

BOARD OF MANAGEMENT – 30 SEPTEMBER 2009

Minutes of the fifty-seventh meeting of the Board of Management held at 10 am on Wednesday 12 August 2009 in the Boardroom, Dalkeith.

Members

- * Mr G Houston (Chairman)
- * Dr J Brown (Chief Executive)
- * Mr A Cassidy
- * Mr J Edgar
- * Mr W Gallagher
- * Prof A MacLennan
- Mr K McKay
- * Mrs M Nicol
- Mr G Rodgers
- * Prof J Simmons
- * Mrs S Walsh

Officers

- * Ms M Cahill
- * Mr R Gibson
- * Ms K McCallum
- * Mr J McDonald
- * Mr G Moodie
- * Ms J Ross
- * Dr G Stewart

Observers

- Ms A Coull, Scottish Government
- Mr M McVicar, Scottish Government
- Miss L Hewitt, SQA
- Mr D Douglas (Item 57/7 only)
- Ms K Dinwoodie (Item 57/11 only)

* indicates present

57/1 WELCOME AND APOLOGIES

The Chairman welcomed members to the meeting, including Mr Gallagher to his first meeting of the Board. Ms Coull and Mr McVicar, Scottish Government, were also welcomed.

Apologies were received from Mr McKay and Mr Rodgers.

57/2 DECLARATION OF ANY CONFLICTS OF INTEREST

There were no conflicts of interest declared.

57/3 PREVIOUS MEETING**i Minutes of meeting held on 10 June 2009**

The minutes were approved as an accurate record of the meeting.

ii Action Grid

The contents of the action grid were noted.

57/4 MATTERS ARISING

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

57/5 CHAIRMAN'S REMARKS

Examination Diet

The Chairman commented on the successful certification and, on behalf of the Board, took the opportunity to acknowledge the hard work and commitment of all staff and appointees involved in the delivery of the Diet.

Meetings

The Chairman reported that he had continued to hold induction meetings with various members of the Board. It was also noted that he would meet with Leslie Evans, Director General Education, at the end of August.

Delivery of new qualifications and Dalkeith Accommodation

Members had before them a copy of a letter from the Chairman to the Cabinet Secretary, which emphasised the urgency of a decision on the future of the Dalkeith site by the end of September 2009. In addition, the letter had stressed that the timeframe was critical to ensure that SQA's operations were embedded in preparation for the delivery of new qualifications in 2012-13.

Officers were working closely with colleagues at the Scottish Government and work on the business case was progressing towards completion.

The Board debated the issue in hand and concluded that:

- A decision on the Dalkeith accommodation was time critical and any delay would present considerable risk on SQA's ability to meet critical deadlines and deliver the new qualifications whilst maintaining delivery of the existing service.
- There was a strong reliance on SQA staff in order to retain key skills and experience and any move away from the vicinity of Dalkeith / Midlothian would present a major risk.
- As a matter of priority, clarity was required around the CfE Governance arrangements for managing the CfE implementation.

The Board was resolute in its concern around the potential risks associated with a failure in reaching a decision by the end of September. Drawing on the comments of the Board, it was agreed that a further letter should be submitted from the Board to the Scottish Government in support of the business case and preferred choice out of the options appraisal. This letter would be drafted and circulated to members for comment.

57/6 CHIEF EXECUTIVE'S REPORT

Dr Brown presented an overview of the headline business since the previous meeting of the Board. Further to the contents of the report, Dr Brown reported on:

UKVQR Programme Board

Following Dr Brown's discussions with the UKVQR Programme Board, she highlighted the importance for SQA to work closely with Scottish Government and the Skills Committee in determining Scotland's approach to this work. A submission outlining initial thoughts had been drafted, and a meeting would soon take place with Audrey Robertson to articulate SQA's position.

Star Awards

The Chief Executive presented consideration of the award of SQA's Honorary Fellowship, which recognised sustained outstanding work and commitment to education and training in Scotland. It was proposed to award the fellowship to Mrs Judith Gillespie, former SQA Board member and Development manager of the Scottish Parent Teacher Council and Dr Judith McClure, former Head teacher of St George's School, Edinburgh.

The proposals received the unanimous endorsement of the Board

57/7 OPERATIONS

i NQ Certification 2009

Mr Douglas, SQA's Media Consultant was welcomed to the meeting.

Following a previous request of the Board, Ms McCallum presented a comprehensive overview of script management and NQ delivery processes, including an update on MySQA.

This was followed by Dr Stewart, who provided the Board with assurances on SQA's approach to maintenance and monitoring of standards. In addition, she gave a digest of the year's uptake and pass rates by qualification type.

Mr Douglas concluded the presentation with a summary of the media arrangements in place to manage communications and press coverage throughout the examination diet.

The following was raised and noted in the course of the presentation:

- EMC would offer increased quality assurance processes along with improved management information.
- In discussion around the appeals rate in comparison to other jurisdictions, it was confirmed that SQA appeals were based on alternative evidence. A review of SQA's appeals system would be a component of the CfE qualifications development work.
- The percentage change drop in pass rates at Access 2 could be attributed to a combination of low uptake and a variable cohort of learners.
- Plans were in place to develop the capabilities of MySQA long term. An evaluation of uptake trends would also be undertaken to identify where to concentrate opportunities for growth.

The Board welcomed the presentation, and found reassurance in the rigorous processes in place to support certification.

Mr Douglas left the meeting at this point.

ii Report from Certification Planning Group

The Board noted the progress made on certification planning, monitoring and reporting.

57/8 QUALIFICATIONS DEVELOPMENT UPDATE

i CfE Governance

Dr Stewart outlined the proposed governance arrangements for managing CfE implementation. Linkages with the CfE Management Board, the SQA Board, and the SQA Qualifications Committee had yet to be confirmed.

On discussion, it was noted that:

- The CfE Management Board would be accountable for the overall implementation and delivery of CfE.
- The SQA Qualifications Committee would hold overall responsibility for qualifications policy and guidance.
- To inform SQA's planning, Consultants Deloitte, had been commissioned to undertake an independent risk review of SQA's state of preparedness to implement CfE in the context of its ongoing business activities. This report would be presented to the Board at its September meeting. In addition, it would provide a view of the risks facing SQA in relation to the Dalkeith accommodation, and it was noted by Scottish Government officials that these findings would inform Ministerial decision.

The Board sought clarification on the overall governance arrangements, around the role both of the Scottish Government and the SQA Board. This should include:

- Articulation of the accountability for the development and implementation of the new qualifications.
- Reporting and escalation lines.
- The role and remit of the Qualifications Committee.

It was agreed that this would be presented to the next meeting of the Board.

At this juncture, the Board was assured that mechanisms were being put in place to develop a Corporate Programme Office that would co-ordinate and manage delivery of the CfE project, along with a number of other key initiatives that were being taken forward in SQA. Integral to the work of this office would be the management of processes, identification of risks and benefits, and consideration of cross-departmental work.

57/9 BUSINESS DEVELOPMENT REPORT

The Board noted the report on SQA's commercial activities during June 2009, and was reminded that comprehensive details could be provided on request.

57/10 BUSINESS SYSTEMS UPDATE

The Board noted that an update on how the IS Strategy would integrate into SQA's overall vision, would be presented to the next meeting of the Board.

Ms Dinwoodie was welcomed to the meeting.

57/11 CORPORATE FINANCE AND GOVERNENCE

i **Annual Statement of Assurance to the Board**

Mr Cassidy presented the annual statement of assurance, which was offered to the Board in support of its consideration of the Annual Accounts. The statement detailed the various reports and assurances that had been considered by the Audit and Performance Committee, and concluded that the internal control systems operated during the financial year 2008-09 had been adequate and effective.

The Board noted the favourable content of the statement and the recommendation to approve the Annual Report and Accounts for the year ended 31 March 2009.

ii **Annual Report and Accounts for year ending 31 March 2009**

Mr Moodie presented an overview of the key highlights from the Annual Report and Accounts for year ending 31 March 2009.

The Board formally endorsed the Annual Report and Financial Accounts for remit to the Scottish Government and the Scottish Parliament. The Chief Executive signed the Accounts in the presence of the Board.

iii **Financial Report to 30 June 2009**

Mr Moodie presented a summary of the income and expenditure accounts for the year to 30 June 2009. This was noted by the Board.

It was agreed that future reporting should include a high level summary that presented an overall indication of financial performance, highlighting full year projections and any potential risks for the Board's consideration.

iv **Key Strategic Goals for 2010-13 Corporate Plan**

Mr Moodie provided an update on the strategic goals for 2010-13 that were broadly similar to the previous year. He highlighted one additional goal, and following discussion it was agreed to rephrase the statement for clarity, such that it would read: "*To develop a business model that maximises funding and efficiency to allow SQA to meet statutory obligations in a changing environment*".

It was noted that the broader management team would meet in September to consider and review the strategic goals. The outcomes of this work would inform discussion with the Board in September around the high level risks.

57/12 COMMITTEE REPORTS

i **International and Commercial Committee held on 20 May 2009**

A verbal report had been provided to the last meeting of the Board. The approved minutes were enclosed and noted.

ii **Audit and performance Committee held on 27 May 2009**

A verbal report had been provided to the last meeting of the Board. The approved minutes were enclosed and noted.

iii **Accreditation Committee held on 9 June 2009**

A verbal report had been provided to the last meeting of the Board. The draft minutes were enclosed and noted.

iv **Remuneration Committee held on 15 July 2009**

The Chairman provided a verbal update of the main business covered, which had included consideration and approval of the proposals for Director and Chief Executive remuneration. These had since been submitted to the Scottish Government for approval.

v **Audit and Performance Committee held on 21 July 2009**

The minutes had not been available for inclusion in the Board papers. Mr Cassidy advised that the business of the meeting had focussed on the Annual Report and Accounts.

Qualifications Committee held on 23 June 2009

The minutes had been omitted from the papers and would be presented to the next meeting of the Board. Mrs Nicol advised that the main focus had been on CfE, where concerns had been raised about the relationship between National 4 and National 5, and progression routes. There had also been a call for clarity on the role of the Qualifications Committee and its relationship with the CfE Management Board on the work around qualifications design.

57/13 ANY OTHER BUSINESS

Janice Ross would contact members in order to take forward arrangements for the dinner on 29 September.

PAPERS FOR NOTING

The Board noted the contents of the following reports:

PFN 1 Audit Scotland – report to those charged with Governance on the 2008-09 audit.

57/14 DATE OF NEXT MEETING

The next meeting of the Board of Management would be held on Wednesday 30 September 2009 in Esk/Forth, the Optima Building, Glasgow.