

BOARD OF MANAGEMENT – 8 MAY 2019

Minutes of the one hundred and twenty-second meeting of the Board of Management held at 10.00 am on Wednesday 27 March 2019, in Optima.

Members

- * Mr D Middleton (Chair)
- * Dr J Brown (Chief Executive)
- * Ms E Craig
- * Ms A Davis
- * Mr S Hagney
- Mrs J Handley
- * Dr W Mayne
- * Mr H McKay
- * Mr G Smith
- * Mr R Stewart
- * Dr K Thomson

Officers

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

Observers

- * Ms A Kerr, SQA
- * Mr Steve Borley, SQA
- * Ms E Townhill, Scottish Government

* indicates present

122/1 OPENING REMARKS**1.1 Welcome and Apologies**

The Chair extended a welcome to all members of the Board, including Ms Erin Townhill, SQA Sponsorship Advisor, Curriculum National Qualifications, Scottish Government and Mr Steve Borley, Head of Strategic Planning and Governance. He noted apologies had been received from Ms Handley and Ms Cahill.

1.11 Declaration of Any Conflicts of Interest

There were no conflicts of interest declared on the agenda.

1.12 Minutes of meeting held on 6 February 2019

The minutes were approved as an accurate record subject to the following amendments:

3.2 Spelling correction - to read Alistair Clark.

1.13 Matters Arising

There were no other matters arising that would not be covered in the course of the agenda.

1.14 Action Grid

The contents of the action grid were noted.

1.15 **Workplan 2019**

The Board noted the contents of the workplan, acknowledging that the item 'Annual Statement on Standards Activities' would be reported at the Board meeting of 8 May 2019.

It was agreed that, for clarity, it would be specified which planned strategy session would focus on the discussion and review of the Corporate Risk Register.

1.2 **CHAIR'S REPORT**

The Chair opened with an update on the Chief Executive Recruitment process, noting that final interviews would take place on 1 April. The Chair assured the Board that a robust communications plan was being developed to ensure that members of the Board and SQA staff would be informed at the appropriate time.

The Chair reported that he had attended the Qualifications Committee and had also been present at the inaugural meeting of the Performance Committee which he felt had been successful.

The Chair had also attended the Non-Executive Directors Forum, held by Scott Moncrieff which he reported to have been a valuable event.

The Board noted the update.

1.3 **CHIEF EXECUTIVE'S REPORT**

The Chief Executive presented a full update on her activities since the last meeting of the Board, opening with SQA's Modern Apprenticeship Programme – Pathways and its recent feature in Holyrood magazine in support of Scottish Apprenticeship Week.

The Chief Executive went on to update that SQA has trained 30 members of staff to act as mental health first aiders for member of staff in the business. This initiative further demonstrates SQA's commitment to the Fair Work Framework, in helping to enable fulfilment, respect and effective voice in the workplace.

The Chief Executive reported that she had attended the launch event for the SQA Women's Network on 8 March, International Women's Day. The event had been very successful, well attended by SQA staff both male and female and generated a very positive response.

The Chief Executive highlighted to the Board that the Responsible Business Review of 2018 had been provided to members in hard copy. The review is published to showcase SQA's significant and varied achievements and successes as a responsible business and shines a light on the talent, energy and generosity of SQA colleagues.

The Chief Executive reported that SQA continue to engage positively with the National Parent Forum of Scotland, ensuring SQA are easily accessible to

parents. The Chief Executive highlighted the printed copy of the centre page newspaper spread on SQA positive engagement with parents that had been provided for the Board to read.

The Board welcomed the update, especially supporting the volunteering activity showcased in the Responsible Business Review and the mental health engagement, and briefly discussed how to be more pro-active in the landscape of mental health.

The Board noted the content of the Chief Executive's Report.

122/2 PAPERS FOR DISCUSSION

2.1 Financial Performance Report

Mrs Ellison presented the Financial Performance report, highlighting that, with the grant in aid now confirmed from the Scottish Government for the remainder of the year, SQA remain with a deficit of £308k which Finance is addressing within the business with confidence that this would be managed down.

The Board noted the update and were comfortable in Mrs Ellison's assurances that the bottom line would be evened out by year end.

2.2 Cyber Resilience

Mr Robert McLennan, IT Security Manager, was welcomed to the meeting.

Mr McLennan delivered a presentation on SQA's cyber security journey from 2014 to present, providing the Board with visibility of SQA's current cyber security agenda and how it is assessing current levels of maturity in order to develop the program for the future. SQA is working to the Scottish Government cyber security guidelines and the Public Sector Actions Plan.

Mr McLennan was pleased to report that SQA had achieved Cyber Essentials accreditation in 2017 and has structured measures in place to manage the continued work with plans in place to achieve Cyber Essentials Plus certification in line with the Scottish Government Cyber Security Frameworks.

Mr McLennan reported on the approach and measures put in place since the establishment of the IT Security Team in 2014 to ensure that SQA has been brought in line with its cyber security obligations. Prioritising perimeter systems, SQA has engaged with security partner NCC Group, using managed online vulnerability scanning to identify and remedy areas of risk and as a result have achieved a considerable reduction in vulnerability.

Within the organisation, regular mandatory compliance validations are run on staff computers, ensuring staff completion and understanding of cyber and information security issues. Staff are required to undertake training and assessment before they are able to log onto their accounts.

Following recommendations from the Gartner Security Maturity Assessment, SQA has embarked on further user awareness training, under which two information security awareness open days were held for SQA staff in March.

These were well attended and provided essential information to staff from both a business and personal perspective.

The Board welcomed the update and discussed the implications of cyber security as it applies to vendor management and procurement in terms of ensuring that all external organisations that SQA engage with have the appropriate cyber security arrangements in place.

The Board noted that it would welcome a further update on the progress of this work and it was agreed that a further report would be brought back to the Board in due course.

The Board thanked Mr McLennan and he left the meeting.

2.3 Annual Report and Annual Review - Outline

Mr Steve Borley, Head of Strategic Planning and Governance, presented an update on the development of SQA's 2018-19 Annual Report and Accounts and Annual Review.

As a public body SQA has a statutory duty at the end of each financial year, to produce an Annual Report and Account document. The Annual Report and Accounts present a factual account of SQA's progress towards its strategic goals, the governance arrangements in operations, SQA's financial performance and position, for the financial year 2018-19. In addition, SQA has decided to create a separate Annual Review document, allowing a more narrative, engaging report of all the activities SQA undertake to serve the people and economy of Scotland.

The Board welcomed sight of the update, supporting the development of two separate documents as sensible and appropriate. This would give SQA an opportunity to deliver messages to different audiences.

122/3 PAPERS FOR APPROVAL

3.1 Equality Mainstreaming Update

Mr Borley presented the SQA Draft Equality Mainstreaming Report 2017-19.

The public sector equality duty requires SQA, in the exercise of its functions, to have due regard to the need to eliminate unlawful discrimination and advance equality of opportunity between all employees.

The specific duties require SQA to publish an Equality Mainstreaming Report and report progress in achieving equality outcomes every two years.

The Board welcomed the report as a very comprehensive summation of the good work that SQA does in the arena of equality. It was highlighted that care should be taken on how SQA articulate around gender pay gap issues. The Board discussed the volume of information and data included within the report and what this will go on to inform. Mr Borley clarified that, as well as publication of the report, this data would feed into the Equality Steering Group within SQA to inform action plans for forward looking activities. The report would also be made available to staff and highlighted through internal communications.

The Board thanked Mr Borley and were happy to approve the publication of the SQA Equality Mainstreaming Report 2017-19.

3.2 Performance Committee Standing Orders

Ms Eleanor Craig, Convenor of the Performance Committee presented the amended standing orders of the committee to the Board for approval.

The Board approved the progressing of the standing orders for the Performance Committee to publishing and briefly discussed the appropriateness and merits of the production of an annual report from each of SQA's Committees. It was agreed that ongoing reporting would be sufficient.

122/4 PAPERS FOR INFORMATION

4.1 Qualifications Delivery

4.11 NQ Certification Programme

The Board noted the contents of the National Qualifications Certification Programme Group report.

4.12 HN, Vocational and International Certification Programme

The Board noted the contents of the HN, Vocational and International Certification Programme Group report, noting SQA were using subject experts to address any issues arising from the pathway to withdraw from Health and Safety Construction Environment qualifications in the 'RoUK' market.

4.13 RNQ Programme Report

The Board noted the contents of the RNQ Programme report and that the programme was sitting at green.

4.14 Quality Assurance of National Qualifications 2018-19

The Chief Executive presented to the Board a paper that had been recommended to the Board by the Qualifications Committee. In response to the spike in late entries reported from session 2017-18, it was decided to conduct an evidence review in order to gain an understanding of the robustness of the evidence used by centres of their assessment of these units. It was agreed at the outset, that the outcome of this review would not affect candidate outcomes in the 2018 Diet.

The Chief Executive presented the report detailing the findings of this review which highlighted some areas of concern. As a result of these findings, SQA decided to implement a change in its approach to quality assurance in order to ensure integrity of certification. This would be achieved by revisiting the final entry dates for Units and increasing the level and randomisation of the quality assurance activities.

A full and formal round of Quality Assurance is planned for diet 2018-19 that will encompass these changes.

The Chief Executive reported that SQA have been working closely with colleagues at ADES and other organisations to ensure that clear communications about these changes are being issued to centres, Head Teachers and SQA Co-ordinators.

The Board expressed concern at the findings of the review and discussed the seriousness of the implications of similar behaviour in centres being reflected in the assessment of units at SCQF levels 5 & 6.

The Chief Executive assured the Board that SQA is aware and resolute in its responsibility to ensure that the quality assurance system is robust and that the integrity of certification is maintained.

The Board noted the update.

4.2 Change Programme Highlight Report

The Board noted the report on progress against the various workstreams of the SQA Change Programme.

4.3 Corporate Risk Register

The Chief Executive presented the current status of the Corporate Risk Register, highlighting those changes as a result of deliberations at the recent meeting of the Audit Committee.

The Committee discussed and noted the Corporate Risk Register.

4.4 Business Development Report

The Board noted the Business Development activity in all key markets as at P11 (28 February 2019) against Q3 forecasts.

4.5 Cash Position

The Board noted the position for the year based on the 2018-19 Q3 accruals forecast, accepting it as an assurance on the current position.

4.6 Committee Reports

4.61 Performance Committee – 18 February 2019

Ms Craig provided a verbal update to the Board on the Performance Committee's inaugural meeting, noting that the minutes would be included in the next set of Board papers.

Ms Craig reported that it had been a strong opening session at which there was some good discussion around down the strategic planning process would inform the future workplan of the Committee.

4.62 **Qualifications Committee – 20 February 2019**

Dr Thomson provided a verbal update on the business of the last meeting, including the update on the HN Next Generation Project and discussion around HN parameters.

The Board noted the update and that the minutes would be included in the next set of bound papers.

4.63 **Advisory Council – 25 February 2019**

In Ms Handley's absence, the Chief Executive provided a verbal update on the business of the last meeting.

The Board noted the update and that the minutes would be included in the next set of bound papers.

4.64 **Audit Committee – 18 March 2019**

Mr McKay provided a verbal update on the business of the last meeting.

The Board noted the update and that the minutes would be included in the next set of bound papers.

4.65 **Accreditation Committee**

Mr Stewart provided a verbal update on the business of the previous day's meeting, highlighting the increasing concern of underfunding of the National Occupational Standards and the danger imposed that they will cease to reflect the realities.

The Board noted the update and Mr Stewart agreed to keep them updated as the situation progressed.

122/5 **ANY OTHER BUSINESS**

Brexit Impact - Funding

The Board are to be sighted of this and the implications on schools. SQA are in dialogue with the Scottish Government to identify downstream impacts and implications on funding as a result of Brexit eventualities.

Board Member Expenses

Mrs Ellison updated Board members that, due to the switch over in expense processing, the required changes to pay Board expenses for the new tax year would be implemented after the first full payroll run in Business World. Any expenses submitted would be processed at the end of May.

There were no other matters raised under any other business.

122/6 **STRATEGIC PLANNING SESSION**

The Board then entered a closed session with strategic planning colleagues for discussions around the development of the SQA Corporate Plan.

122/7 DATE OF NEXT MEETING

The next meeting of the Board would take place on Wednesday 8 May 2019 at 10am in Optima.