# SCOTTISH QUALIFICATIONS AUTHORITY                          B77/4 i

## BOARD OF MANAGEMENT – 15 AUGUST 2012                          For approval

Minutes of the seventy-sixth meeting of the Board of Management held at 10 am on Wednesday 13 June 2012 in Esk/Forth, the Optima Building, Glasgow.

| | **Members** | | **Officers** |
|---|---|---|---|
| * | Mr G Houston (Chairman) | | Ms M Cahill |
| * | Dr J Brown (Chief Executive) | * | Ms L Ellison |
| * | Mr J Edgar | * | Mr R Gibson |
| * | Mr W Gallagher | * | Ms K McCallum |
| * | Mr K McKay | * | Mr J McMorris |
| * | Mr R O'Hare | * | Ms J Ross |
| | Prof J Simmons | * | Dr G Stewart |
| * | Dr P Thomson | * | Mr G Brown, item 76/8 only |
| * | Mrs S Walsh | | |
| * | Ms C Wilkinson | | |
| | | | **Observers** |
| * | indicates present | * | Mr M McVicar |

## 76/1   WELCOME AND APOLOGIES

The Chairman welcomed members to the meeting, including Mr McVicar from the Scottish Government.  Apologies were noted from Prof Simmons and Ms Cahill.


## 76/2   DECLARATION OF ANY CONFLICTS OF INTEREST

There were no conflicts of interest declared.


## 76/3   PREVIOUS MEETING

### i   Minutes of meeting held on 25 April 2012

The minutes were approved as an accurate record, subject to one point of clarification around the reporting on the previous Accreditation Committee meeting.

*Later*: It was confirmed that the minutes of the Accreditation Committee meeting on 20 March 2012 had been included in the papers presented to the Board meeting.  The minute record was amended to clarify this point.

### ii   Action Grid

The Chairman advised that a letter of invitation to join a future meeting of the Board had been issued to the Chair of the CfE Management Board.  It was noted that the Chairman also had a meeting scheduled with the Director of Learning in the following week.  The contents of the action grid were noted.

### iii   Workplan

The Chairman highlighted that the August meeting would focus on strategic discussions around the future direction for SQA.  The contents of the action grid were noted.

76/4    **MATTERS ARISING**

Any matters arising would be covered in the course of the agenda.


76/5    **CHAIRMAN'S REMARKS**

The Chairman reported that he had attended a Public Sector Leaders' Event, led by the Scottish Government and COSLA.  This had been followed by a meeting of the NDPB Chairs to discuss progress on the work around strengthening relations between public bodies, in the main around community partnerships.

He had also recently attended the Cardonald College Gala Finale Fashion Show, and the Young Enterprise Scotland Awards, which recognised a scheme that involved young people in setting up and running their own company.


76/6    **CHIEF EXECUTIVE'S REPORT**

The Chief Executive referred to the contents of her report and highlighted specific areas of interest and progress.

The Chief Executive was pleased to report that SQA had successfully delivered another milestone and that the final documents for 197 qualifications from National 2 to Higher, had been published on schedule on the website.  This was welcomed by the Board, with a note of thanks to all staff involved.  It was confirmed that any feedback received would be factored into SQA's ongoing work as the qualifications continued to evolve.

In a recent meeting with the Cabinet Secretary, he had expressed his thanks to SQA for the successful delivery of the final documentation for the new National courses.  Further discussion took place as to the next phase of development and implementation, and the importance of ensuring that the programme plans of all partners were monitored continuously in order to ensure resources were available from across the system.  Discussion had also taken place around potential impact to SQA as a result of the Post-16 Review - as an awarding body for college provision and the potential impact on the role of SQA Accreditation as a result of the approach being taken to in qualifications regulation across the UK.

The Chief Executive took the opportunity to remind the Board that SQA had been charged by the Lifelong Learning Directorate of Scottish Government with the responsibility to take forward the work of the UK Vocational Qualifications Forum on behalf of Scotland.  It would be important to ensure close engagement with Scottish Government colleagues around the UK approach to skills, along with the manner in which vocational training was undertaken both in Scotland and across the UK.


76/7    **IS APPROACH TO SUPPORTING SQA's BUSINESS STRATEGY**

Mr Gibson delivered a presentation on the development of SQA's IT infrastructure strategy and how this dovetailed into the overall business strategy for SQA.  The Board engaged in a wide ranging discussion around the IT capabilities and use of technology, both for the demands of today's business but also for the need to scope out future changes and opportunities afforded by development in information technology.

The following points were raised in discussion:

- Shared services: The Board was agreed that a key expectation of the public sector reform agenda was to use a more joined up approach to service delivery and as such, SQA should highlight that steps *had* been taken to promote the shared services agenda.
- Disruptive Technology: It was recognised that there were likely to be opportunities arising from technology developments and that SQA must be well positioned to do this both from an IT and from a business process perspective.  It was stressed that the function of the Business Development directorate, along with the need to move efficiently and capably into the competitive market, must be taken into consideration when deliberating the need and requirements of any technology advancement strategy. It was agreed that it would be beneficial to consider the business critical criteria, and the associated risk and business continuity needs, by which SQA determines the most appropriate form and use of technology.
- Infrastructure approach: The Board sought reassurance that the organisation would continuously review and balance the need to maintain and protect existing infrastructure against the potential opportunities afforded from radical shifts. Members requested that a robust phasing and implementation plan be put in place, clearly indicating decision-making points.  It was however, recognised that any significant investment in new infrastructure would be heavily dependent on the availability of the required  financial resources and also that SQA had a number of bespoke systems in place that would require careful management of switchover.  A full options appraisal would be undertaken to assess the way forward and capture the anticipated benefits.

The Board welcomed the update on work to date, noting that a longer term vision of the IS strategy should be presented to a future meeting of the Board.


76/8  **ACCREDITATION UPDATE**

Mr Brown, Head of Accreditation was welcomed to the meeting and delivered a presentation on the work of the SQA Accreditation Unit, and the current challenges being faced.

The Board acknowledged the concern around the potential increase of unregulated qualifications provision in Scotland.  In particular, was the reputational risk for SQA and the quality of its brand, as a result of a perception that SQA Accreditation was responsible for regulating all awarding bodies delivering in Scotland.  The Board was assured that these matters and the changes in Ofqual regulations were part of continued discussions with the Scottish Government, and ongoing engagement with the other regulators from across the UK.

In closing, it was agreed that an update on the work of SQA Accreditation should be reported to the Board annually and added to the workplan.


76/9  **CfE UPDATE**

Dr Stewart provided an update on SQA's progress against milestones, the status of the overall CfE programme, and the management of risks and dependencies.  The Board was satisfied to note that all SQA's milestones had been successfully delivered on schedule.  It was also reported that constructive engagement and consultation on Quality Assurance (QA) arrangements had been initiated with Local

Authorities, in order to determine the operational and resource arrangements required that would be required for the QA model for new National Qualifications. The Board noted the significant workload ahead as SQA moved into the assessment development and implementation phase, and later into an intense period of activity and events due to take place over the months from October to March.

To conclude the discussion, it was noted that a working group of the key partners involved in CfE would meet on 4 July to take forward planning, dependencies and risks. This was being coordinated by the Scottish Government and would involve programme management representatives from both SQA and Education Scotland.

76/10 **FINANCIAL RESULTS TO 30 APRIL 2012**

Ms Ellison reported on the financial results to 30 April 2012, commenting that the Scottish Government had been presented with the costs being incurred across SQA in the delivery of CfE. It was noted that the overall favourable position in core income was due to timing issues as a result of submitted candidate entries later than forecast, and that this would not be sustained going forward.

In response to a query, the Board was advised that staff costs were managed on an ongoing basis and that active management of headcount was in place. Members were also advised that the additional total cost of the payment for staff progression was estimated at approximately £440k, and that the Scottish Government had agreed to support SQA in meeting these costs.

76/11 **BUSINESS DEVELOPMENT REPORT**

The Board noted the business development activity in all key markets as at end of period 30 April 2012. It was noted that the total awarding income target for 2012-13 reflected expectations of continued robust performance in Scotland and a strong level of growth in the Rest of the UK and international markets. The growth challenges ahead would be heavily dependent on securing new business opportunities in International Consultancy and Contract Services. There was also increased pressure as a result of entry patterns due to CfE, and potential loss of income due to the changes taking place in the college sector.

76/12 **REPORT FROM CERTIFICATION PROGRAMME GROUP**

The Board noted the contents of the report and the considerable work underway by all staff.

76/13 **COMMITTEE REPORTS**

i **Qualifications Committee – 18 April 2012**

A verbal update had been provided to the previous meeting of the Board. The approved minutes were noted by the Board.

ii **Advisory Council – 28 May 2012**

In the absence of the Convenor, Dr Thomson provided an update on the business covered. He drew attention to the Annual Summary of the Advisory

Council's work, which was presented to the Board that day as a paper for noting. The Board noted the content of the summary and endorsed the decision to maintain the depth and complexity of the report.

At its meeting, the Advisory Council had also:

- Received a presentation from the Chief Executive of SCQF, covering the role and function of the partnership. Members had highlighted the importance of its work in relation to employers and the third sector.
- Discussed the use of an SQA Code of Practice, and was very much in accord with the views of the Qualifications Committee.
- Received an update the new Results Services and contributed to the communication and implementation plans.

The Board noted the updated and that the minutes would be presented to the next meeting of the Board.

### iii    International & Commercial Committee – 6 June 2012

Mr O'Hare was pleased to report on a very positive and constructive meeting, which was clearly benefitting from the input and challenge from the co-opted members. There had been a shift of emphasis in trading subsidiary conversations, and discussion around a positive piece or work underway across SQA to refine the costing model and ensure transparency of costs. There had also been discussion around SQA branding in the Rest of the UK, and the suggestion to revisit and test this against competitors' brands.

The Board noted the updated and that the minutes would be presented to the next meeting of the Board.

### iv    Accreditation Committee – 12 June 2012

Ms Wilkinson reported on the workshop that had focussed on the UK regulation environment, implications of the post-16 Review, and European developments and their potential implications for Scotland, SQA Accreditation and Awarding Bodies. The Accreditation Committee meeting had covered consideration of a Qualification Report on the delivery of Health and Social Care, and the opportunity to review the committee standing orders and membership.

The Board noted the updated and that the minutes would be presented to the next meeting of the Board.

### v    Audit Committee – 30 May 2012

Mr Edgar provided an update on the business covered, which had included a significant discussion on the Quarterly Performance Review. A number of Scott-Moncrieff audits had been reviewed, along with the Interim Management Report from the new external auditors, KPMG. The Committee had also been pleased to note the positivity of two separate reports on the instances of fraud, and a benefits analysis on the relocation to Shawfair.

The Board noted the updated and that the minutes would be presented to the next meeting of the Board.

76/14 **ANY OTHER BUSINESS**

There were no matters raised for consideration.

The Board noted the contents of the Annual Summary of the Advisory Council's Work (April 2011-March 2012).

76/15 **DATE OF NEXT MEETING**

The next meeting of the Board would be held on Wednesday 15 August, in Lowden.