

BOARD OF MANAGEMENT – 17 AUGUST 2011

For approval

Minutes of the sixty-ninth meeting of the Board of Management held at 10.30 am on Wednesday 25 May 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

Observers

Mr M McVicar

69/1 WELCOME AND APOLOGIES

The Chairman welcomed Mr McVicar to the meeting.

Apologies were received from Mr Edgar and Mr O'Hare.

69/2 DECLARATION OF ANY CONFLICTS OF INTEREST

There were no conflicts of interest declared.

69/3 PREVIOUS MEETING**i Minutes of meeting held on 30 March 2011**

The minutes were approved as an accurate record.

ii Action Grid

The contents of the action grid were noted. It was agreed to amend the invitation to Dr Alasdair Allan, who had recently been appointed as the Minister for Learning and Skills.

69/4 MATTERS ARISING

There were no matters raised.

Board members suggested that it would be helpful to have a timetable of dates for the Board meetings in 2012, and it was agreed that Ms Ross would take this forward.

69/5 CHAIRMAN'S REMARKS

There were no matters raised.

69/6 CHIEF EXECUTIVE'S REPORT

Dr Brown updated the Board on the Scottish Government's new Ministerial team. It was noted that Angela Constance had moved to the post of Minister for Children and Young People. Alasdair Allan had assumed responsibility as Minister for Learning and Skills and this would include the Gaelic and Scots brief. The plans emerging from the SNP manifesto were due to be launched around the end of June 2011.

The Chief Executive went on to present her report and highlighted specific areas of interest and progress. The Board acknowledged the extension of the SQA's Healthy Working Lives Gold award. The Board also received an update on the recent press coverage around the accommodations made for candidates during examinations and was advised of SQA's legal responsibilities and approach under the Equalities Act. A robust process was in place to manage assessment arrangements, and the Board was content that due diligence had been followed.

The Board noted the content of the report.

69/7 SECURING THE FUTURE

Mr McDonald presented the Board with a synopsis of SQA's Strategy Growth. A complete version of SQA's Strategy for Growth had been presented to the International and Commercial Committee and a revised and final version would be presented to the Committee for approval in July.

The Board received an overview of the context of the strategy and the required change in business approach in order to continue to deliver for Scotland and enable SQA to expand its customer base outwith Scotland and into the Rest of UK and International markets. In discussion, the Board made helpful suggestions on the format and content, including:

- The table reporting income generation to 2019-20 should include the expected candidate numbers, and if possible, an indication of the portfolio size (that was unlikely to reduce);
- References to SQA as a Scottish NDPB;
- The reference to NHS within the current key market groups should be broadened to reflect the wider health and social care sector.
- The clear communications of this strategy was crucial.

Having clearly recognised the capacity challenges and associated pressures that would be faced by SQA in implementing this strategy, the Board welcomed the detail of the document and endorsed the approach being proposed

69/8 BUDGET 2011-12

It was noted that the Period 1 report could not be presented for the Board's consideration that day, and that it would be circulated to members once available. At this point, the Board was advised that a short term appointment of a Finance director on a shared services basis was being explored with another Scottish Public Body. It

was intended that this individual would undertake a full review of internal financial processes and controls to ensure, amongst other things, more timely financial reporting.

Dr Brown advised that following a meeting with Scottish Government officials that week, it had been agreed to continue with quarterly performance meetings to review and track SQA's performance and progress to achieve the agreed budget. These meetings would include all members of the Executive Management Team, and representation from across the Scottish Government, including the Lifelong Learning and International in addition to the sponsor division.

Mr McDonald advised that SQA continued to evaluate the funding gap and identify means by which to secure future income targets.

Ms Macfarlane, Head of Specialist Awards and Services was welcomed to the meeting, and presented to the Board, the scope and status of a potential contract opportunity for SQA. The Board considered the supporting documentation before them and engaged in a full and robust debate around the risks and opportunities presented. The Board approved SQA's proposal to take forward discussions with Scottish Government officials.

Dr Brown left the meeting.

69/9 **CfE UPDATE**

Dr Stewart provided an update on CfE deliverables and was pleased to report that activity was progressing on schedule. She highlighted to the Board that mitigating actions had been put in place to address the risk associated with the retention of seconded and fixed term staff working on activities in relation to the CfE Programme delivery. A succession strategy had been implemented and contracts to cover the extension of current posts and advertisement of new posts to the end of March 2014.

The Board noted the update.

69/10 **REPORT FROM CERTIFICATION PLANNING GROUP**

Ms McCallum provided an update on certification planning and was pleased to report that activity was progressing on schedule. It was noted that the 2012 examination timetable would be issued to centres soon.

69/11 **COMMITTEE REPORTS**

i **Audit Committee – 24 February 2011**

A verbal update had been provided at the previous Board meeting. The approved minutes were enclosed and noted by the Board.

ii **Audit Committee – 12 May 2011**

The Audit Committee had met again in May, and the minutes would be presented to the next Board meeting. It was noted that the Committee had discussed and approved the internal audit plan (Process Improvement Plan) for 2011-14. PFN 2 of the Board papers referred.

iii **International and Commercial Committee – 1 April 2011**

In the absence of Mr O'Hare, Mr McDonald advised that the Committee had considered SQA's Strategy for Growth, and had also approved a new reporting format, which brought the Business Development Report (PFN 1 referred) in line with the ICC Sales and Entries reporting.

iv **Qualifications Committee – 18 May 2011**

The Qualifications Committee had met in the week previous to the Board, and Mrs Walsh updated the Board on the matters that had been considered, reporting that it had been a very valuable meeting where a number of complex matters had been deliberated and agreed.

v **Remuneration Committee – 3 May 2011**

Ms Cahill advised that the Remuneration Committee had met to discuss and approve the performance ratings in 2010-11 for Directors of the Executive Management Team and the Chief Executive.

69/12 **ANY OTHER BUSINESS**

There were no matters raised for consideration.

PAPERS FOR NOTING

1 **Business Development Report**

The Board noted the contents of the report, and was pleased to record that full year income had been favourable to Q3 forecast.

2 **Process Improvement Plan and Q4 Corporate Risk Register**

The Process Improvement Plan was noted by the Board. It was agreed that Risk 16 of the Risk Register should be reviewed in light of the update on SVQs within the Business Development Report.

3 **Shawfair Relocation Project Update**

The current position was noted and welcomed. Ms McCallum also provided the Board with an update on the sale of Ironmills Road. This had been passed to the Finance and Property department, Scottish Government, for their consideration.

4 **Advisory Council eAssessment – Outputs from Workshops on 28 March 2011**

The Board had received an overview of this event at the last meeting of the Board. The written report on the outputs was noted.

69/13 **DATE OF NEXT MEETING**

The next meeting of the Board would be held on Wednesday 17 August 2011, in the Boardroom, Ironmills Road, Dalkeith.