

BOARD OF MANAGEMENT – 3 DECEMBER 2014

For approval

Minutes of the ninety-first meeting of the Board of Management held at 10 am on Wednesday 8 October 2014 in the Optima Building, Glasgow.

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

Observers

- * Mr M McVicar

91/1 **WELCOME AND APOLOGIES**

The Chairman welcomed members to the meeting, including Mr McKay who had returned from a period of absence. On behalf of the Board, the Chairman congratulated Ms Blair on her recent interim appointment to Director of Operations. There were no apologies.

91/2 **DECLARATION OF ANY CONFLICTS OF INTEREST**

There were no conflicts of interest declared.

91/3 **PREVIOUS MEETING**i **Minutes of meeting held on 20 August 2014**

The minutes were approved as an accurate record.

ii **Action Grid**

It was noted that there were no actions outstanding.

iii **Workplan**

The Board noted the contents of workplan and that the item relating to Accreditation had been deferred to the December meeting of the Board.

91/4 **MATTERS ARISING**90/13 i **Printing and Dispatch of Question Papers**

The Chief Executive advised that the contract value would be considerably less than that as stated in the Board paper presented to and approved at the previous meeting.

Due to unknown volumes of question papers, SQA could not be certain of the final value, so it had been necessary to include a level of contingency. It was known however, that volumes would reduce after the end of dual running in 2015. The value in the original submission to the Board had been stated as £650k p.a. excluding VAT. On reassessment, the annual value for 2015 was estimated at approximately £330k excl. VAT, and based on current volumes with annual volumes thereafter expected to half. This had presented a lower total value over four years of around £780k excluding VAT plus a contingency of circa 20% to bring a final contract value of £940k. (The previous contract had indicated a greater contract value of £1.7m over four years.)

The modification had been as a result of an internal clerical error and the Board was assured that all suppliers had been evaluated on the correct level of requirements and that there was no implication on the procurement process that had been conducted. The Board noted and endorsed the new total value over four years

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

91/5 **CHAIRMAN'S REMARKS**

In the time since the last Board meeting, the Chairman had met with Fiona Robertson, Director of Learning, who had commented positively on SQA's successful delivery of CfE. During discussion, it had also been recognised that the Board had concerns beyond CfE and on the financial challenges facing SQA in the future. The Chairman had also taken the opportunity to touch on the composition of the Board, covering the need to ensure proper skills and knowledge as the Board moved forward into new horizons.

The Chairman advised that he had continued to meet with Board members and had now finalised that year's round of appraisal meetings. In addition, he had attended the recent International and Commercial Committee, Qualifications Committee and Advisory Council meetings.

In closing, the Chairman commended the Chief Executive on her recent appearance at the Education and Culture Committee at the Scottish Parliament.

91/6 **CHIEF EXECUTIVE'S REPORT**

The Chief Executive opened her report with a personal welcome to Ms Blair onto the Executive Management Team, and invited her to introduce herself to the Board. Further to the contents of her report, Dr Brown:

- Advised of the positive engagement and feedback with Training Providers, who were a key component in vocational delivery across Scotland, particularly in relation to apprenticeships.
- Provided an overview of the matters considered at the recent Education and Culture Committee. Overall it had been a very balanced discussion covering a variety of different aspects relating to CfE implementation. In response to the Board, she advised that to date there had not yet been any feedback from EIS on the Reflections Report.
- Informed the Board that there was continued interest and comment on the new Advanced Higher. She assured the Board that SQA had a substantial delivery plan in place, which already stretched capacity to its maximum.

- Continued to engage around access to study Geology, and a meeting was scheduled soon with RSGS.

The Board engaged in wide ranging discussion around the matters raised by the Chief Executive and the contents of the CfE Update to follow (item B91/8 referred). In summary this covered:

- The approach that had been taken by SQA to implement CfE. It was suggested that different models of education in other countries could usefully inform discussions in Scotland's education system around matters such as professional autonomy of teachers.
- Support and recognition for SQA's robust three year evaluation programme.
- The matter of local delivery, differing practices amongst Local Authorities and best practice on matters such as the use of SQA Nominees. Comments included the additional pressures being placed on SQA, inter alia, to deliver more CPD to support to teachers. The Board was pleased to note of Education Scotland's intention to meet with individual Directors of Education to discuss approaches being taken across the country, and that SQA would be provide information to inform these discussions. The work underway in response to the demand for exemplification of candidate evidence which was now available following the first year of implementation and that this was being provided as part of the Understanding Standards programme which was commencing this session.
- The actions arising from the Reflections Report had yet to be scoped in terms of resource requirements.

Encouraged by the actions being taken by SQA, the Board noted SQA's continued work in supporting practitioners as the new qualifications were implemented, and the commitment to working in partnership with all members of the Scottish education system to ensure achievement of the CfE goals.

91/7 **CfE UPDATE**

Dr Stewart presented the update on SQA's progress against CfE milestones, based on SQA's highlight reports for August 2014. The Board was reassured that active steps were being taken to manage closely the issues that contributed to the overall programme status of amber.

In response to the Board around the impact cost of any policy changes, the Chairman assured members that the Scottish Government was clear on the financial challenges being faced by both SQA and the public sector generally.

The Board noted the current position.

91/8 **REPORT FROM CERTIFICATION PROGRAMME GROUP**

Dr Stewart presented the Certification Programme Group report and provided a detailed update on those critical success factors reported at amber status. She assured the Board that standards would not be compromised and that appropriate and effectual solutions had either been put in place, or were being considered. It was noted that a full post incident review of the systems issues had been undertaken, with a number of process changes introduced.

The Board noted the contents of the report.

91/9 CORPORATE RISK REGISTER

Ms Cahill presented the Corporate Risk Register (CRR), reminding the Board that it would be scrutinised by the Audit Committee at its next meeting in November. As part of the Board's review:

- It was suggested that the Audit Committee should consider amalgamating the reputational and financial risks 2 and 4
- There was a robust discussion on the sustained level of pressure being faced by staff (14CRR1 referred). The Board was assured that there was an active programme in place to:
 - evaluate 'business as usual' following completion of CfE;
 - look proactively at surges and shifts in demand;
 - consider SQA's digitising plans for the future and any associated impact on skillsket; and
 - ensure alignment of activity with external parties.

The Board noted the contents of the risk register.

91/10 CURRENT FINANCIAL PERFORMANCE

Q2 Forecast Update

Ms Ellison tabled and presented the quarter 2 finance position. The Board noted the contents of the report, the ongoing demands on resources to secure the safe delivery of CfE and financial pressures in the financial year 2014-15. It was agreed that SQA would continue to strive to achieve the best financial target.

Ms Ellison also highlighted the decision of the Executive Management Team to remove the 5% tolerance level clause from the Local Authority Agreements on the fixed charge for National Qualifications.

Given the scale of funding pressures being faced by SQA, the Board undertook a robust challenge and scrutiny of the matter in hand. After a long debate, the Board endorsed the decision to remove the 5% levy.

In closing, the Board highlighted how the discussion had underlined the magnitude of the significance for SQA to define a pricing model that covered actual delivery costs.

91/11 BUSINESS DEVELOPMENT REPORT

Mr McMorris provided the Board with a full and comprehensive update on the performance of business development in all key markets to end August 2014.

Again, the Board discussed the impact on staff resource, the re-scoping of commercial plans to focus on CfE delivery and subsequent loss of income against a backdrop of reduced grant in aid funding.

It was noted that the International and Commercial Committee would soon analyse SQA's approach and prioritisation plans for opportunities in key markets 2015-17.

The Board noted the contents of the report.

91/12 **SQA FOCUS FOR 2015-16**

Ms Cahill and the Chief Executive led on a presentation, which included:

- an update on progress against developing SQA's corporate plan 2015-18;
- a brief overview of the initial results of the recent staff survey;
- and an update on the recent lessons learned exercise that had been undertaken to identify improvements for activities SQA undertakes as part of its wide remit.

In discussion, the Board endorsed the existing eight corporate goals and recommended raising the prominence of the goal dedicated to promoting staff engagement and wellbeing. It was also agreed that the Board would be provided with more detail on the staff survey.

91/13 **COMMITTEE REPORTS**

i **Accreditation Committee – 12 August 2014**

The Board had received an update at its previous meeting and noted the formal minutes of the meeting held on 12 August 2014.

ii **Accreditation Committee – 2 September 2014**

The Board noted the formal minutes of the meeting held on 2 September 2014, and received an overview from Ms Wilkinson of the main points that had been covered.

iii **Advisory Council – 2 June 2014**

The Board had received an update at its previous meeting and noted the formal minutes of the meeting held on 2 June 2014.

iv **Advisory Council – 1 September 2014**

Dr Thomson provided an overview of the business covered, and the Board noted the draft minutes of the meeting held on 1 September 2014. He highlighted that new approach to the themed discussions had been very well received.

v **Audit Committee – 4 August 2014**

Mr Edgar provided an overview of the business covered. The Board had received an update at its previous meeting and noted the formal minutes of the meeting held on 4 August 2014.

vi **International and Commercial Committee – 27 August 2014**

The Board noted the formal minutes of the meeting held on 27 August 2014.

vii **Qualifications Committee – 17 September 2014**

Mrs Walsh provided an update of the business covered, which had included consideration of the findings of the recent Regulatory Audit visit, as well as a review of the annual awarding and attainment update.

She also mentioned the establishment of an expert awarding group to consider and advise on strategic issues relating to standards and awarding.

91/14 ANY OTHER BUSINESS

There were no matters raised.

91/15 DATE OF NEXT MEETING

The next meeting of the Board would be held on Wednesday 3 December 2014 in Arrol, Lowden.