

Minutes of the one hundred and sixth meeting of the Board of Management held at 11am on Tuesday 6 December 2016 in Arrol, Lowden.

Members

- * Mr G Houston (Chairman)
- * Dr J Brown (Chief Executive)
- * Ms E Craig
- * Mr S Hagney
- Mrs J Handley
- * Dr W Mayne
- * Mr H McKay
- * Mr R O'Hare
- * Mr R Stewart
- * Dr P Thomson
- * Ms C Wilkinson

Officers

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

Observer

- * Mr M McVicar, Scottish Government

In attendance – items B106/1 to B106/7 only
Mr G Brown

* indicates present

The meeting was preceded by a private session of the Board to discuss the Scottish Government's Governance Review, 'Empowering Teachers, Parents and Communities to Achieve Excellence and Equity in Education'. Only Board members were present.

106/1 WELCOME AND APOLOGIES

The Chairman welcomed members to the meeting, including Mr McVicar from the Scottish Government, and Mr Brown who was in attendance for item B106/7. Apologies were received from Mrs Handley.

106/2 DECLARATION OF ANY CONFLICTS OF INTEREST

There were no other conflicts of interest raised.

106/3 PREVIOUS MEETING

i Minutes of meeting held on 31 October 2016

The minutes were approved as an accurate record.

ii Action Grid

The contents of the action grid were noted.

106/4 MATTERS ARISING

There were no matters arising.

106/5 CHAIRMAN'S REMARKS

The Chairman updated the Board on his recent SQA engagements that had included attendance at the SQA Star Awards. He commented on the success of the event and complimented the work of the staff in its organisation and delivery.

It was noted that the interviews had taken place for the SQA Chair vacancy. Mr McVicar advised that options were currently with Ministers for consideration.

The Chairman also acknowledged the Chief Executive and Director of Finance's recent appearance at the Education and Skills Committee, and recognised their professionalism in providing a clear exposition of SQA's position throughout a most challenging session.

Board discussion then led to the relentless negativity in the tone and content of press coverage relating to SQA, which was undoubtedly taking its toll and having a tangible impact on staff morale. Against this difficult background, SQA's dedicated staff continued to give their utmost to manage and deliver the revised National Qualifications, the Change Programme and Business As Usual activities. The Board had a clear understanding and did not underestimate the challenges being faced by staff. Discussion took place around opportunities for the Board to provide support and practical recognition to staff.

The Board noted the update.

106/6 CHIEF EXECUTIVE'S REPORT

The Chief Executive presented an update on her activities since the last meeting of the Board. She drew attention to the Resilience Scenario Planning sessions that had commenced between SQA, Scottish Government, ADES and Education Scotland. The purpose of these discussions was to consider the potential unintended consequences and various scenarios associated with implementation of the changes to National 5 (N5) qualifications in 2017-18. Supplementary to this, the Chief Executive had recently presented at the SLS conference on National Course design and assessment, reflecting on the year past and the changes ahead for N5. The Chief Executive expressed concerns over the level of understanding in the system of the changes that had been introduced for the current session as well as the revisions to the assessment approach that were currently being planned. It was essential that all involved in CfE made additional effort to ensure all teachers were aware of the changes.

The Board noted the contents of the report and supporting verbal update.

106/7 SQA ACCREDITATION AND REGULATION

The role of the Accreditation function was to independently accredit, quality assure and regulate approved Awarding Bodies and qualifications thereby safeguarding the interests of learners, employers, parents, funding bodies, providers and the Scottish Government.

The Chairman invited Mrs Wilkinson, Convenor of the Accreditation Committee, to introduce the discussion. Mr Brown, Head of Accreditation, then led on a presentation to the Board, outlining the operational activities carried out by SQA Accreditation along with the priorities and challenges currently being faced.

In the course of the presentation, the Board noted and discussed:

Status of the National Occupational Standards (NOS) programme

- The UK Commission for Employment and Skills (UKCES) had previously managed the NOS programme. With the withdrawal of funding for NOS from the UK Government, UKCES had been disbanded and the programme was now overseen by three devolved administrations in the UK nations; the NOS contract had been recently contracted to Skills Development Scotland (SDS) to oversee the programme for the current session/financial year. With no long-term clarity on funding, there was a risk that existing SVQs and MAs would not be refreshed or developed.
- It had been a challenging year for SQA Accreditation working through the transitional phase of the change to approach for the NOS programme. Continuing delays in terms of the transfer of contracts and projects had put pressure externally on Delivery Partners and internally on staff to try to manage an uncertain and end loaded volume of demand.
- There was concern around the open tendering process for the NOS programme; previously only Sector Skills Councils (SSCs) and other Standard Setting Organisations (SSOs) could develop NOS and the associated products. A five year licensed approach had been recommended to the Scottish Government as a solution.

Developing the Young Workforce (DYW) and Apprenticeship Frameworks

- In relation to the use of the SVQ units within Foundation Apprenticeships there was concern regarding the assessment of these units whilst being undertaken by young people in schools. Regulation of DYW in schools presented challenges to SQA's regulation activities in 'assuring' the quality of all awarding bodies delivering in Scotland. Similarly, in colleges, there was occasion of sub-contracting the delivery of apprenticeships, which added to the challenge of quality assuring and regulation.
- Given the role and importance of SVQs in the Apprenticeship programme (let alone the role of NOS in underpinning SVQs) it was critical for SQA Accreditation to continue to strive for links into the DYW programme.
- The Apprenticeship Framework was discussed and it was agreed that for this field of learning to be successful, it was necessary to enhance the perception of apprenticeships and clarify their purpose and fit into the overall qualifications framework.

The Board noted with concern the ongoing uncertainty around funding, along with the continuing absence of a Scottish Government policy lead for the Accreditation Function. It was important that SQA Accreditation was able to continue to deliver all statutory commitments to safeguard the learner in Scotland.

In closing the discussion, the Board took the time to note the Annual Review with interest, and recognised the notable achievements of the work of this small team.

The Board also approved the appointment of four new members to the Accreditation Committee. It was agreed that SQA would investigate the introduction of a fit and proper person test for co-opted Committee members.

106/8 QUALIFICATIONS

i **Revised National Qualifications (RNQ) Update**

Dr Stewart advised that SQA was in the process of closing the CfE Programme, and was pleased to report that all SQA milestones set at the start of the programme and agreed with the Curriculum for Excellence Management Board had been met on schedule. SQA would undertake a lessons learned exercise on delivery of the CfE programme, and a closure report would be provided to the Board in due course.

In response to the Deputy First Minister's earlier Delivery Plan, SQA had published in May the planned changes that would be made over the coming sessions. It was noted by the Board that a number of those actions had now been superseded by the more recent announcement from the Scottish Government, which proposed a change to the assessment approach for National 5, Higher and Advanced Higher. Whilst there were no current proposals for change to National 4, SQA continued with its research and fieldwork activities with schools to gather the views of teachers and candidates about National 4 courses; this would inform further discussions with the Assessment and National Qualifications (ANQ) Group.

SQA had established a new programme of work to deliver the requirements of RNQ in 2017. This work would form part of the SQA Change Programme and feed into the broader and existing Scottish Government governance arrangements. Work was moving apace within SQA to scope fully the activities and associated resource requirements for the programme, taking full cognisance of cross-directorate implications. The Board noted its concern around the aggressive and challenging timelines, highlighting in particular the quality, reputational, staff wellbeing and financial risks this presented. It was agreed to record this concern in the corporate risk register.

The Board too recognised the pressures being placed on teachers. SQA would be responsible for introducing the structural changes to the courses and their assessments, but centres would be faced with the challenges around putting these changes into practice. If the common goal of these changes was to reduce learner and teacher workload, the Scottish Government clearly had to consider *how* this major change in the qualifications system would be implemented for all stakeholders.

There was much discussion around the communication of the changes and clarity in messaging. SQA would take responsibility for updating schools on actions from the changes and SQA key timelines relating to publication of high-level assessment changes and course documentation; this would also be circulated to Local Authority contacts, School Leaders and Colleges. There was however, a mutual accountability system-wide for communications, and all partners had a key role to play.

The Board noted the update and work underway.

ii **Report from the Certification Programme Group**

Ms Blair presented a full update on the Certification Programme Group (CPG), and was pleased to report progress to plan.

The Board noted the contents of the report.

106/9 CORPORATE AND FINANCE

i **Corporate Risk Register**

Ms Cahill presented the current status of the Corporate Risk Register, which reflected any recent updates as a result of internal monitoring and deliberations. Earlier discussions around RNQ requirements would be articulated into a new risk to capture the SQA wide implications.

The Board noted the contents of the Register and endorsed the presentation of a new risk to the Audit Committee for approval.

ii **SQA Corporate Plan 2017-20 and Draft Budget 2017-18**

Corporate Plan

Ms Cahill presented the draft corporate plan, which had been considered by SQA Committees, the Advisory Council, the Partnership Group and the Scottish Government. The version before the Board reflected those amendments as requested at the last meeting.

The Board offered a number of further areas for attention and it was agreed to present the final draft - along with the budget - for approval to the January meeting of the Board.

Draft Budget

The Board was presented with a second draft budget for 2017-18 along with a draft paper providing a very broad indication of the impact of any 5% and 10% cut on 2017/18 grant requirements.

Ms Ellison outlined those areas of substantial change on last year, highlighting that the RNQ programme of work would have a significant impact on resources and budget.

The Board accepted that a challenge to the business had yet to be completed and that a third iteration would be presented in January.

iii **Framework Document**

The Framework Document set out the broad context within which SQA operated, and had recently been revised by the Scottish Government in an attempt to streamline the content. After close review of the Document the Board felt it would be apposite for the document to:

- Review the introductory paragraph to SQA's statutory functions and for accuracy, remove the mention that these were only exercised "below degree level".
- Clarify the meaning around risk management, where there appeared to be conflicting references around reporting arrangements to the Scottish Government.
- Elucidate the split of accreditation and awarding responsibilities.
- Include a reference to the Advisory Council.

The Executive agreed to take these matters on board and discuss with colleagues at the Scottish Government. It was intended to present back to the Board in January.

iv **Financial Performance Report**

Mrs Ellison, Director of Finance presented the Quarter 2 forecast update, which reflected the amalgamation of recent submissions from the business. As agreed at the last meeting of the Board, the reporting now included a cashflow projection.

Mrs Ellison assured Board Members that the Scottish Government was fully aware of the financial position and in particular the cashflow requirements for 2016-17. Mr McVicar confirmed that there was a clear understanding of the cash position.

The Board noted the current forecast position.

106/10 BUSINESS DEVELOPMENT REPORT

Mr McMorris, Director of Business Development provided the Board with a comprehensive update on business development activity in all key markets as at end October 2016 and against Q2 targets.

The Board noted the contents of the report.

106/11 SQA CHANGE PROGRAMME REPORT

Mr Davidson, Director of Business Systems, presented the update on progress against the various workstreams underway in the SQA Change Programme.

In the course of discussion, it was clarified that the programme was based on a portfolio model more so than a programme model.

The Board noted the contents of the report.

106/12 COMMITTEE REPORTS

i **Advisory Council – 7 November 2016**

Dr Thomson reported on the business of the last meeting, where members had received presentations each on the work of the Change Programme and the outputs of Results Services 2016. There had also been a discussion on the breadth of engagement SQA undertakes with training providers.

The Board noted the update and that Mr Stewart would take on convenorship of the Advisory Council from 2017.

ii/iii **Audit Committee – 1 August 2016 and 21 November 2016**

Mr Edgar had previously reported on the business of meeting held on 1 August and members now noted the minutes.

Mr McKay covered the business of the most recent meeting, advising that going forward it had been agreed to reduce the level of information considered as part of the routine performance reporting.

iv **International and Commercial Committee – 21 November 2016**

Mr O'Hare reported on the business of the Committee, which had focussed on SQA's strategy for international work and highlighted very aggressive and challenging growth targets to 2020. The Committee recognised that delivery was very much dependent on having appropriate staff resource and technology platforms in place.

v/vi **Qualifications Committee – 10 October 2016 and 23 November 2016**

Dr Thomson had previously reported on the business of meeting held on 10 October and members now noted the minutes.

Dr Thomson covered the business of the 23 November, which had included a review of the initial work on script scrutiny and discussion of the attainment statistics for 2016.

106/13 **ANY OTHER BUSINESS**

There were no further matters raised.

The Board noted the Annual Complaints Handling Report.

106/14 **DATE OF NEXT MEETING**

The next meeting of the Board would be held on Wednesday 25 January 2017 in Optima, Glasgow.