

BOARD OF MANAGEMENT – 9 APRIL 2020

Minutes of the meeting of the Board of Management held by teleconference at 10 am on Monday 16 March 2020.

Members

- * Mr D Middleton (Chair)
- * Ms F Robertson (Chief Executive)
- * Ms E Craig
- * Ms A Davis
- * Mr S Hagney¹
- Mrs J Handley
- * Dr W Mayne
- * Mr H McKay
- * Mr G Smith
- Mr R Stewart
- * Dr K Thomson

Officers

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

* indicates present on the call

¹ joined the call at 11 am

The Chair welcomed all members to the meeting.

Draft 2020-21 Budget and Corporate Plan 2020-23

The Board considered the paper that set out the 2020-21 funding position for SQA. The paper had been prepared in the context of a delayed Scottish Budget process as a result of the UK General Election and the implications for the passage of the Scottish Budget through Parliament.

Outlining the approach taken in preparing the budget, Mr Baxter highlighted the “bottom up” approach, and the robust considerations that had been undertaken internally. Mr Baxter assured the Board that the budget reflected the needs of the organisation to deliver on its corporate goals notwithstanding any budget implications as a result of COVID-19, which would need to be considered as part of a wider exercise.

On resource the previously identified gap of £4.25 million had been reduced to £3.75 million through SQA revisiting staffing turnover and risk provisions recognising the overall financial position faced by the Scottish Government. In response to this total funding confirmed by the Scottish Government on 13 March 2020 addressed this residual gap to deliver a balanced position for the financial year. Capital funding included a continuation of support for the Change Programme, as well as an additional £1.7 million to support the Transformation Programme (as set out in SQA’s Spending Review submission).

In the course of discussion, the Board was reassured that:

- SQA would develop a medium-term financial strategy to allow better engagement around future funding requirements;
- a prudent view had been taken on pipeline income;

- the staff turnover rate had taken consideration of historic turnover rates excluding last year, because of skewed picture in that period as a result of Voluntary Early Retirement; and
- the pay award had been factored in and reflected the Public Sector Pay Policy.

It was agreed that a contribution analysis against last year's budget would be provided in due course.

As Accountable Officer, the Chief Executive expressed her support of the approach taken to develop the SQA budget, the clarity over assumptions contained therein, and confirmed her approval of the budget as a strong base to deliver operationally. The Board wholly welcomed the approach that had been taken in drafting the budget, noted the position on funding agreed with the Scottish Government and approved the budget for 2020-21.

Remarking on the corporate plan, the Board was pleased to see the referencing to the National Performance Framework, noting that deliverables would be identified now that the budget had been finalised. It was suggested and agreed to add commentary on trade unions with regard to SQA's "channels of effective voice".

The draft corporate plan was approved, subject to incorporation of the final comments from the Board. Next steps would include approval by Scottish Government before publication of the plan externally.

The Board paid specific thanks to Mr Borley and his team for the notable effort and hard work on the Corporate Plan development.

The Chair then passed over to the Chief Executive to provide an update on COVID-19.

SENSITIVE AND CONFIDENTIAL

The Chief Executive advised that the organisation was working in a very fluid situation, as it and society as a whole, was experiencing unprecedented times. She reassured the Board that SQA was working through a range of scenarios, including in the event that there was a significant disruption to the diet.

It was evolving as a very challenging situation with a particular focus at that time around the emerging picture of school and college closures. A message had been issued to schools and colleges to continue to prioritise the completion of coursework, including for those subjects with later deadlines. SQA statements had been duly posted to the website on 3 and 12 March, both of which had been shared with the Board.

It was very clear to SQA and the Board that some change to this year's Diet was inevitable, and that any approach taken would raise the potential for challenge. The Chief Executive outlined the various contingencies, scenarios and issues that were being considered as part of business continuity, including:

1. Potential disruption of the diet.
Consideration was being given to matters such as reserve papers for key subjects, and the extension of the diet with contingency days beyond 4 June.
2. The impact of widespread school closures.
Considerations thus far had included taking steps such as postponement of the Diet. There could be a significant expansion of Post Results Services, with notably higher levels of Exceptional Circumstances, stemming from pupil absences as a result of illness, social distancing or centre closures; this would require policy changes due to

scale. Changes to marker and invigilation processes could also be impacted and might include the need to develop reserve lists, and the use of technology to limit large scale events.

3. Exploration of a Minimum Viable Product option in the absence of Diet, using an estimation approach to the awarding model.

At that point and time, the issue of timing was crucial, and both the signalling and duration of school closures was critical to SQA's decision making. Any widespread school closures would present considerable risk of disruption to the exam diet, and the timing and duration of any closures was critical to SQA's risk assessment. It was stressed that *any* departure from the scheduled diet, and the established procedures to support it, introduced significant risk.

The Board noted that as well as daily dialogue with the Scottish Government, the Chief Executive was liaising very closely with the other Regulators. The Qualifications Contingency Group had also been invoked, which comprised a diverse range of representatives across the education system.

In response, the Board positively acknowledged that contingency work was underway. There was a request for clarity on the Board's role in the decision-making process during this very fluid position. The Chair advised that as Chief Examining Officer, the Chief Executive was responsible for the safe delivery of the Diet, and he assured the Board that it would be kept abreast of progress and be sighted in any final decision.

In conclusion, the Chair thanked the Chief Executive for the update and acknowledged the considerable work that she had led within SQA to respond to the emerging situation. The Board stood ready to advise and support.