

Minutes of the 50th SCQF Partnership Board held on Thursday 25 June 2020 at 14.00 hours via video conference on behalf of SCQF Partnership Conference Room, 201 West George Street, Glasgow, G2 2LW

Confirmed for website

Present:

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| Rob Wallen (RW) | Chair SCQF Partnership |
| Jim Metcalfe (JM) | College Development Network |
| Stuart McKenna (SMcK) | STF |
| Alastair Delaney (AD) | QAA |
| Alastair Sim (AS) | Universities Scotland |
| Jamie Davidson (JD) Auditor up to item 4 | Henderson Loggie LLP |

In Attendance:

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| Aileen Ponton (AP) | SCQF Partnership |
| Sheila Dunn (SD) | SCQF Partnership |
| Beverley Wallace (BW) (Secretariat) | SCQF Partnership |

Welcome and introductions

RW welcomed all to the meeting.

Apologies for absence

Apologies for absence were noted from Julie Cavanagh, Fiona Robertson and also Linda Pooley who had reviewed the papers and passed her comments on to AP and RW.

Register of Interests

RW reminded Directors of the Register of Interests form. Should any Director's interests have changed, that would have implications for work with the Board, the form should be completed and submitted to BW to record.

Noting of any conflict of interest

RW asked the Directors if they were aware of any issues presenting a conflict of interest and none were noted.

1. Minutes of the meeting held on 19 March 2020

RW asked Directors if they were happy that the minutes were an accurate record of the meeting. The Directors confirmed they were satisfied.

RW then talked through the redacted minutes and the Board accepted the redacted version for the website.

2. Matters Arising

RW began by referring to Item 1 and the importance of being able to appoint a new Chair of QC/Board Non-Executive Director in time for the August Quality Committee and September Board meeting. AP highlighted the importance of the role and asked Directors if they knew of any suitable candidates to email AP or direct the potential candidate to the advert on the SCQFP website (as long as they did not currently work for a CRB).

In relation to Item 2 and the data exchange with HESA/JISC there had been some delays around the wording of the contract however it was hoped that we would be in a position to finalise within one week. The Board then approved the advert for the QC Chair and noted the matters arising.

3. CEO Report

AP provided an update on the CEO Report, firstly discussing moving workshops online. AP told Directors that the Partnership had taken some guidance from CDN who had experience of online delivery and she had also engaged the services of a learning and development associate through Adopt an Intern.

Moving on to the final item on the CEO report relating to a request from a research and consultancy organisation to become a CRB, AP provided Directors with a recap of the situation as detailed in the paper. RW then asked Directors if the SCQFP should change its criteria around who could become a CRB to allow for the potential for more 3rd party credit rating to take place or continue with its current criteria but look at ways to encourage other CBs to undertake more.

A discussion then followed and the main points raised were: changing the criteria might open the door to speculative organisations looking for commercial opportunities who did not have the necessary background in CR; HEI's and Colleges for the foreseeable future were unlikely to have the capacity to increase 3rd party credit rating therefore there was a need to investigate potentially widening the scope of who could become a CRB; and any changes to the criteria would need to be carefully managed to ensure only organisations with the necessary track record in quality assurance and education and training would be eligible to apply.

JM asked if going into a joint venture with a HEI would be a solution for organisations not meeting the traditional criteria. AP responded saying that type of venture was possible but often provided other logistical difficulties. She also reminded the Board that some years ago when faced with a similar issue there had been a discussion around whether SCQFP itself should be a CRB providing 3rd party credit rating but the board view at that time was that this presented a conflict of interest. As a final point AP stated that there were some HEIs who had recently approached the Partnership who were interested in expanding their credit rating activities.

RW suggested to Directors that the current criteria remained in place however the Partnership would monitor the situation over the next 3 months to allow for a better gauge of the situation post lockdown and report back at the September Board meeting. SD would also contact the organisation in question to inform them that the Board did not want to make any changes to the criteria at the present time. The Board agreed then noted the update.

4. Audit and Financial Report

RW invited JD to talk to the papers and JD began by discussing the Annual Report and Accounts. The main areas highlighted were:

- it was a good year with finances ahead of the expected breakeven budget as detailed in the Statement of Financial Activities (page 15);
- reserves were almost entirely unrestricted (page 16);

- the pandemic risk was referenced (page 3) however it was felt there were no immediate concerns as funding assurances had been received from SG and SFC and the Partnerships was able to continue to operate and deliver its objectives during 2020-21.

Referencing the Audit Findings Report the main areas to highlight were:

- the Auditors intended to issue a clean audit and there were no real issues;
- the audit had been run remotely with AP and LW uploading supporting documents into a secure portal and that had worked well;
- it was incumbent of the Board to have a close look at the issue of remaining a going concern in light of the pandemic; however with funding secured for this year and the positive balance sheet the Auditors did not have any immediate concerns;
- around systems and controls there were no weaknesses or deficiencies and any issues highlighted in last year's audit had been addressed.

RW then asked Directors if they had any questions or points needing clarification. SMcK questioned the impact of the pandemic as the audit only went up to the period of 31 March 2020, therefore there had been no impact up to that point. JD responded saying there was no impact in terms of the financial figures in the audit; however as accounts were prepared on the basis of the organisation being a going concern, the issue of the pandemic was more around being comfortable that there were enough resources and enough certainty around the business still being operational in 1 years' time. It was agreed that there was a great amount of uncertainty around what the post March 2021 impact would be.

The Board then approved the audit report and financial statements and authorised RW to sign both reports and the Letter of Representation. JD then left the meeting.

5. Management Accounts 2019 – 20 Quarter 4

The accounts were reflected in the Annual Report and Accounts discussed in Item 3 therefore no further discussion was required and the Board approved the Q4 accounts.

6. Revised Budget 2020 - 21

AP talked through the changes made in the 2020 -21 budget as detailed in the paper. Any costs directly related to the pandemic would be held against the new pandemic budget code and logged in the pandemic impact assessment and financial log. Directors were informed that there were potential further savings to be made and some additional income from consultancy work and these would need to be taken into consideration when discussing the Partnerships business strategy over the coming months.

SMcK asked about the conference budget line as it showed both income and expenditure lines however the conference had not taken place yet. AP explained that a decision on whether to run the conference was still to be made however as the conference was always budgeted on a break even basis it would not affect the overall budget if it did not run during this financial year.

Responding to a question around whether there had been a detrimental effect on income as a result of the pandemic AP stated that the impact was small, with small losses coming from a couple of cancelled study visits and a reduction in review fees as a result of physical visiting having been replaced by desk reviews. Any losses were being offset against unbudgeted income. The Board then approved the revised budget.

7. Report from the Audit and Risk Committee

RW began by highlighting that the main focus for this paper would be the Risk Register and the Pandemic Action plan before handing over to AP. A summary of the Pandemic Action plan had been provided in the paper however a copy of the full Business Continuity Plan and Return to Office Action plan were available to view on the Board SharePoint site.

In terms of the Pandemic Business Continuity Plan the Partnership management team had been carefully looking at an impact assessment, financial impact assessment and decision log to ensure the right decisions were being made and any impact was recorded. A return to office risk assessment was carried out with input from the whole team and as a result a set of actions were recorded in the Return to Office Action plan. Once permitted a phased return to the office would be implemented and this would be reviewed on a regular basis. These risk related to the pandemic were reflected in the Risk Register.

SMcK asked if AP was seeking to return to normal staffing arrangements once the office was fully functional or were changes anticipated. AP advised that in the short term the aim was to implement a phased return (to be reviewed at the end of August) with fewer days open and some staff working from home to ensure social distancing could take place within the office. In the longer term AP believed that a blended approach would be likely with a mix of office and home working and it was also likely online workshops would continue as they widened the Partnerships reach. AP stressed that it was important to find out what stakeholders would expect in terms of the level of service the Partnership should provide, to enable the business to plan and adapt accordingly.

RW then invited AP to talk through the Partnerships approach to the risk register, particularly in light of the pandemic. AP highlighted the red pandemic risk, the recruitment risk and the financial risk detailed in the register. To try to mitigate the risks the Partnership was currently reviewing what its core offer was, looking at ways to diversify and identifying opportunities where the Partnership could support economic recovery initiatives, such as the need for recognition of micro credentials and upskilling.

RW felt that the register properly reflected the risk of the pandemic in both the short and medium term and that sufficient steps and planning to manage the risk were being undertaken. The Board were happy to note the risk strategy and the work on the detailed Action Plan and Return to Office risk assessment.

8. Report from the Quality Committee

SD talked to the paper, highlighting to Directors that the QC did not meet in person but instead papers had been sent by email asking Members for comments and approvals. The QC agreed to renew the status of two CRB's with some conditions that were mostly minor issues.

QC members also received a general update on: communications sent out to CRB's relating to Covid-19; the revised QAM which was in its final stages of discussions in terms of agreeing a blended approach for visits and reviews commencing in the autumn; and the College Review work where a blended approach had been agreed in light of the pandemic, with a mix of desk work, online meetings and email communications, to enable the audit reports to be produced. The Board then noted the business of the Quality Committee.

9. Scottish Governance Code – Update

AP began by reminding Directors that the Partnership had looked at benchmarking against the Scottish Governance Code. A number of action points had been agreed as detailed in Annex 1 and AP talked Directors through these. In terms of diversity training all staff had now undertaken the training and line managers had also undertaken additional training. AP informed Directors that this training was available to Board members should they wish to access it. The Board then confirmed they were satisfied that appropriate actions had been undertaken in relation to the issues identified in Annex 1.

RW then invited Directors to comment on the three items requiring approval. JM asked if the Partnership received many media enquiries to which AP replied only a handful in the past few years and they were more likely around results day. AS thought the policy was well written and AP said she would pass his comments on to colleagues in the Marketing and Communications Team who had written the policy. The Board then approved the three policies.

In terms of rearranging the strategic discussions that were supposed to take place in June, AP suggested the September Board meeting would be an appropriate time as it would lend well to the planned discussions around strategy and the future of the business which had been highlighted earlier in the meeting. A recommendation was put forward to hold a one hour meeting for strategic discussions and one hour meeting for routine business, which was approved by the Board.

Finally Directors were asked if they felt there should be a brief biography of each Director on the SCQFP website. The Board agreed and BW would email the Directors for the details.

10. Annual Governance Update

AP spoke on behalf of BW who had prepared the paper, reminding Directors that they had requested an annual update on governance activity to demonstrate compliance against governance regulations. Annex 1 detailed the various governance activities that had taken place whilst Annex 2 provided details of all SCQFP policies that required approval either by the Board or Management Team and when these were due for review. Those due for approval in 2020 were highlighted in pink. The Board then noted the progress made in the annual record of governance activities and the update on policies and corresponding review cycles. RW then thanked BW for producing the paper.

12. Any other business

RW thanked LW for the good work undertaken in preparing the Audit and year-end accounts and invited Directors to discuss any other business they might have. AS asked about the recruitment of a new Development Officer which had been put on hold. AP responded saying it would be revisited at the end of July when hopefully the office would be open again. This would also allow some time to consider whether to recruit for a permanent or contracted post due to the uncertainty around future funding. AP would pick this up again with SFC who funded the post but was confident that there was still time to recruit in the current year and be able to deliver on the agreed objectives related to the post.

13. Date of next meeting

Thursday 10 September 2020 from 09.00 – 11.00.