

BOARD OF MANAGEMENT – 30 MAY 2007

Minutes of the forty-second meeting of the Board of Management held at 10 am on Wednesday 14 March 2007 in the Boardroom, Dalkeith.

Members

- * Mr J McCormick (Chairman)
- * Dr J Brown
- Mr A Cassidy
- * Mrs J Gillespie
- * Prof A MacLennan
- Mrs L McKay
- * Mr J Mitchell
- * Mrs M Nicol
- * Mr G Rodgers
- * Prof J Simmons

Officers

- * Ms M Cahill
- * Mr T Drake
- * Ms K McCallum
- * Ms J Ross
- * Mr R Sylvester
- * Mr J Young
- * Mr J McDonald

In attendance

Ms J Blair (Items 42/6 to 42/8 only)
Mrs A Mearns (Item 42/9 only)

Observer

Ms C Carlin, Scottish Executive

- * indicates present

42/1 **WELCOME**

The Chairman welcomed Dr Brown, Chief Executive to her first meeting of the Board. On behalf of the Board, the Chairman expressed his appreciation of Mr Drake's leadership of SQA during his time as interim Chief Executive.

APOLOGIES

Apologies were received from Mr Cassidy and Mrs McKay.

42/2 **PREVIOUS MEETING**i **Minutes of meeting held on 24 January 2007**

The minutes were approved subject to the following amendment within minute reference B41/4 Chairman's Remarks:

“ Permanent change in structure would only ~~happen~~ *be considered* if it were seen to enhance SQA's effectiveness *and any proposal for change would be brought to the Board in the normal way for consideration and approval.* ”

ii **Action Grid**

The Board noted and agreed the action grid.

42/3 MATTERS ARISING

Dalkeith Accommodation

Following the recent feedback from the Scottish Executive on the Outline Business Case for Dalkeith Accommodation, Mr Sylvester reported that an amended Business Case would be submitted to the Scottish Executive that week.

Modernisation Programme

Ms McCallum reported that she had met recently with Mr Richard Murray, Economist, Scottish Executive, and discussion had taken place around the strategic links of the Modernisation Programme with ACfE. This dialogue was strongly supported by the Board. Concerned that lack of funding could compromise the ability for SQA to deliver the challenges of ACfE - which were core to the business of the organisation – members acknowledged the gravity of the matter and that it might require further discussion at Board level.

It was noted that work was also ongoing to determine the level of development funding available for 2007-08.

Pay Review

The Chairman reported that he had had a very positive and constructive discussion with Sir John Elvidge at their meeting at the end of January, when he confirmed that the Scottish Executive would work towards reaching a timeous solution to the Pay Review.

Ms Cahill added that further dialogue had taken place since that meeting, and it was hoped that the matter would be resolved by the end of that week. The Partnership Group and staff had been relatively understanding of the situation; however that did not detract from the urgency of bringing this matter to conclusion.

42/4 CHAIRMAN'S REMARKS

Finance Director of the Year

The Chairman congratulated Mr Sylvester on his recent award as Finance Director of the Year for the Public/Not for Profit Sector. As one of the most prestigious accolades bestowed to Finance Directors in Scotland, the Chairman noted that the achievement went to reflect Mr Sylvester's high level of leadership and professional skills. These sentiments were fully endorsed by the Board.

Role of the Board

Members had before them a tabled paper that incorporated the comments received on the draft proposals for the Board to focus on strategic rather than operational matters. The Chairman outlined the underlying principles of this work that supported the findings of the Audit Scotland (Section 23) Review.

He emphasised his ethos of open and participative working and that the aim of the proposals was not to constrain discussion, but to ensure more emphasis on the strategic development of SQA and its longer term objectives. It was agreed that it would be helpful to incorporate the spirit of the Chairman's comments into the introduction to the paper.

In the course of discussion, the Board:

- was assured that updates on specific operational activities could be requested at any time;
- agreed that a prescribed list of Board responsibilities, beyond what already existed, was not required (section 3.1 referred);
- endorsed the proposed scheduling of Board meetings for 2008;
- approved the submission of Committee minutes in draft to the Board; and
- requested clarification around 'Written resolutions of the Board' (section 3.6.1. referred) along with a definition of homologation procedures.

It was agreed that the paper would be revised and presented to the next meeting of the Board.

42/5 CHIEF EXECUTIVE'S REPORT

Mr Drake presented a brief overview of the main activities since the last meeting of the Board, and highlighted the following points:

Equality and Diversity Strategy

Work was progressing at a satisfactory pace, and training of staff to raise awareness of equality issues and responsibilities was well underway. To ensure continuity, the Race Equality Scheme would be reviewed together with the development of a Gender Equality Scheme - both of which would be submitted to the Board for approval in May.

Continuous Improvement Project

The initial analysis, facilitated by external experts, had involved managers from across the business and early messages had revealed specific areas for improvement. It was clarified that due to a lack of base data on resource and capacity planning, there had been no attempt to score 'Structures'.

Future recommendations would be informed by discussion with the Chief Executive, and the Board would be kept fully aware of progress.

HN Modernisation Programme

The HN Modernisation programme remained on track to deliver all modernised HNs by December 2008. It had already delivered significant rationalisation of the number of awards. Among the interesting initiatives being taken forward were two HNC programmes aimed at supporting the development of Radiographers and Radiography support staff. Accredited by the Society and College of Radiographers, they would be delivered by colleges in partnership with NHS hospitals.

Implementation of low uptake National Courses

Centres would be informed soon of those National Qualifications which would cease to be offered as a result of SQA's low uptake policy. Thirteen courses would be withdrawn after the 2007 diet and a further eight after the 2008 diet.

Direct delivery of Question Papers to Centres

The roll out of direct delivery of Question Papers to centres was underway, and all centres had been approached to agree a timetable for transfer to the new procedure. To date, 118 centres had elected to opt in for the 2007 diet and a further 121 for the 2008 diet. Feedback

had been very positive, with funding being raised as the main issue. This had been referred to SEED and COSLA for negotiation. The management and control of the Question Papers would remain with Chief Invigilators, who would be fully instructed at briefings scheduled to take place in March.

42/6 **REPORT FROM THE CERTIFICATION PLANNING GROUP**

The Chairman welcomed Ms Blair to the meeting.

Ms McCallum reported satisfactory progress on certification planning and highlighted the following areas.

- Contingency measures had been invoked to manage the breach in security for Advanced Higher Administration Question Papers, and the Board was assured that papers for 2007 and 2008 papers would be in place. Security procedures would be reinforced and communicated to all staff via Qualifications Managers.
- Registration details for Results online were being despatched on a phased basis to candidates. There had been a marked increase in registrations during the most recent weeks, with the deadline set for end June 2007.
- With the removal of Derived Grades, Appointee recruitment for Appeals would be brought forward. Work was underway to manage this shift in resource planning.
- Ms McCallum commended staff on their pace of work and efficiency in managing the Network failure in February, and again in the more recent incident, where air conditioning units had failed to operate, causing a Server shutdown in Dalkeith. Both incidents had invoked Business Continuity procedures, where the effectiveness of procedures and importance of backup data had been highlighted. An application had been submitted for funding in 2007-08 to upgrade the data library.

The Board noted the contents of the report.

42/7 **DRAFT BALANCED SCORECARD FOR 2007-10**

Ms Blair presented the scorecard that provided complete coverage in terms of outcomes to be achieved, with clear mapping of SQA's high level objectives across to the outcome and measurement statements. In the time that had lapsed since issue of the Board papers, the measurements had been further defined as follows:

- 8. Increase centre satisfaction with SQA to at least **81%**
- 9. Achieve stakeholder satisfaction with SQA of **70%**
- 12. Achieve employee attendance levels of at least **95.5%**
- 15. Maintain the level of employees 'proud to work for SQA' at **80%**

Ms Blair assured the Board that the targets set were challenging to SQA and had been informed by a number of factors, including benchmarking against other NDPBs and Awarding bodies. Discussion took place around the definition and text for Measures 10 and 11, and it was agreed to revise these to read:

- 10. Have effective relationships with identified key partners (setting a 75% target).
- 11. Make effective contributions to policy development (with identified key areas).

The Board welcomed the new format for performance reporting and requested that the read across from corporate objective to measures formed part of the standard report to the Board.

Update on Risk Management Workshop

Following the strategic risk workshop that had taken place that week, an initial draft on an updated register was circulated to members of the Board. That draft included revised text developed from the plenary feedback session, and suggested a number of additional risks for consideration. During discussion around the strategic risks, it was agreed that the text should be amended to:

- ensure that references 2 and 6 should focus on SQA's role being that to inform and support the implementation of policy developments, and that references to loss of market share would be as a result of SQA being diverted into policy developments that were not achievable;
- reflect in reference 9 that without sufficient resources, SQA could not deliver its objectives;
- merge references 4 and 5 to focus on the need to communicate effectively SQA's needs in terms of the political agenda;
- subsume reference 24 within reference 22 and to embrace that SQA wishes to optimise its systems in order to deliver products and commercial opportunity;

Ms Blair agreed to address the comments made and redraft the transcript to capture the sentiments of the Board. The revised draft would be mailed electronically for members to complete the probability and impact analysis. Those inputs would then be collated and analysed to identify the top ten risks that would form the final Risk Register for presentation and approval at the Board meeting on 30 May.

42/8 LIFELONG LEARNING – BUILDING ON SUCCESS

Members had before them the key features of SQA's response to the Scottish Executive's consultation on Lifelong Learning in Scotland. In setting out SQA's position, the response had taken account of SQA policies related to skills and lifelong learning and had incorporated the call for a high level strategic and national view of lifelong learning and skills development in Scotland.

Mr Young went on to refer to the main recommendations of Lord Leitch's Review of UK Skills. Published in December 2006, during the consultation on Lifelong Learning, SQA had been invited to comment on the Leitch Report, and a copy of the full response could be provided to members on request. Interest had been expressed across the Education and Training sectors in Scotland, to work collectively and develop a Scottish view on the impact and implications of the Report.

Encouraged that SQA's interests would be represented in ongoing Executive-led activity, the Board was resonant in its endorsement of the work and in the ongoing contribution of the Qualifications Committee and Advisory Council.

Ms Blair left the meeting.

42/9 NATIONAL QUALIFICATIONS GROUP AWARDS DEVELOPMENT PROJECT

The Chairman welcomed Mrs Mearns, Business Manager, HN/SVQ Product Development to the meeting. The project offered the opportunity to modernise the NQ catalogue of units and group awards to ensure that these qualifications were relevant and provided progression across the qualifications portfolio.

There was also the opportunity for partnership work with employers and schools to build progression from Skills for Work programmes and into employment.

Closely aligned to the strategy for the delivery of the HN Modernisation project, collaboration had been extended to working with key stakeholders and this had proven to be a very strong and effective success factor of the programme.

Secured funding for 2007-08 was not sufficient to cover the cost of all the identified developments, with an anticipated shortfall of approximately £300,000; furthermore, funding had not been secured for 2008 and beyond. The successful delivery of the programme was contingent on sustained funding and a business case - as part of a joint bid on behalf of SQA and the Further Education sector –was being prepared for submission to SEETLLD. Monies would be also sought from other external funding sources, such as the European Social Fund.

The Board commended the work and the significant progress that had been made.

Mrs Mearns left the meeting.

42/10 **COMMITTEE REPORTS**

i **Advisory Council held on 19 January 2007**

The Board noted the contents of the minutes.

ii **Audit and Performance Committee held on 21 February 2007**

The Board noted the contents of the minutes.

iii **Qualifications Committees held on 9 February 2007**

The Board noted the contents of the minutes.

42/11 **ANY OTHER BUSINESS**

There were no matters raised.

PAPERS FOR NOTING

The Board noted the contents of the following papers:

- PFN1 Financial Report to 31 January 2007
- PFN2 Qualifications Development Update

42/12 **DATE OF NEXT MEETING**

The next meeting of the Board of Management would be held in Esk/Forth, Optima, Glasgow on Wednesday 30 May 2007.