

BOARD OF MANAGEMENT – 19 MAY 2015

For approval

Minutes of the ninety-second meeting of the Board of Management held at 10 am on Wednesday 25 March 2015 in Arrol, Lowden.

Members

- * Mr G Houston (Chairman)
- * Dr J Brown (Chief Executive)
- * Mr J Edgar
- * Mr K McKay
- * Mr R O'Hare
- * Mr R Stewart
- * Dr P Thomson
- * Mrs S Walsh
- * Ms C Wilkinson

* indicates present

Officers

- * Ms J Blair
- * Ms M Cahill
- * Mr S Davidson
- * Ms L Ellison
- * Mr J McMorris
- * Ms J Ross
- * Dr G Stewart

In attendance

- * Mr K McKenzie

It was recorded that Board members had convened for a private session in advance of the formal meeting of the Board.

94/1 WELCOME AND APOLOGIES

The Chairman welcomed members to the meeting, including Mr McKenzie from the Scottish Government.

94/2 DECLARATION OF ANY CONFLICTS OF INTEREST

There were no conflicts of interest declared.

94/3 PREVIOUS MEETING**i Minutes of meeting held on 28 January 2015**

The minutes were approved as an accurate record.

ii Action Grid

The contents of the action were noted.

iii Workplan

The contents of the workplan for 2015 were noted. Discussion took place around the IT Strategy scheduled for the next Board meeting, and it was agreed to rename this to Business Systems (BS) Strategy Update, as this rightly reflected that the strategy incorporated both business process and technology systems development.

94/4 MATTERS ARISING

There were no matters arising.

94/5 NATIONAL CORPORATE PARENTING

Mrs Margaret Tierney, Policy Manager from the Policy, Assessment, Statistics and Standards Team was welcomed to the meeting. She was joined by Mr Kevin Browne, Senior Corporate Parenting Officer from *Who Cares?, Scotland* and Mr Connor Chalmers.

From 1 April 2015, SQA would join many other public bodies in Scotland and become a National Corporate Parent under the Children and Young Person (Scotland) Act 2015, giving SQA a number of responsibilities to young people who experience the care system. *Who Cares? Scotland* is a national voluntary organisation that provides a range of advice and support services across Scotland for children and young people with experience of care up to the age of 25. It is commissioned by the Scottish Government to deliver training to Scotland's Corporate Parents.

The Board received a most enlightening presentation on the importance and implications of becoming a parent and wholeheartedly agreed that this fitted well with SQA's overall ethos. It was agreed that SQA would explore:

- How to identify itself better to young people in the care system. Communicating more effectively the qualifications available could assist in exposing this group to the opportunities and pathways that could be opened to them;
- How it could recognise and celebrate the achievements of looked after young people – both corporately and locally;
- How SQA as an employer could be more proactive with individuals who had experience of the care system;
- How to engage with young people in the development of approaches, building on the ethos of the *More Choices, More Chances* Strategy.

An action plan was being developed internally, and included work with the equality sub-groups across the business. The outcomes would have close links into SQA's Corporate Plan and CSR strategy and would be finalised in September 2015. The Board recognised its duty to monitor compliance and implementation of the duties placed on SQA and an appraisal of progress would be added to the workplan for review annually (with effect from 2016).

In conclusion, the Board had been inspired by the exchange and recorded its wholehearted commitment to the values of corporate parenting and ensuring that SQA developed ways to 'make things better'.

Mrs Tierney, Mr Browne and Mr Chalmers left the meeting.

94/6 CHAIRMAN'S REMARKS

The Chairman advised that he had a discussion with Alan Johnston on the Partnership for Change commitments and Board appointments.

The Scottish Government would now progress the recruitment drive as a matter of priority. It was recorded that further to discussions during the private session of the Board that morning, it had been agreed to increase the search to five posts. These appointments would be in line with the Scottish Government's drive and SQA's commitment for public bodies' Boards to work towards gender balance on boards by 2020, and equally to ensure that the positions were accessible and attractive to a diverse range of candidates.

94/7 CHIEF EXECUTIVE'S REPORT

The Chief Executive reported in detail on her recent engagements.

Further to the contents of her report, she was pleased to advise that SQA had been assigned new sponsor leads in the Lifelong Learning Directorate, Aileen McKechnie and Ron Griffin. Having already had a constructive meeting, the Chief Executive looked forward to continued engagement.

In closing, the Chief Executive was delighted to share news with the Board on an outstanding leadership award given to SQA by the Chinese Service Centre for Scholarly Exchange during a recent visit to China.

94/8 CORPORATE RISK REGISTER

Ms Cahill, Director of Corporate Services, presented the current status of the risk register.

She advised of a new risk which had been escalated to the corporate risk register following a proposal to the Audit Committee at the end of February. As a result of the combination of dual running and the changes in levels of coursework assessment with the shift from current to new qualifications, there was a potential for a shortfall in the number of markers. After detailed discussion, the Board was assured that the matter was being closely monitored and active steps were being taken to effectively manage the position.

The Board noted the contents of the risk register, and looked forward to further discussion as part of the CPG Report considerations.

Dr Alasdair Allan, Minister for Learning, Science and Scotland's Languages, and Mrs Fiona Robertson, Director of Learning joined the meeting.

94/9 DELIVERING SCHOOL QUALIFICATIONS

i CfE Update

Dr Stewart, Director of Qualifications, presented the CfE Update, reporting on recent milestone achievements and forthcoming activities. The overall programme status remained at amber due to continued challenges with multiple concurrent demands on staff and appointees.

She provided a full report on the key achievements and planned activities for March and April, and referred to the close working that was in place with Education Scotland and other partners to identify any areas where more support could be offered to teachers.

Dr Stewart also provided an update on SQA's continuing work around Developing Scotland's Young Workforce (DYW), advising that progress would be governed through SQA's existing CfE Governance Structure. She was pleased to report that work was in train with SDS around foundation apprenticeships. The Board was encouraged to learn that field staff had started discussions with schools to ensure they were well informed on vocational qualifications and on the clear progression routes available for

young people from SQA's portfolio. The Chief Executive highlighted that at some point, DYW would add cost into the system, and that discussions around funding had yet to take place with the Scottish Government. The initiative was also expected to bring increased requirements for SQA Accreditation in terms of work with the skills system in a non-regulated environment.

After discussion, the Board noted the contents of the report

ii **Report from the Certification Programme Group**

Ms Blair presented a full update on the Certification Programme Group report, and expanded on the particular matters reported at amber status. In discussion, she drew attention to the increasing entries profile, which as discussed earlier in the meeting, had brought challenges around appointee recruitment. Marker shortfall requirements were being monitored on a daily basis, and actions to address shortfalls had been agreed and sanctioned by an internal cross directorate group. The Board was reassured that SQA was taking a very proactive approach, and that the matter was currently not one for concern. Contingency arrangements were in place, and would be invoked as and if required.

The Board noted the contents of the report.

Dr Allan took the opportunity to acknowledge SQA's hard work, dedication and commitment to continue to deliver its commitments to CfE successfully. The Scottish Government had recognised that despite the sustained level of pressure and conflicting demands being placed on SQA, it had remained steadfast in achieving all its milestones – both to the original plan and to the additional requests for support. The Board and Executive Management Team gave its assurance that SQA would remain committed in its critical role to safeguard delivery, and commented on the value of regular dialogue with the Scottish Government.

During the closing discussion, it was noted that the Board had agreed to advertise for five Board appointments, and that the person specifications would be reviewed to take account of and help inform the future direction for SQA. It was confirmed that the Scottish Government would take this forward in liaison with the Chairman.

Dr Alasdair Allan and Mrs Fiona Robertson left the meeting.

94/10 **FINANCIAL PERFORMANCE TO 28 FEBRUARY 2015**

Ms Ellison, Director of Finance tabled and presented the current financial report to the end of February 2015.

She was pleased to report a year to date favourable variance of £496k against the Q3 forecast and that it was anticipated that the original Q0 budget position would be achieved.

94/11 **EQUALITY MAINSTREAMING REPORT**

Ms Cahill, Director of Corporate Services presented the second Equality Mainstreaming Report, which provided an overview of work undertaken to ensure that equality was embedded into SQA.

This report had been received positively and approved by the Audit Committee on 23 February and the version before the Board reflected any feedback from discussions at that meeting.

The Board approved the Equality Mainstreaming Report for publication on the SQA website.

94/12 **SQA APPROACH TO MARKETS AND CENTRES**

It was noted that the presentation had been previously considered and debated by the International and Commercial Committee.

The Chief Executive and Mr McMorris, Director of Business Development led on a presentation outlining the suggested approaches to deliver in SQA's markets and centres. Ms Blair also highlighted some of the Quality Assurance (QA) work taking place.

The Board engaged in discussion, during which the following points were raised:

- It was of particular importance for SQA to have a sustainable funding mechanism in future years. The Board noted however, that this required input and direction from the Scottish Government. At this point, Mr Edgar in his position as Convenor of the Audit Committee elevated the Committee's concern that there had been limited progress in SQA achieving the Scottish Government's target of self-financing status. The Board recognised that because of the significant level of activities that were required to support Curriculum for Excellence, there had been a conscious decision to re-scope the income generating activities over the past years.
- SQA would continue to take a cautious approach as it explored opportunities to grow and develop in other markets. The Board was assured that capacity planning would continue to feature as part of SQA's decision making processes.
- Decisions to enter new markets would be made based on a clear understanding of the fit with SQA's strategic objectives and alignment with Scottish Government's international strategy. SQA would continue to refine its business and opportunity appraisal model to ensure appropriate entry and exit decisions were made.
- As a result of the continued extension of activities into different countries, SQA was developing a structured approach to Quality Assurance for each of its markets.

The Board noted the work underway and welcomed the discussion into SQA's plans to develop internationally.

94/13 **BUSINESS DEVELOPMENT REPORT**

Mr McMorris, Director of Business Development, provided the Board with a full and comprehensive update on the performance of business development in all key markets to the end of February 2015.

The Board noted the encouraging progress.

94/14 COMMITTEE REPORTS

i **Advisory Council - 10 November**

The business of this meeting had been reported to the 3 December meeting of the Board. The Board noted the content of the minutes and that the Advisory Council was scheduled to meet again in the following week.

ii **International and Commercial Committee - 11 February**

The Board noted the draft minutes, which would be formally approved at the Committee's next meeting in May.

Mr O'Hare, in his capacity as Convenor of the International and Commercial Committee advised that Mr Freedman, a co-opted member of the committee, would soon stand down due to work commitments. The Board formally recorded its thanks to Mr Freedman, who had always offered very sound and valuable words of advice to the Committee's work.

iii **Audit Committee - 23 February**

The Audit Committee had convened at the end of last month, and the draft minutes had not been available for inclusion in the Board papers. Mr Edgar, in his capacity as Convenor of the Committee outlined the main business covered, and commented positively on the usefulness of the Quarterly Performance Review. Meaningful targets had been set for each Key Performance Indicator, and linked clearly into SQA's strategic goals.

The Audit Committee had also held a private session with the Internal Auditors in the absence of the Accountable Officer, and members of the Executive Team, when no matters of concern were raised.

The Board noted the update.

iv **Qualifications Committee - 4 March**

The Qualifications Committee had convened earlier that month, and the draft minutes had not been available for inclusion in the Board papers. Mrs Walsh, in her capacity as Convenor of the Qualifications Committee (QC), provided an overview of the main business covered. She also paid tribute to Prof Raffe, who had sadly passed away, and recognised his dedication and loyalty to the work of the QC.

The Board noted the update.

v **Accreditation Committee – 10 March**

The Accreditation Committee had met earlier that month, and the draft minutes had not been available for inclusion in the Board papers.

Ms Wilkinson, in her capacity as Convenor of the Accreditation Committee (AC), drew attention to main business and it was noted that:

- Time had been allocated to consideration of SQA Accreditation's risk appetite, and had been taken in the context of Regulation, Engagement,

and Information and Research. The matter would be discussed further at the next meeting of the AC.

- As part of its sector analysis reports, the AC had considered the work of the energy sector, and acknowledged the amount of work that had been undertaken.
- The AC had reviewed the latest status of completed Universal Services projects for 2014-15 and acknowledged that the continued effort of the Accreditation team in its work to deliver this to SSCs.

The Board noted the update.

94/15 **ANY OTHER BUSINESS**

There were no matters raised.

94/16 **DATE OF NEXT MEETING**

The next meeting of the Board would be held on Tuesday 19 May 2015 (rescheduled from Wednesday 13 May).