

Minutes of the one hundred and fifteenth meeting of the Board of Management held at 12.30pm on Tuesday 27 March 2018 in Spey/Tay, the Optima building.

**Members**

- \* Mr D Middleton (Chair)
- \* 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 L Downie
- \* Ms L Ellison
- \* Mr J McMorris
- \* Ms J Ross
- \* Dr G Stewart

**Observer**

- \* Ms A Stansfield, Scottish Government

\* indicates present

**115/1 WELCOME AND APOLOGIES**

The Chair extended a welcome to members of the SQA Board of Management.

Apologies were received from Mr Hagney.

**115/2 DECLARATION OF ANY CONFLICTS OF INTEREST**

There were no conflicts of interest raised.

**115/3 PREVIOUS MEETING**

**i Minutes of meeting held on 31 January 2018**

The minutes were approved as an accurate record.

**ii Action Grid**

The contents of the action grid were noted, and that the two matters for action had been addressed. It was noted that the culture piece would be considered as a matter of course in EMT strategic considerations and as part of the Customer Channels project in the Change Programme.

**iii Workplan**

The Board noted the workplan for 2018 and that it now incorporated a number of performance reporting items that had been moved from the oversight of the Audit Committee.

#### 115/4 **MATTERS ARISING**

There were no matters arising.

#### 115/5 **CHAIR'S REMARKS**

The Chair reported that he continued to meet regularly with the Chief Executive and Deputy First Minister (DfM), and was pleased to share that the DfM would join the Board at its meeting in May. Other Scottish Government engagements had included a meeting with Fiona Robertson, Director of Learning, and attendance at a Board member induction workshop.

The Chair had had the pleasure to attend and lead on the launch of a new Higher National Diploma (HND) in Counselling. This HND had been developed collaboratively with the British Association for Counselling and Psychotherapy (BACP) and would offer a number of benefits to students in Scotland, including more straightforward entry onto BACP's Register of Counselling Professionals.

The Chair had also continued with his SQA meetings, having met with various officers to discuss and understand: Grade Boundaries; the structuring of HNDs and HNCs; key trends in statistics within SQA. Other SQA commitments had included attendance at the Advisory Council, Qualifications Committee, and Audit Committee meetings.

In his capacity as Chair of SQA, he had attended a David Hume Institute Dinner, where he chaired a Q&A session at a David Willetts lecture.

Referring to progress with the Board recruitment, the Chair was pleased to report that shortlisting would take place the following day.

The Board noted the update.

#### 115/6 **CHIEF EXECUTIVE'S REPORT**

The Chief Executive presented a full update on her activities since the last meeting of the Board and drew attention to the success of the *Write Times 2* publication, a creative writing anthology of work by candidates at National, Higher, Advanced Higher and Higher National levels. Published by SQA, the book had been sent to every school and college in Scotland and had received positive press coverage nationwide.

She also reported on her recent visit to Beijing, and was pleased to report on positive discussions with the Chinese Service Centre for Scholarly Exchange (CSCSE) and on receiving the notable Strategic Partnership Award.

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

#### 115/7 **QUALIFICATIONS**

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

Dr Stewart, Director of Qualifications Development, presented an update on the RNQ Programme, and was pleased to report that the status of the overall programme remained at green.

All key milestones had been achieved to date, and referring to future deliverables, she drew attention to the significant work underway to publish the revised course specifications for Higher Courses in 2018-19. This was on track for delivery, and there had been no new risks or issues identified in the time since the last report.

In response to the Board, she reported that stakeholder feedback relating to the changes to assessment at Higher had tended to centre on the publication of materials covering a range of queries, with also a number of more subject specific questions.

The Board noted the update, and was pleased to note that the programme was on track and supported by a communications plan.

ii **Report from the NQ Certification Programme Group**

Ms Blair, Director of Operations, presented a full update on the National Qualifications Certification Programme Group, reporting that overall, the key tasks leading to the certification of National Qualifications in 2018 were on track and being monitored.

The Board noted the contents of the report and was reassured that contingency arrangements were in place to manage areas of risk.

iii **Report from HN, Vocational and International (HNV/Int) Certification Programme Group**

Ms Blair, Director of Operations, presented the report and that all key tasks leading to the delivery of HNV/Int continued to be monitored closely and were on track.

The Board noted the contents of the report.

## 115/8 CORPORATE AND FINANCE

i **Financial Performance Report**

Ms Ellison, Director of Finance, tabled the year to date and forecast outturn for the period ending 28 February 2018 compared to the Q2 forecast.

As at month 11, the forecast requirement for additional grant in aid had decreased from the Q2 position to £18.795m. This was in the main, attributable to additional income and savings identified in a number of Business Systems suppliers. The business was currently focussing on management of the end of year cash position.

The Board noted the financial position as presented.

ii **Cash Position**

Mrs Ellison Director of Finance, presented the cashflow, provided to the Board as an assurance on the current position on the cash budget.

The Board noted the position for the year based on the 2017-18 Q2 accruals forecast.

## 115/9 **BUSINESS DEVELOPMENT REPORT**

Mr McMorris, Director of Business Development, presented the business development activity in all key markets as at 28 February 2018 against Q2 forecasts.

Presenting the report in detail, he was pleased to report on the positive performance in UK activity and on a number of projects currently in the operational pipeline. Challenges however, remained in the international markets, and were being managed closely.

Mr McMorris also mentioned that SQA was mapping out the impact of some recent changes in the regulatory environment in China.

The Board noted the contents of the report and the overall positive performance.

## 115/10 **SQA CHANGE PROGRAMME HIGHLIGHT REPORT**

Mr Downie, Director of Business Systems, presented the report on progress against the various workstreams of the SQA Change Programme, providing an update on key movements and main headlines since the last meeting of the Board.

He was pleased to report on the recent demonstration of the customer channels prototype to members of the teaching profession, which had been well received with extremely positive feedback. The intention now was to extend the prototype to more subjects and then to develop a scalable model for delivery.

The Board was also pleased to hear that the software upgrade and hosting migration project, which is a key dependency for CBS Phase 3, had transitioned successfully into live operation.

The Board noted the contents of the report.

## 115/11 **CORPORATE**

### **i Risk Register**

Ms Cahill, Director of Corporate Services, 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 Board welcomed the addition of a new risk associated with the fragility of SQA's Award Processing System and was reassured that a clear plan was in place to address and manage the current position.

With regard to the current pressures on staff, the Board was assured that resilience training along with a range of support mechanisms were in place for staff and that business priorities were clearly communicated top down.

In discussion, it was confirmed that SQA's risk appetite was defined by the nature of the work, and was reviewed annually by the Board.

The Board noted the contents of the Corporate Risk Register.

## **ii Corporate Parenting Report**

Copies of SQA's Corporate Parenting Report 2015-18 along with its accompanying, more concise sister publication 'SQA is a proud corporate parent' were circulated to the Board. SQA had been first named as a corporate parent in April 2015, and the reports set out SQA's commitments and achievements in supporting Scotland's care-experienced young people.

On reviewing the content, some discussion took place around appropriateness of a protected 'care experience' characteristic; it was concluded that this approach had been fully supported by Who Cares? Scotland. It was agreed that SQA would continue its wider engagement in developing the report and ensure that the structure and language of the documents took cognisance of the audience and reflected the positivity of what had been achieved.

The Board commented on the extensive number of events, initiatives and projects that had been taken forward and acknowledged the work and dedication of the staff involved.

## **iii Responsible Business Annual Review 2016-17**

Ms Cahill presented the annual review of SQA's Responsible Business activities that went to reflect the ongoing and increasing dedication of SQA staff. SQA continued to encourage staff participation through offering volunteer time, and a huge body of staff was actively engaged in this work.

The Board commented favourably on the contents of the Review and acknowledged the work and dedication of the staff involved.

## **115/12 COMMITTEE REPORTS**

### **i Advisory Council – 5 February**

Mr Stewart reported that he had been delighted to welcome two new members to the Advisory Council, Mr Quinn and Ms Lannon representing ADES and SCIS respectively. Referring to the minutes, he advised that much of the deliberations had highlighted those issues often raised at the Board around the breadth of SQA's qualifications and the need to focus on communications.

The Board noted the update and the enclosed minutes.

### **ii Qualifications Committee – 21 February**

Dr Thomson advised that the Qualifications Committee had considered a thematic review on the approach to awarding, and discussed the future of core and essential skills. The Committee had also endorsed the approach to occupational and industry standards in SQA qualifications, noting that there was no single approach to the embodiment of standards, with the criteria varying widely across the nations in terms of structure and content. Debate had also involved foundation apprenticeships and their importance in any apprenticeship discussions going forward.

The Board noted the update and that the minutes would be presented to the next meeting of the Board.

**iii Audit Committee – 5 March**

Mr McKay discussed the minutes of the Audit Committee, and in particular the reference to Audit Scotland's affirmation that performance monitoring should be undertaken by the Board. This had since been reflected in the Board workplan (B115/3 iii referred).

Mr McKay highlighted the salient points of the meeting, including KPI reporting, changes to the risk register, and the positive findings of the internal audit on SQA's eRecruitment system. He also advised that the Committee had considered and approved the internal audit strategy for the next three years along with the plan for activity over 2018-19. This work included a new and formalised engagement process going forward, with the assurance that the independence of Scott-Moncrieff would not be impacted.

The Board noted the update and the minutes enclosed

**iv Accreditation Committee – 27 March**

Ms Wilkinson updated members on the business of the Accreditation Committee, when they had been joined by their new member, who brought with her a great deal of knowledge and expertise. At the meeting, members had expressed concern over Occupational Standards, the challenges around reaching targetted project approvals, and the associated frustrations this brought onto the Accreditation team. The uncertainties around resources, the number of projects to be commissioned for 2018-19 and indeed funding for review and development work faced SQA Accreditation with a serious reputational risk. A strategy had been mapped out to address the matters in hand and the Accreditation Committee would continue to monitor the situation closely.

The Board noted the update and that the minutes would be presented to the next meeting of the Board.

**115/13 ANY OTHER BUSINESS**

There were no matters raised.

**115/14 DATE OF NEXT MEETING**

The next meeting of the Board would take place on Wednesday 9 May 2018, at 10am in Optima, when the Board would be joined by Mr Swinney, Deputy First Minister. *Later:* Meeting to commence at 9.45am.

The Board then moved into a strategy discussion to gather perspectives and approaches to the future.