

BOARD OF MANAGEMENT - 22 NOVEMBER 2006

Minutes of the fortieth meeting of the Board of Management held at 9.30 am on Wednesday 22 November 2006 at Aberdeen College, Aberdeen.

Members		Officers	
*	Mr J McCormick (Chairman)	*	Ms M Cahill
*	Mr A Cassidy	*	Mr T Drake
	Mrs J Gillespie	*	Ms K McCallum
*	Prof A MacLennan	*	Ms J Ross
	Mrs L McKay	*	Mr R Sylvester
*	Mr I McMillan	*	Mr J Young
*	Mr J Mitchell	*	Mr J McDonald
*	Mrs M Nicol		
*	Mr G Rodgers		In attendance
*	Prof J Simmons		Ms J Blair (items B40/6 and B40/7 only)
			Mr N MacGowan
			Ms L Chalmers
			Observer
*	indicates present	*	Ms C Carlin, Scottish Executive

40/1 **WELCOME AND APOLOGIES**

The Chairman welcomed members to the meeting. Apologies were received from Mrs J Gillespie and Mrs L McKay.

40/2 **PREVIOUS MEETING**i **Minutes of meeting held on 28 September 2006**

The minutes were approved as an accurate record of the meeting, subject to correction of the recorded date of the meeting.

ii **Action Grid**

There were no outstanding issues to report.

iii **Workplan 2006**

The contents of the workplan were noted.

40/3 **MATTERS ARISING**39/3 **Trading Subsidiary**

Mr Sylvester reported that the business case had been explored further at a recent meeting of the International and Commercial Committee, where it had been agreed to incorporate international activity, namely management of the provision of international awarding and consultancy services. On completion of the revisions, the business case would be resubmitted to the International and Commercial Committee and thereafter to the Board, for consideration. Final approval would be sought from the Scottish Executive.

39/3 **HR / Finance System – Project IRIS**

It was reported that funding for extension of the project had yet to be approved. Officers were in dialogue with the Scottish Executive in an attempt to seek assurance on the coverage of costs and continuation of the project.

39/6 i **Review of Estimates, Derived Grades and Appeals**

It was reported that in cooperation with the Scottish Executive, the communication on the withdrawal of Derived Grades for the 2007 and subsequent Diets had been managed well and met with widespread approval. The Board recorded its appreciation of the work of the Advisory Council and Qualifications Committee in the work completed to reach this change to policy.

40/4 **CHAIRMAN'S REMARKS**

In summation, the Chairman covered the following points:

- The recommendations on the appointment of a new Chief Executive were currently with the Minister for consideration, and the Chairman gave his assurance that any decision would be communicated as soon as it was confirmed.
- An invitation had been extended to Mr Hugh Henry, the new Minister for Education and Young People, to visit the SQA Offices.
- In line with the recommendations made by Audit Scotland, work was underway to review the workplan of the Board in order to allocate a more strategic role. It was intended that the Chairs' Committee would discuss the proposals in detail, before remit to the Board for formal approval in March 2007.
- Three new appointments had been made to the Advisory Council. Mr Alex Paterson, Director, Developing Skills at HIE, Mr Brian Lister, Chief Executive of SFEU and Principal of Cumbernauld College, and Mr Grant Ritchie, Assistant Principal of Dundee College.
- The Chairman noted with satisfaction the tone and content of the Section 23 Report that had now been published in its final form. Mr Sylvester added that the Report had been laid before the Holyrood Audit Committee, where the recovery of SQA's performance since 2000 had been commended and well received.

40/5 **CHIEF EXECUTIVE'S REPORT**

Mr Drake presented a brief overview of the main areas of work within the Chief Executive's Report. The Board welcomed the contents of the report.

40/6 **JAMES BARR BUSINESS SOLUTIONS v SQA**

Mr Sylvester advised the Board that an out of court settlement had been proposed by JBBS on 10 November 2006.

Keen to minimise financial and reputational risk, the Executive Management Team had considered the strengths and weaknesses of SQA's case. In accordance with Section 5,

Special Circumstances of the Board Standing Orders, a decision had been taken to agree a payment of £70,000 in settlement of the action.

The Board was assured that procurement processes would be reviewed to ensure that with reference to the undertaking of speculative and pilot work, any potential financial commitment was governed by robust procedures.

The Board accepted and supported the decision to pay JBBS the sum of £70,000 in settlement of the action raised by JBBS. It was noted that Scottish Executive approval would be sought, as this was deemed a special payment in terms of 8.5.5 of the Management Statement and Financial Memorandum.

40/7 **FINANCE AND CORPORATE PERFORMANCE**

i Half year Performance Report and Future Plans

The Chairman welcomed Ms Blair to the meeting.

Cognisant of the findings of the Audit Scotland report, the revised planning, monitoring and reporting arrangements would address the need for the Board and the Executive Team to focus more on strategic issues, including risk management and performance measurement.

Ms Blair went on to provide a comprehensive presentation of the process that had been followed to arrive at the new reporting format, and familiarised members with the management tools for reporting. The balanced scorecard itself had taken account of the concern by Audit Scotland that SQA objectives were not aligned to outcomes and were too numerous to allow proper focus on priorities. This led to a translation of SQA's five high level objectives and fifteen business plan objectives into nine outcome statements, from which nineteen measures had been established. Behind each measure would sit a back up schedule that would be based on evidence of demonstrated performance.

Following close interrogation of the proposals, the Board was resolute in its view that it should concentrate on the high level objectives of SQA. Given the difference in opinion around the level of detail required to be reported to the Board, Ms Blair assured members that any matter of significance would be raised for discussion with the Board.

The Board welcomed and endorsed the revised approach to performance reporting and it was agreed that the balanced scorecard and strategic risks would be reported quarterly to the Board, along with the existing quarterly reports on performance.

It was noted that the new reporting format was pivotal to how Board business would be conducted in future, and that the Chairs' Committee would convene to consider what mechanisms should be put in place to consider this work at appropriate stages in the year.

40/8 **OPERATIONS**

i Report from the Certification Planning Group

Ms McCallum presented the progress on certification planning. This was noted by the Board.

40/9 **COMMITTEE REPORTS**

i **Accreditation Committee held on 7 September 2006**

Prof Simmons advised that the review of Accreditation and Regulation would be reported to a future meeting of the Board.

Mr Drake reported that the recommendations of the proposal to allocate SVQs to SCQF had been presented to the Qualifications Committee in November and that further work would be undertaken to address the issues raised at that forum.

The Board noted the minutes of the meeting.

40/10 **ANY OTHER BUSINESS**

There were no matters raised.

PAPERS FOR NOTING

The Board noted the contents of the following papers:

- PFN1 Equality and Diversity Strategy
- PFN2 Financial Report to 30 September 2006
- PFN3 Qualifications Development Update
- PFN4 Commercial Activity Update
- PFN5 Presentation to MSPs

40/11 **DATE OF NEXT MEETING**

The next meeting of the Board of Management would be held in Esk/Forth, The Optima Building, Glasgow on Wednesday 24 January 2007.

40/12 **PRESENTATIONS ON SCHOOL/COLLEGE PARTNERSHIP IN ABERDEEN**

After the formal meeting of the Board, presentations were given by Dr Rae Angus, Principal, Aberdeen College, Mr Robert Bellfield, Associate Principal, Aberdeen College, Ms Shelley Hunter, Child Protection and Schools Liaison Coordinator, Aberdeen College, and Mr George Milne, Aberdeenshire Council. These outlined the school/college links between Aberdeen City and Aberdeenshire, how they had developed and how they would be managed to the benefit of pupils.

During the ensuing discussion it was agreed that the Executive Management Team would address the challenges highlighted around online assessment, Skills for Work programmes and progression opportunities.