at the most recent meeting of the committee. The minutes of the meeting would be included in the next set of Board papers.

iii **International and Commercial Committee held on 19 November 2008**

Prof MacLennan outlined the business of the last meeting. The minutes of the meeting would be included in the next set of Board papers.

iv **Qualifications Committee held on 2 December 2008**

Mrs Nicol provided a summary of the main business covered. The minutes of the meeting would be included in the next set of Board papers.

v **Accreditation Committee held on 2 December 2008**

It was noted that the minutes of the meeting would be included in the next set of Board papers.

53/12 **ANY OTHER BUSINESS**

There were no matters raised for discussion.

PAPERS FOR NOTING

The Board noted the contents of the following reports:

- PFN 1 Meeting dates 2009
- PFN 2 Financial Report to 31 October 2008
- PFN 3 Annual Summary of the Advisory Council's Work in 2007
- PFN 4 Advisory Council minutes of 5 September 2008
- PFN 5 Audit and Performance Committee minutes of 17 September 2008
- PFN 6 International and Commercial Committee minutes of 23 September 2008
- PFN 7 Qualifications Committee minutes of 26 September 2008

53/13 **DATE OF NEXT MEETING**

The next meeting of the Board of Management would be held on Wednesday 11 February 2009 in Glasgow.

Later: Meeting rescheduled to take place on Wednesday 18 February 2009 in Spey/Tay, the Optima Building, Glasgow.