

EDUCATION, CULTURE AND SPORT COMMITTEE

Tuesday 15 May 2001
(*Afternoon*)

Session 1

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EDUCATION, CULTURE AND SPORT COMMITTEE

15th Meeting 2001, Session 1

CONVENER

*Karen Gillon (Clydesdale) (Lab)

DEPUTY CONVENER

*Cathy Peattie (Falkirk East) (Lab)

COMMITTEE MEMBERS

*Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD)

*Mr Frank McAveety (Glasgow Shettleston) (Lab)

*Irene McGugan (North-East Scotland) (SNP)

*Mr Brian Monteith (Mid Scotland and Fife) (Con)

*Michael Russell (South of Scotland) (SNP)

*attended

WITNESSES

Bill Morton (Scottish Qualifications Authority)

Amanda Cornish (Scottish Qualifications Authority)

Billy MacIntyre (Scottish Qualifications Authority)

Jean Blair (Scottish Qualifications Authority)

CLERK TO THE COMMITTEE

Martin Verity

SENIOR ASSISTANT CLERK

Judith Evans

ASSISTANT CLERK

Ian Cowan

LOCATION

Committee Room 1

Scottish Parliament

Education, Culture and Sport Committee

Tuesday 15 May 2001

(Afternoon)

[THE CONVENER opened the meeting at 14:39]

Items in Private

The Convener (Karen Gillon): The first item on the agenda is to decide whether we should take items 2 and 4 in private. Does the committee agree to take those agenda items in private session?

Members indicated agreement.

14:40

Meeting continued in private.

14:53

Meeting continued in public.

Scottish Qualifications Authority

The Convener: Item 3 on the agenda is to take further evidence from the Scottish Qualifications Authority on its progress on the successful delivery of diet 2001. The witnesses are: Mr Bill Morton, the chief executive; Ms Amanda Cornish, the general manager; Mr Billy MacIntyre, the director of awards; and Ms Jean Blair, the project manager. Would Bill Morton like to make any opening remarks?

Bill Morton (Scottish Qualifications Authority): Good afternoon. No. We have provided a submission to the committee, so we are content to go straight to questions. We are happy to answer any questions.

Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD): On the clear-up of diet 2000, you indicate in your submission that you are still issuing certificates—3,000 have been posted in the past week and 200 cases remain to be resolved. Could you comment on the nature of the cases? Is that the last batch that has to be done or are one or two still in the woodwork?

Bill Morton: I would like to say absolutely that that is the last. Some of the cases have emerged in recent weeks—they have not been lying around for a long time, although resolution has been pending for a while.

We made known the 200 cases to the committee as part of the SQA's approach to being open and accountable. The figure is now down to 170 cases. We are working to resolve those daily. Of the 170 cases, 46 per cent are standard grades which there is a variance between the schools' data on estimates and the SQA's data. That variance must be resolved. The other 54 per cent are unit cases—in the main, those cases will not result in any change to a certification and so will not entail further action. In the interests of all the candidates, we are ensuring that all i's are dotted and t's are crossed.

Ian Jenkins: I hope that you would accept—I am sure that you would—that it is not acceptable for this process to take so long again. I hope that mechanisms are in place to ensure that, even if mistakes are made in the 2001 diet, the cases will be dealt with more quickly.

Bill Morton: Ironically, it is because we have put in place much-improved mechanisms that we can identify those cases. Many of the cases are being identified because the school account managers are in constant contact with the schools. We are

intent on resolving any queries that result from that process, so that no candidate is left handicapped. You are right that the process should not take so long, but that is part of the legacy of last year.

Ian Jenkins: If the process takes so long, there is doubt about what the candidates are doing in the subsequent year, while the appeal is being considered.

The next item about diet 2000 in your submission is the summary of results. Could you indicate where we are with that? Do you agree that we must make it clear that, when league tables are created, comparisons with previous years will be difficult, as we are not comparing like with like? The higher still results are not the same as last year's higher results. Any attempt to make statistical cases about schools succeeding or not would be difficult and of doubtful validity.

Bill Morton: I accept that. We are trying to get information out to the schools. No trend can be analysed in the first year of the introduction of a new group of qualifications, but it is important that we get the information out to the schools, using all the finalised results following the clear-up. It is important that schools see that that exercise is completed.

Ian Jenkins: The fact that there is no electronic version of the report does not stop the schools getting the information, although it might make it difficult for people to make comparisons.

Bill Morton: Our responsibility is to get the information to the schools in a format that they can use. We will produce it by subject and level.

The Convener: We will now move on to consider diet 2001. Members will be aware that students have begun their exams. Part of the committee's responsibility is to ensure that diet 2001 is successfully delivered. However, we would not wish to concern the candidates unduly. Their priority must be to sit the exams and pass them. We hope that anything that happens at the committee today will not distract them from their attempts to achieve the best results that they can. The committee will do all that it can collectively to ensure that the certificates are delivered on time and accurately.

Bill Morton: I echo that sentiment, on behalf of my colleagues and myself. It is right to take the opportunity to wish all the candidates well. I would like to think that they should concentrate on doing the best that they can; they should leave me, my colleagues and others to worry about any outstanding issues.

Mr Frank McAveety (Glasgow Shettleston) (Lab): Last week, the committee met representatives from the staff unions, who raised their continuing concern about communication

strategy inside and across the organisation—I do not know the management-speak phraseology, but I think that it was called “lateral communication” the last time that I read something. There is significant concern about the linkage between Glasgow and Dalkeith and the way in which information is communicated. Will you amplify on what you are trying to achieve? Depending on your answer, I might come back with another question.

Bill Morton: I shall ask my colleague Amanda Cornish to give details on that, but my introductory comments would be along the lines that the initiative that the trade unions undertook was constructive and welcome. They flagged up many issues that we were aware of and they have helped to address them.

Often, when an organisation is in a state of considerable change, there is a great demand for information. The demand is for information from the top down about management decisions. Many of the SQA's problems concern the sharing of information across all the units and between the sites. We have made some significant improvements, the most notable of which is the nomination of a contact within each team or section—across the whole organisation—to whom information is sent. The contacts can speak to their colleagues in plain and simple language so that everybody understands. That is a good way of breaking down some of the problems of sharing information across the way.

15:00

Amanda Cornish (Scottish Qualifications Authority): I can confirm that we are trying to embed a better communications system in the organisation. We are trying to make the organisation less top-down. We already have a communication network up and running that will embed the communication function within the organisation.

The longer-term challenge is to embed into the culture of the organisation a willingness for a lateral exchange of information. Some staff and management development is required for that, which we are working on. We need to address that issue.

Mr McAveety: Can you identify your success with that approach?

Amanda Cornish: Do you mean with the embedding—

Mr McAveety: What is the difference between what you are doing and what needs to be done?

Amanda Cornish: In the short term, we have put together a communication network to disseminate information within the organisation; in

the longer term, we need to look at how people communicate within the organisation, by which I mean lateral communication and the communication that takes place between functions. That is a longer-term challenge.

Bill Morton: If I may, I will give Mr McAveety a practical example. At the beginning of this process, when we first gave evidence, there were concerns about the fragmented nature of the SQA's structure, which of itself leads to communication problems. We established a new set of teams to deal specifically with data management and certification; their work has produced valuable information about exactly where we are on registrations, entries, estimates and results. That has a direct bearing on, for example, the number of question papers that need to be produced and distributed to the schools.

The information that is available within the different parts of the organisation can now be shared with other parts that need it. That has left us in a much stronger position than we were in last year, when question papers, for example, were framed when the true extent of the incompleteness of our database was unknown.

Mr McAveety: Last week, I read over the trade unions' submission again, because one of the things that concerned me was what they said about the attitude towards communication. The unions said that, when they had indicated that they were likely to make a representation to this committee, there was a marked change in the approach to some of the issues that they had flagged up. Was that criticism valid? Have you learned from that, or are things still as they were?

Bill Morton: I regarded that as a constructive observation on the part of the unions. It would be a criticism if we in the senior management were unaware of the issues or were doing nothing about them. It is fair to say that, when we and the unions achieved common cause on that issue, there was an acceleration in some of the proposed improvements. However, the problems of communications, work load and stress were known. They were not neglected.

Cathy Peattie (Falkirk East) (Lab): I shall push the issue a little further. Matters are moving forward, but trade unions have a positive role to play. I am sure that Mr Morton agrees that the unions are stakeholders within the organisation and have a strong commitment to working towards success. They were positive about the work that was to be done. They highlighted the fact that, although data on markers were held in Dalkeith, those data were not available in Glasgow. However, that was last week. Has the problem been dealt with? Have management recognised it?

Bill Morton: Yes, they have. We are working hard throughout the organisation to share the knowledge that is required to make the business better and more effective. The unions were alluding to the fact that sometimes several days can elapse between the production of information on entries data and that information reaching the appointments section in the SQA. However, that process has been speeded up.

One matter that has helped to speed up the whole process is the production of much more clear and usable management information about what is happening. We have put in place a monthly reporting system and we share information widely, especially with the public through the media. That way of working means that we have regular checks on what is happening to appointments, question papers and data. The information is shared throughout the organisation.

The unions were worried about the emotive issue of bonus payments to general managers. That was a misunderstanding. General managers are appointed under a performance-related contract. A maximum of 10 per cent is applied to their gross salary depending on their performance and their meeting some rigorous objectives. That is not linked to the certification of diet 2001. It is for a full year and is on an on-going basis.

The Convener: I wish to clarify the matter that Cathy Peattie raised. We were told last week by staff on the ground that two departments were dealing with markers—one in Dalkeith and one in Glasgow—and that the computer information in one department could not be accessed by the other. The amalgamation of those two collections of information would have made it much easier for the departments to carry out their functions. That caused us considerable concern, because such a problem should not arise in a modern organisation. Has progress been made in dealing with the problem?

Bill Morton: Training and development strategies are in force throughout the organisation and cover the matter to which you refer. I said earlier that sometimes information must come from one unit to another. The way in which we are dealing with the problem is to increase the ability of the staff in each unit to access the live database. That entails training and, in the past year, we have undertaken as much of that as has been humanly possible. However, there is still some information in one unit that needs to be shared with the other unit. We have been trying to improve the link and we have made some progress. I wonder whether Bill MacIntyre wants to add anything.

Billy MacIntyre (Scottish Qualifications Authority): No, I cannot add anything.

Michael Russell (South of Scotland) (SNP):

Before I refer to the bonuses, I want to return to the issue of markers. Mr Morton, you said on Radio Scotland this morning that you were seeking 9,420 markers. When you were previously at the committee, you said that 8,800 markers were required. From the *Official Report*, I understand that 8,000 markers were required from the entries that had been assessed and that a 10 per cent margin of error had been added. Why has the figure become 9,420?

Bill Morton: It is a constantly moving feast. There was a 50 per cent increase in the overall requirement for markers between 1998-99 and 1999-2000. There has been a further increase of 26 per cent this year.

The process of recruiting markers unfolds. As the database fills, we move from estimating the requirement to being fairly certain that all—or predominantly all—the entries are in. Then the various components of all the courses can be considered. Depending on the structure of the course, that will generate a requirement for one marker or for a series of markers. This year, we have ensured that we use and share the data and that when we appoint markers, we know absolutely what our requirements are from the current state of the data.

Michael Russell: If that is so—and there is no reason to doubt it—and you know that your requirement for markers will increase as the analysis of the entries is made, why do you not simply estimate the total number of markers that you require and be straight about it rather than have a moving target, which leads to confusion, not least for members of the committee?

Bill Morton: It is a moving feast—a dynamic process. We adjust the estimates as the data come in from the centres. The data can vary right up until individuals present themselves for examination. There is every probability that the maximum requirement, based on the data as they stand, will fall back a little. The important point is that we remain on top of the situation and monitor it closely.

Despite the difficulties last year, we started the process of recruiting this year's markers two months earlier than usual. The task is challenging and we have learned a great deal. I have learned how we might do things differently in the future. Currently, we have a system and we have concentrated on making that system work. My concern is to ensure that the candidates are reassured that the experience and skill of the markers is as required and that the full marking complement will be available for this year's diet.

The Convener: I want to follow up on that. I am confused. As I understand it—the clerks are

obtaining the *Official Report* to confirm this—the committee was told that there were not enough markers but that we should not worry because not all the markers in your forecast would be needed. You have now told the committee that more markers are needed than you had forecast. You told the committee that you did not need 8,000 markers and that you had over-forecast so the committee need not worry that not all the markers had been recruited. You now say that you need more than 9,000 markers. That is more than you told the committee you would need some months ago. I am confused about why you told the committee not to worry because you would not need all 8,000 markers.

Bill Morton: I understand why you are confused.

The Convener: I am very confused.

Bill Morton: Our information is based on the entries and how they are elaborated when the course components are considered. When I reported before, I gave the best information available then. This is the best information available now. That does not mean that one is wrong and one is right. The position changes.

The Convener: I accept that, but I find it difficult to accept that you told us not to worry because you did not need all the markers that you had forecast and you were probably over-estimating. That probably causes me most concern. The statement was probably short-term.

Bill Morton: I feel comfortable saying what I said, because the process of recruiting markers is on-going. In our project planning this year, we have identified a series of contingencies that can be made to kick in if necessary. For example, we have worked very closely with the new national exams co-ordinator, Colin McLean. Through him, we have approached the education authorities, schools and head teachers so that—should it be required for any subject—markers who have already been appointed can be released within the marking period in school time to take an additional allocation. We are doing everything that can be done to ensure that candidates have no concern that marking will be an issue this year. However, the process is a moving feast—I cannot change that.

The Convener: Part of the problem that we identified in our report was that markers' meetings were not taking place properly, because markers were being appointed late. People were also marking more papers than they should have been and there were problems with inexperienced markers. You are telling us now, once the exams have started, that you do not have all the markers in place, so how will the markers' meetings take place on time? How will the training of markers

take place and how will you ensure that all the subjects are covered? In addition, given the statement that you just made, what are the implications of taking people out of school and giving them more papers to mark?

15:15

Bill Morton: That would be done only with the co-operation of markers who were willing, if required, to take an additional allocation—nothing would be imposed on them. The process would be triggered through the education authorities and through schools releasing markers within school time during the marking period. It would also be subject to markers being able to attend the markers' meetings. We have been extremely diligent this year. Bearing in mind the fact that, out of 7,000 markers last year, about 11 were found to be inexperienced, although they performed well as markers, we have been rigorous about applying the standard three years' experience.

You are quite right to be interested in the process and in how figures change over time; however, that is the nature of the beast with which we are dealing.

Cathy Peattie: I realise that the recruitment of markers has been difficult and that last year did not help—we received evidence from people who had been markers who said, "We're never going to do it again," so I understand that you were starting from a difficult position. However, your paper talks about calling in markers

"to mark a second batch of scripts."

That issue was highlighted last year and people are not comfortable about having to do it yet again.

Another area that may be identified as a problem is the fact that it is quite clear from speaking to head teachers that they are reluctant to release markers because of the difficulty accessing supply teachers. Head teachers do not want to leave classrooms empty. Has that problem been overcome? I would hate to find out two or three weeks down the line that we cannot get schools to release markers and that it will be an issue. It was an issue last year and we understand that you have tried to turn round the situation by addressing a range of areas. However, the situation still is not right and there are concerns that markers are not in place, yet here we are in May, with young people sitting exams now.

Bill Morton: I understand your point. You are quite right to flag up the fact that recruiting markers this year has been a particularly challenging task, given the experience of many markers last year. The SQA recognised that and put in place many improvements to treat our

markers—the teachers and lecturers who act on our behalf—with far greater respect. That is down to small things; it is about caring for the people who carry out an important task.

The first issue you raised was additional allocations of papers. Last year, we had to superimpose papers out of necessity; we had not planned to do so. This year, the process has been planned: those markers who are willing to take on an extra allocation of papers, within an overall total allocation that is acceptable to them, will do so with foreknowledge and voluntarily. The process is challenging but planned. It is a product of having in place contingencies to assess the risks, so that we are prepared. We are working on the basis that there must be no disruption.

You raised the issue of supply teachers. The additional allocation would be done during the marking period at the end of the exam timetable. Therefore, there is likely to be less pressure on schools in terms of having staff available to cover for those who are absent because they are involved in carrying out this important task.

Michael Russell: I want to stay with that issue. You just said that additional papers would be allocated in the context of a planned process. The committee understood the number of markers required and accepted that that number was flexible. We were assured that it was calculated on the basis of actual entries for examinations, that a contingency had been built in and that we were not to worry because we would not need all the markers. Now we discover a different set of figures, but we are told that we are still not to worry because all those markers may not be needed and, in any event, a lot of contingencies are in place.

Given that the committee has conducted an inquiry, you will understand our great reluctance to do anything other than question sceptically what appear to be changing figures and changing targets. We have been given reassurances that have turned out not to be true. We are worried about that—people in Scotland are worried about that. We thought that you knew how many markers were required—give or take—and that you had a 10 per cent contingency. The figure that you are now giving us is outside that 10 per cent contingency. Is another 10 per cent contingency to be added to the figure of 9,420 markers? What is the situation?

Bill Morton: I just indicated what the situation is. I am not asking you to be unconcerned or not to worry—I understand the committee's role; I am trying to explain my role. I am not complacent at all and I am not in any sense suggesting that the figure is likely to be much higher than we need, so we can afford to fall short.

We are working on the basis that the figure is the estimated requirement and that our existing information is much more detailed and complete than the information that we had a month or two or three months ago. We have a moving target. We are working on a planned process of continuing recruitment, on the basis of the exams that take place in week one, week two, week three and week four of the timetable. Given our contingencies, candidates should not be concerned about whether sufficient, experienced markers will be in place. We are continuing to work towards that.

Michael Russell: In the first bullet point of paragraph 7 of the "Scottish Executive report to Parliament on SQA progress towards diet 2001", dated 11 May, the Minister for Education, Europe and External Affairs said:

"On 11 May SQA will identify any subjects where additional markers are still required."

Are you able to give us a list of those subjects now?

Bill Morton: I cannot give you it off hand, but we could certainly provide one. However, because the situation is a moving feast, the list will probably change by tomorrow or the next day.

Michael Russell: I am sorry to keep making this point, convener, but it must be stressed. In a report to MSPs, the Minister for Education, Europe and External Affairs told us:

"On 11 May SQA will identify any subjects where additional markers are still required."

In response to a request for that list, the chief executive says, "But it will change tomorrow." Mr Morton, you are not helping us to come to a positive view. We have had two shifting figures. Four days after 11 May, I ask you to give me the list and you say, "It doesn't matter because it will keep changing."

Bill Morton: I did not say that at all. What the minister said is absolutely correct, as that was the position on 11 May. It also says elsewhere in the report that the process of recruitment will be on-going and that the identification of subjects, based on the situation on 11 May, will trigger the contingency that I outlined. We will ask education authorities and head teachers to release from school duties markers who are already contracted in the subjects required so that they can have the time to take an additional allocation within the marking period. Therefore, the position that Mr Russell outlined to me is quite correct. However, it is also correct to say that the process of recruitment is on-going.

Michael Russell: I repeat:

"On 11 May SQA will identify any subjects where additional markers are still required."

You have that list, which you will provide to the committee.

Bill Morton: Yes.

Michael Russell: Good.

Bill Morton: However, it is also correct to say that the situation has moved on since 11 May.

Michael Russell: Since 11 May?

Bill Morton: Yes. Would you like us to provide the list for 11 May, convener?

The Convener: Yes.

I want to try to clarify in my head and for the committee what information we are getting and where we are.

I have in front of me the *Official Report* of the Education, Culture and Sport Committee meeting of 20 March, at which Don Giles said:

"we have moved from using estimates to using actual figures, because we now have definitive entry data."

That is when you said how many markers you required. Don Giles also said that you had undertaken a re-evaluation exercise. Such exercises usually take place in April but this one was a month ahead, which meant that you could revise your targets, which made them more accurate. The data indicated that you

"now need 8,000 markers. We will add 10 per cent to that for contingency—to give us a comfort zone—which means that we are aiming for 8,800 markers."—[*Official Report, Education, Culture and Sport Committee*, 20 March 2001, c 2134-35.]

If that figure was based on data from definitive entries, what is the information that you are giving us now based on?

You say that you have 6,052 markers in the bag and that you have offered appointments to 1,307 markers. That gives a total of 7,359 markers. You have 500 markers in reserve. Between 20 March and 15 May, you appointed 37 markers. That is based on the information that I have.

Bill Morton: The figures that were given on 20 March were quite correct given the state of the database at that point in time. The database was moving from estimates to entries data. The entries data continue to move; they change. More and more detail comes in on the composition of the courses, which gives us an increasingly accurate marker requirement figure. That changes year on year. It moves over time. Our plans and preparations have to move with it.

The key point is not to compare historical arithmetic with current arithmetic. The key point is that we are putting in place all the steps that are necessary to ensure that sufficient experienced markers are in place to mark the diet in 2001 for

certification in August.

The Convener: With all due respect, we are a committee of the Scottish Parliament and we are accountable to the people of Scotland. We are given information that uses words such as “definitive” and “accurate”. Therefore, I assume that the information is correct and that that is the situation that you faced. I find it surprising, based on the information that you have given us and on the arithmetic, that you have appointed only 37 markers since 20 March.

I am not trying to cause problems and I am not trying to cause alarm among Scottish students; I am suggesting that if people are giving evidence to the committee, they do not use words such as “definitive” and “accurate” if the situation will change some two months later. Doing so gives a misleading impression to the committee and makes us sceptical of the information that you are giving us today. That is not helpful and I do not think that it reflects the true picture. Language is important.

Bill Morton: I understand that only too well. I take your advice on the use of language. We tried to give you the position fully and accurately the last time we were here. I am trying to do that again today. The situation moves as the entries move. We get more and more sensitive information on marker requirements.

I emphasise the key point that, based on our plan, we will ensure that all that needs to be done is done to ensure that the full complement of experienced markers is in place for the 2001 diet. Candidates rightly deserve reassurance on that through the good offices of the committee.

Ian Jenkins: I come back to a hobby-horse of mine, which I keep mentioning: the problem of shifting sands in the exam system that you are trying—with great difficulty—to operate. I invite you to consider seriously whether the amount of shifting can be reduced in future years. It seems to me that that is where the problem arises. The position in March was different from the position now partly because of the way in which the system is built and the way you have to administer it.

Bill Morton: You are absolutely correct. The amount of information that is available evolves. There are all sorts of linkages from one part of the process to another. I have already mentioned those between entries and appointments and between entries and question papers. That is better.

We can make only so much change in the short time we have had since the events of last summer. We have made the improvements and changes that are necessary to increase greatly the prospects of successful certification in the summer.

If the question is whether we would do it this way if we had the choice—I suggest that that is what you are driving at—the answer is, in many respects, no. Perhaps it is not best to recruit annually via the SQA anything up to 15,000 appointees who will deal with an important task on behalf of candidates. Perhaps we should consider recruiting on a rolling basis. There are employment issues associated with that suggestion, because the teachers and lecturers work for education authorities.

We have been constrained this year by the need to make the system we have work more efficiently—the committee should rest assured that that is what we are doing. I would like to think that the opportunity exists—and I reserve the right to do this—to modify the system and to simplify and streamline it, to make it much more efficient for the future. That general principle applies to many aspects of how the SQA addresses its role in the examination system.

The committee must remember that our work is not just about the examination system. Our business is about qualification development, assessment and award. It is equally not just about the school population—important though that is, particularly now.

15:30

Ian Jenkins: I do not know whether it is appropriate to ask about moderators again but, while we are talking about markers, I would like to do so.

I have just seen a letter about moderators. As I read it, and I may not be reading it correctly, the letter indicates that there is one moderator for the standard grade English oral—I presume that that is the talk. You say that you are moderating things with a light touch. That seems to be terribly light, if I may put it that way. I worry about the standardisation of awards in standard grade English for oral work if moderation does not take place. I was not terribly happy about the moderation that took place. Having one moderator for the standard grade English oral is especially light.

Bill Morton: I will pass that question to my colleague Jean Blair. There is a track record of consistency in standard grades. That affects how moderation resources are used to best effect, which is in everybody’s interest. That means that we can focus on certain centres where there are issues. Our approach is targeted, which is more constructive and so more useful to all concerned.

Ms Jean Blair (Scottish Qualifications Authority): It is not a requirement for quality assurance that everything be seen every year. That is not the best use of quality assurance

resources; they should be targeted to the centres that are most vulnerable and have had a hole in their certification. That is exactly what we have done this year. Because there is a track record of agreement between the schools and us on our understanding of the standard grade, we have targeted our moderation resources to the new national qualifications.

Ian Jenkins: I do not want to get into a debate about that now as we are here for other things. Perhaps we could resume that discussion another time.

Michael Russell: I want to go back to markers. I make no apologies for that. The *Official Report* of the committee's meeting on 20 March reveals some serious issues, which Karen Gillon has pointed out.

On 20 March, in response to a question of mine, which reminded Mr Morton of the committee's recommendation from November that the

"SQA should ensure that it puts in place a greatly improved internal and external communications system",

he said:

"A major improvement on the situation last year is that the organisation's management information now allows us to know exactly where we are."

Some minutes earlier, Mr Giles had said in response to a question from the convener:

"recruitment is therefore in hand to top up the numbers that we require—not just to 8,000, which is the number that we definitely need"—

that was what was said—and:

"Media speculation over the past two or three days has resulted in our marker helpline being inundated by calls from teachers across Scotland offering to mark for us."—
[*Official Report, Education, Culture and Sport Committee*, 20 March 2001; c 2135-39.]

As the convener has pointed out, the inundation was 37. That is a drip, not an inundation.

The committee has now spent 20 or 30 minutes on a very serious discrepancy between what was said on 20 March, what is said in the papers that you submitted to us today and what the minister put in some detail in his report of 11 May. Do you understand that those discrepancies continue to illustrate something that I have talked to you and your chairman about personally: the fact that there is a problem in the communication strategy, at the very least, and a problem in the language being used, which to some extent falls into last year's trap of trying to reassure people about things instead of telling them exactly what the situation is?

Bill Morton: Yes, I can understand what you suggest, but I cannot accept that those discrepancies—as you put it—arise from anything

other than our giving the information as it existed at the time and as it exists now. For example, one of the things that we did not know was the number of scripts that an individual marker would be prepared to accept. It appears that, in many instances, markers have opted to take a lower allocation than was previously estimated, for reasons that I can understand. That is just a move from an estimated figure to an actual figure, which is evidence that the process is dynamic and that it changes and moves on.

Michael Russell: The SQA representatives referred to the number of markers that "we definitely need". They did not say, "This is an estimate. It is still on-going." The words employed were "we definitely need". They referred to an inundation of markers, although the actual figure is 37. You have upped the estimate of what you need. At the very least, you should be saying that you should not have used language in that way, as you were still discovering what was required. The committee has based a lot of what it has said in recent weeks on confidence in the process. We are alarmed to discover the figures.

Bill Morton: I can only reiterate the fact that at no time has the SQA—or, speaking personally, have I—attempted to mislead the committee. That is not something I would do. I reiterate that the information that we gave was the best information available at the time. I take the convener's point about being more careful about our language in terms of definition. That is sound advice and I certainly pay heed to it. It does not alter the fact that the position moves and changes over time and we have to respond to those changes in our planning, preparation and actions.

The key point, which I emphasise again, is that the object is to ensure that candidates are reassured that experienced markers will be in place as and when they are required. That is what we are working towards.

Cathy Peattie: I would like to move on to staffing issues, stress levels and outsourcing. Last week, we heard evidence from the trade unions. Alarm bells were pressed because there seemed to be evidence of stress in the workplace, which was a concern. I note that you had a stress audit. How are you dealing with stress? Has that changed since last week? How do you plan to progress?

Bill Morton: First, I take this opportunity to acknowledge the amazing amount of hard work that the staff of the SQA are investing on behalf of the candidates. They are well motivated and highly committed to the task. We are going through a process of change to make an essentially inefficient system work better, which can add to short-term work load pressures. We touched on the fact that communication across the SQA could

be better and there are work load implications as a result of that.

Stress is an issue for the management of the organisation. In fact, we have common cause with the trade unions and staff where stress is concerned, and it is something that we have to take very seriously. A whole range of things can be put in place, one of which is awareness of stress, not just among management but among individual members of staff. It is quite important to have counselling resources available and they have been made available.

Two fundamental issues can go a long way towards resolving stress. One is further investment in the development of management at all levels in the organisation—there is still a considerable way to go on that. People will be less stressed if they understand exactly what is going on, which comes down not only to sharing a deluge of information, for which there is an understandable demand and appetite, but to finding the right way to convert that information into knowledge and understanding to allow individual members of staff who are doing their jobs to know exactly where the whole organisation is going. If we can give the reassurance that I believe is justified about the process of improvements and the prospects for a successful delivery of certification in August, that will help.

We talked earlier about briefing. Individuals in teams having information about what is going on and sharing it, in their own language, with their colleagues will lead to a broader understanding of progress and will help the situation. It would be wrong to suggest that this is a short-term issue. We have already said that some of the changes required could take up to three years to be fully effective. We need to be diligent and vigilant about stress throughout that process.

Cathy Peattie: Your submission and evidence that we took last week refer to using the option of outsourcing as a way forward and a way of taking some of the stress off the staff. However, you also mentioned in answer to my question the staff commitment to the organisation and to the work that has to be done. There is evidence from other industries that continued outsourcing brings in people who do not have a commitment to the organisation or who perhaps are not trained to do the necessary work. For me, that sets off alarm bells. What is the thinking behind outsourcing?

Bill Morton: You should be reassured that the opposite is true. Because we have a detailed project plan, we know exactly what needs to be done and when it needs to be done. With the people who conduct the various activities and tasks, we have identified the resources—particularly people resources—that are required. With a plan that tells us what we need to do during

May, June or July, we can either put in place the members of staff who have the right skills and knowledge for the task or bring in and train to a proficient level additional staff to cope with the work load.

That is different from what happened last year, when a lot of outsourcing was done on an ad hoc, needs-must, emergency basis. Such situations can lead to increased work load and stress and can cause all sorts of grief. We will outsource only the activities that can be sensibly and safely outsourced. For example, we could outsource the candidate helpline with properly informed and trained temporary staff, releasing our existing staff from that burden so that they can deal with more technical issues, such as queries from a centre. We do not want to overburden the staff as a whole. I am not talking about bringing in people for the sake of it. It will be carefully thought through and targeted. Where it is sensible to outsource, we shall do so.

Cathy Peattie: People will be phoning the helpline with queries about what has happened to a paper or for an explanation of various things. Will the fact that the people who are running the helplines will not be folk who are involved in the organisation be a problem? Was that not a major problem last year, when people did not know what was happening in the organisation and did not have the right information? Perhaps the problem is not so much having people from outside as it is communication.

Bill Morton: You are quite right. Last year, part of the problem was that, because of the uncertainty and lack of knowledge about data management, even staff from within the organisation did not have complete and accurate information. They were under an amazing amount of pressure because they were trying their best to answer legitimate inquiries from candidates and centres but were not always able to do so.

We must ensure that, where it is sensible to outsource, the people who come in and handle that first line of inquiry are properly trained and have the necessary knowledge to handle inquiries. However, our own staff will become engaged with anything beyond that from a centre or candidate. Again, the process will be properly sequenced, logical and thought through. That said, we are simply making preparations; saying that we are making plans for a helpline or to answer inquiries is not the same thing as saying that we will need to implement them.

Cathy Peattie: So you accept that it is simply the nature of the beast to have some facility for answering inquiries. The fact that people are phoning up with questions does not indicate that everything has gone dreadfully wrong.

Bill Morton: That is right.

15:45

Cathy Peattie: What is the time scale for training folk in the necessary signposting for the organisation? Have you allowed enough time for such training?

Bill Morton: The final form of our very detailed project plan was approved by our board only yesterday—although I say final, the plan will continue to be refined. It identifies all the activities that we have discussed in the past as ones that we must undertake that are critical to success this summer. The plan contains tremendous detail about various activities, individual tasks, who is responsible for those tasks, the risks that are associated with them and the contingencies that need to be triggered. The whole thing has been planned out. Perhaps Amanda Cornish will say something more about planning for training and development and about bringing in new staff as we go along.

Amanda Cornish: We have been working on a plan for the summer, which is now in place. As for outsourcing the candidate helpline, we are in the process of writing a specification for that. The helpline will kick in from certification onwards—that is, from mid-August—which means that we have June and July to work on the scheme, select the supplier and train the staff. We are also working on how the in-house technical helplines will service inquiries from schools and colleges. We are factoring in and planning for a large volume of inquiries, as the committee has said we should do.

We have identified the various areas in the organisation that will require extra help over the summer and are using a combination of methods, such as redeploying staff within the SQA who have the necessary skills or outsourcing, where that is the correct option. We are planning for the summer and are building in time for training and development. As Bill Morton said, last year we did things on an ad hoc basis and learned a lot. This summer, we are taking a more planned approach. Communicating the plans in advance will be a tremendous step towards improving staff morale, because people will feel secure that the summer's activities have been planned out.

Ian Jenkins: Would it be possible for the committee or ministers to see the whole plan? I am not talking about publicising the whole thing.

Bill Morton *indicated agreement.*

Michael Russell: I notice that Amanda Cornish said that one of the aims—presumably of the management team or the board—was to make the organisation not so top-down.

Amanda Cornish: Yes, as far as communication is concerned.

Michael Russell: Do you also mean that the organisation should be one in which everyone participates in shared aims and goals?

Bill Morton: Yes.

Michael Russell: Bill Morton knows that an outstanding series of questions that I have asked the minister about the payment of performance bonuses has been referred to him and his chairman. How does the payment of performance bonuses to senior staff—which was not discussed with the unions or staff, but instead was discovered by them—contribute to a sense of sharing within the organisation?

Bill Morton: I should correct the impression that the bonuses were not discussed with the staff and unions; they were. The issue is whether others felt that there was complete consultation on the matter. There has been nothing disguised about how we are rewarding and recognising a new way of working in the SQA.

Michael Russell: I have asked to see last week's staff paper, because it is my recollection that the unions indicated that there was no consultation. If I can quote from the paper, I will return to that question.

Have my questions to the minister been referred to you?

Bill Morton: No, not so far.

Michael Russell: I have received a response from the minister to the effect that the questions have been referred to you and your chairman.

My objections are quite clear. In an organisation in which—as you and the committee have correctly pointed out—the staff were a major component in trying to overcome last year's problems and are working well together, is it the right time to differentiate between levels of staff? If the board had wanted to move towards performance-related pay, would it not have been better to discuss it for the whole organisation instead of singling out a number of managers? How many people receive performance-related contracts and who are they?

Bill Morton: I will elaborate on the point about information versus consultation. If my memory serves me right, I gave a presentation in November to the committee on the restructuring of the SQA and the introduction of seven general managers. That presentation was also given to all the staff in manageable numbers across all the SQA sites and to the trade unions, so there was nothing disguised or hidden about the introduction of a move towards the appointment of general managers on a performance-related basis. That

was the starting point—that is not to suggest that, in the fullness of time, the organisation will not move towards a performance management system containing appropriate and sensible recognition and rewards. At the moment, performance-related contracts within the SQA relate to the three general managers who have been appointed and the four we are about to recruit.

Michael Russell: So they do not relate to you.

Bill Morton: I do not work for the SQA.

Michael Russell: You do not work for the SQA?

Bill Morton: No. I am on secondment.

Michael Russell: So there is no performance-related pay in that secondment in relation to the SQA criteria?

Bill Morton: That is a matter for my chairman and board.

Michael Russell: I see. Do any other individuals, for example, Mr MacIntyre, receive performance-related pay?

Bill Morton: The secondment contracts for me and my colleague Billy MacIntyre are discussed with the board and relate to the terms of our secondment.

Michael Russell: Clearly, you do not want to go down this route, so we will have to pursue the matter elsewhere. However, my point is that I can see a case—although I would dispute it—for arguing and agreeing with the unions over a lengthy period of time that a performance-related basis might be good for the organisation. However, even if such information were not withheld from the unions, I cannot see a case for going ahead with performance-related pay for a separate group of senior staff if the unions think that that is not a good idea. I do not see how that contributes at all to making the organisation not so top-down; instead, from the unions' evidence, such an approach contributes to stress and feelings of alienation. Was that a board decision made on the recommendation of officials?

Bill Morton: Yes, but can I—

Michael Russell: Let me finish my point. If so, the decision was mistaken, given the stage that the organisation has reached and the way in which it has to move through this year. I really want you to consider whether that point is correct.

Bill Morton: You are obviously entitled to your opinion, which is based on an external view of the management of change within the organisation. It would be incorrect to reach such a conclusion if the object of the exercise had been to introduce performance-related pay.

The object of the exercise was to introduce significant improvements to the management of the SQA, so that it would be managed more cohesively and corporately. We have already discussed with the committee and others how the structural problems, process difficulties and inefficiencies, and issues to do with the ways of working need to be addressed for the SQA to improve. It was agreed that that was how the board would take the first step towards a more cohesive and sensible form of management in the SQA.

Michael Russell: Significantly, the unions said to us last week that they would not have objected if the total salary package had been the straight £60,000: £50,000 plus £10,000. They took exception to the fact that the basic salary with an added performance-related element had not been offered to other people. That seemed to indicate that the success of the organisation depended solely on the performance of those managers. You and I have discussed this subject and I agree entirely that a change in management culture was required. However, the message from that change was offensive to junior members of staff—it was they who used the word offensive—given their deep commitment to the organisation.

Bill Morton: I have no desire to offend the deep commitment of the staff. On many occasions, I have publicly—and privately within the organisation—commended the staff on their contribution. We have to start somewhere. There have been changes to the structure and the way in which the processes are run. Aspects of the business are linked more sensibly and logically than was ever the case. Given the culture of the organisation, the board and we decided that the general managers would be the place to start. I reiterate that the bonus structure relates to 10 per cent of salary that will be earned over a year against rigorous performance measures. I believe that the committee may have the impression that the reward system via bonuses for general managers was linked to the successful certification in 2001—in other words, in August. That misunderstanding may have given rise to the concerns that you expressed on behalf of the staff.

Michael Russell: No, that did not give rise to my concerns. Given the commitment that is required of all staff, there is a clear objection to one group of staff being treated differently from another. I know that the convener wants me to move on—

The Convener: I want to come in on this.

Michael Russell: Can I take it from your earlier answers that those general managers are not the only senior staff whose contracts have a performance-related element?

Bill Morton: At this point in time, they are, as employed by the SQA—

Michael Russell: In the management of the SQA as a whole—seconded or otherwise—are there others whose contracts have performance-related elements?

Bill Morton: Yes. If I may, I will answer the question as if it had been slightly different. If there were an aspiration that was shared with trade unions and staff to move towards having a proper performance-management system that was linked to recognition and reward throughout the organisation, I would be happy to facilitate such a move.

The Convener: I cannot give you the exact phraseology that was used because I do not have the *Official Report* in front of me, but the trade union representatives who spoke to us did not have a problem with the posts of general managers. They were aware that general managers would be appointed and they accepted that those managers would be a valuable part of the structure of the SQA. The concern of the trade unions that represent staff in the SQA and have negotiation rights for those staff was that they had not been contacted prior to approval of the performance-related pay structure for those staff. The committee was concerned about the bonus structure because of the input that all the staff will have to have to the successful revamping of the SQA. It was concerned that seven members of staff would be singled out ahead of all the others.

You indicated that the plan to recruit the new members of staff was agreed in November. Given their importance to the new SQA and to the positive development of the organisation, why have only three been recruited?

16:00

Bill Morton: It was always intended that a new form of management would be introduced. I take you back to one of the trade unions' abiding concerns—I am sure that they shared it with you, as they did with us—which is the need to introduce better, properly supported management in the organisation. I know that the trade unions have no objection to that in principle and that they support it. I emphasise that I, as chief executive, retain the right of management discretion over the management of change in the organisation.

My chairman and I met the trade unions informally the week before they gave evidence to the committee. If due process does not produce the result that in my judgment the organisation requires, we still have to go down a route that facilitates an outcome. We started the recruitment process for the general managers in December. By halfway through February we were in a position

to appoint three of the general managers. I will not pretend that it was easy to attract a broad sweep of high-calibre candidates to the SQA in the environment that we were in then. However, it was intended that the recruitment of the general managers would be staged. We are about to embark upon the second stage, so that we have all seven general managers. The business will be changing throughout and by November we will be much clearer about what will be in place. We are in a better position now as a result of the progress that has been made. The reality of that progress gives me confidence that we will get a much better response this time round.

Michael Russell: I will ask two questions about certification. First, concern has been expressed by various agencies about students who fail in the advanced higher at just below C pass and will be awarded a compensatory A in higher. Universities and so on are concerned that that may provide a rather odd and distorted series of passes that might, in certain circumstances, facilitate entry to university in a rather strange way. An A pass is strong currency for entry. A case was put to me this morning that somebody who was given a conditional acceptance on a B pass in advanced higher—which is possible—and who fails to get that but gets a compensatory A, may find themselves admitted even though they fail the condition. What consultation did you undertake before that approach was introduced? Are you reconsidering it? People are arguing that an uncategorised pass in higher would be better.

Bill Morton: Yes, there was consultation with interested parties and no, we are not reconsidering it. This is ironic, in that we are in all circumstances attempting to act in the best interests of the candidate. The arguments against Michael Russell's suggestion will probably be much stronger than those for it. It might be perceived—especially by candidates—to be far less fair if, when they have had a near miss, they will default by way of compensation to a C pass.

Although I understand the concern, the candidate's qualifications will be assessed against the entry requirements of the higher or further education institution. If there was a default to a lower level and entry was still permitted, that would be legitimate and it is what would have happened in any event.

Michael Russell: In previous circumstances there was no banding—for example, in the old days of compensatory O grades. However, the result could now be presented as a significant success, when it had actually been a significant failure. I raised the matter because we shall hear more about it as the year goes on.

Bill Morton: We might argue about such a result being a significant failure. We are talking

about those candidates with a near miss.

Michael Russell: A near miss at the bottom of the level.

Bill Morton: Let us bear it in mind that the system is geared towards the best interests of the candidates—a motivation that I am sure we share with the committee and with everybody else.

Michael Russell: There will be further debate on the matter. However, I come now to my second point, because I am conscious of the time. It concerns the presentation of the certificate and the complexity of higher still. I am not expecting you to announce a radical review now, but a problem is emerging. We all want this year's diet to be successful, but at the end of the period a wider review needs to be undertaken of the whole system—of what you are doing and what education is doing. In the interim, will you reconsider the presentation of the certificate? Universities and employers are still expressing worries about it because they do not know what it means.

Bill Morton: I anticipated that such a topic would arise. We have consulted on the simplification of the certificate and we have agreed a format for the new certificate. One of the biggest areas of confusion seemed to be about where on the certificate core skills appeared and how they were structured. Within the context of what can be sensibly and safely changed to clarify the certificate this year, it is intended that the core skills will be shown on the back of the certificate. Supplementary information will show the courses that have been passed by candidates in this year's diet. The process of becoming familiar with the certificate will improve over time. It is a little like when standard grade certificates first appeared and employers did not understand them.

Michael Russell: Many employers still do not understand what they mean. I am being serious.

Bill Morton: The accumulative certificate for lifelong learning is good practice. That it can be simplified so that people understand what it means brings me back to Ian Jenkins's point about the broader scale and improvement. In order to take full account of all the lessons that have been learned, I do not imagine that the end of that process will be whatever simplification of the certificate we can achieve this year. I am sure that there will be an opportunity for many people to participate in how that evolves over time.

Irene McGugan (North-East Scotland) (SNP): I am sure that Mr Morton and Mr MacIntyre will recall the concerns that were expressed earlier about the robustness of the software, given the anticipated increase in the volume of data that are to be processed and the fact that no substantial changes have been made to the information

technology system, despite that having been recommended. The committee was given assurances on that the last time that you were here, Mr Morton. However, you are probably aware that shortly thereafter a Sunday newspaper alleged that you seriously misled the committee over the extent of computer problems and that you hid computer chaos from us. The newspaper quoted internal SQA documents, which revealed serious faults in the software that remain unsolved. The newspaper alleged that you, Mr Morton, were warned about the state of the computer system the day before you attended the meeting. However, on 20 March, you told us that the computer system was working well. What are your views about that? How can the two different opinions in respect of the software be reconciled?

Bill Morton: I thank you for the opportunity to set the record straight. I did not take kindly to the inference that I had knowingly or wittingly misled the committee—I had made the point earlier that I would not do that. I have examined the evidence that we gave and I find no support for the newspaper's conclusion that we misled the committee.

An individual in the organisation flagged up what were, in his opinion, concerns about the state of the development of the software and about other aspects of the computer system. However, since I became aware of those comments, they have always been considered or regarded seriously. I am presuming to speak on behalf of my colleague, Billy MacIntyre, but I will give him the opportunity to elaborate on my comments. In the specific cases that I saw, the concerns were found, when investigated, to be easily remediable or without foundation.

Irene McGugan: Do you refute the allegation that on 19 March at least one person advised you not to be terribly positive to the Parliament about the software system?

Bill Morton: I have also considered that issue. I believe that the individual concerned raised specific concerns with me on a number of occasions. On that particular occasion, there was no direct contact. I believe that, in the course of briefing and in preparation for attending the committee, he raised some concerns that were investigated on a continuing basis. He was specifically concerned about version control in relation to software packages. On that date, we commissioned our internal auditors to investigate that concern and report on it.

I categorically assure the committee that if any concerns are brought to my attention, they will be regarded seriously and investigated. However, on a personal level, I resent the inference—which is based on an absence of true understanding of the facts—that I knowingly misled the committee. I

would not, and did not, do that.

Irene McGugan: The committee's difficulty is that there must be internal SQA documents that allege concern about a number of issues related to software and information technology systems. You are giving us your assurance that those issues have been investigated and that everything is fine, but it is obvious that some people are not convinced by your assurance, because they are making those concerns public. They are trying to get their concerns into the public domain so that there is greater discussion of them and, perhaps, greater scrutiny of them by this committee when we meet you again.

That is the dichotomy that we must resolve. Why would employees who are committed to the organisation, and for whom there is no vested interest in making such allegations, go against the expressed opinions of their chief executive if they were not seriously concerned?

Bill Morton: Like the committee, I can only speculate about the motivation of any individual who pursues such a course of action. I can deal only with the facts, taking account of the staff who are in place. We have assurances through our internal audit mechanism and that mechanism ensures that everything is as it should be. We also have the project plan to which we referred, and a detailed IT development plan, which is being followed through. If any concerns existed about the software or the computer system and the opportunity arose to bring those concerns to the committee's attention, I would certainly do so.

Billy MacIntyre: As we said previously, we have not made fundamental changes to the IT system in the current year, and for good reason. We are in a time of change, and the system essentially worked last year so, if it ain't broke don't fix it. The changes we have made to date are in the processing of registrations and entries. They have been rigorously tested and proved to be successful. The remaining changes that will be made are to results processing and certification. The software for results processing has been specified, developed and completed, and is currently undergoing testing. It is subject to very detailed testing plans, and will not be put into the live state until that robust and rigorous testing is complete.

With regard to certification, the specification for certification is complete. The detailed plans are being finalised this week, following which the software will be developed and—subject to rigorous testing—it will go live.

16:15

Irene McGugan: In your report you say that entry data in respect of this year's diet have

“a reasonably high level of completeness and accuracy”.

Could you be more specific or scientific? How high is “reasonably high”?

Billy MacIntyre: Only individual centres can assess whether the data that we hold on their behalf are complete and accurate. For the purposes of our board, I undertook an assessment yesterday of the completeness and accuracy of the data, and I will tell the committee how I came to my conclusion.

The estimate regarding the internal assessment mark forms that we sent to centres for completion and return, was based on the entry data that we held on our system at the point of production of those forms. The feedback from centres was that the data were accurate, with the exception of omissions of data that were being submitted to us and processed late. We issued two key reports to centres during April; one being a cumulative record of the completeness of entries, and the second being what we have called an eligibility report, which specifies for centres the national qualifications that require not just an entry for the course, but an entry for individual units within the course.

On the entries report, the feedback that we have had from centres is that the data have, on the whole, been accurate. On the eligibility report, I can confirm that as of yesterday, only 5 per cent of our national qualification course entries from centres that also require units to be entered are potentially missing entries. We are working with the centres concerned to identify and fill the gaps. Those gaps can arise for good reasons; for example, when an individual is required to sit two mandatory units and one optional unit as part of a course. In many cases, it is towards the end of the course that the centre will be able to identify what optional unit a candidate is sitting, and to advise us accordingly. On the basis of the evidence that I assembled, I came to the conclusion that the data were reasonably complete and accurate.

Bill Morton: Going back to Ian Jenkins's point about improving the system, this year we have put in place checks that allow data on each stage of the process of building the database—through registrations, entries, estimates and results—to go back to the originating centres, which gives them the right to check the data. I know that that is an improvement on one level, but the process has not been as user-friendly or streamlined as we would all like it to be in future. I acknowledge that the centres have an additional work load—particularly the unsung heroes who are the SQA co-ordinators. I wish to thank them publicly, because without their application of checks and balances, we would not be in a position to come before the committee and say that the information is of a good standard in terms of accuracy and

completeness.

The Convener: The situation requires that the schools and everybody else pull together. When you sent out reports to education directors in April about glitches that you had picked up in the system in relation to their areas, why were those then copied to the chief executives of the authorities?

Bill Morton: There was an issue of approvals. It was done at the specific request of our board, to ensure that people who should receive the knowledge that those activities were being addressed diligently did receive it. That is part and parcel of the truth of the matter: the SQA needs and welcomes the support of education authorities, local authorities generally, teachers, colleges and a plethora of interests in ensuring that the system works for the candidates.

The Convener: Unfortunately, in some cases that action gave a different impression. It made people think that the SQA was covering its back by informing the bosses, if you like, of problems in the system. When the education authorities that have spoken to me checked their records, at least 50 per cent of the problems were in relation to matters for which the SQA is responsible. That did not help to foster the attitude that you hoped for.

Bill Morton: We can only state the facts. We, in terms of due diligence, raised awareness of the need to address the issues. If that gave rise to a concern, which emanates from a broader blame culture, that is regrettable. That was not our intention and we are not trying to criticise anybody. We are trying to get the job done in the best interests of the candidates. Despite the frustrations of the process and the criticism that has emanated from various parts of the system, I have not come across anybody who does not have that cause in common with the SQA.

Cathy Peattie: Billy MacIntyre raised the issue of software in relation to duplicate registrations. He said that the development of the software was under way and that it was scheduled to go live on 25 May. That is close to the targets. I am concerned about the checks that are taking place. Are you confident that all the necessary checks have been carried out on the software? I am sorry to mention history, but history has shown us that that has not happened in the past, and I would like some reassurance.

Bill Morton: I am sure that Billy MacIntyre can offer that reassurance. Before he does, I say that we welcome the support that we have received from the Scottish Executive. One area that that support relates to directly is systems analysis: the business development of what we require the system to do in data management and management of the schools' data. We have also

been provided with additional testing capacity to ensure that the software that is being developed is tested before it goes live. Those are all significant improvements on the previous year. They are essential precautions that people have a right to expect the SQA to take.

Cathy Peattie: It is good management. It is what we would expect to happen.

Bill Morton: I like to think that most of the process of improvement and change is good management.

Billy MacIntyre: In some cases, testing during software development is not a precise science, but we keep it under close review.

When the report was produced, the date that was scheduled for the software to go live was 25 May. That is still the case and it is something that I take a close personal interest in. There is a committee—for want of a better word—within the SQA called the awards processing system development group. That group is chaired by me and meets weekly. It reviews progress and ensures that we are on track on all software projects that are under way. As I said, the main projects are on results processing and certification and a smaller project involves duplicate registrations. Matters are kept under close scrutiny.

Cathy Peattie: Do you agree that, when it goes live, the system needs to be an exact science?

Billy MacIntyre: Yes.

Cathy Peattie: You cannot merely say, "Well, I hope it'll be all right."

Billy MacIntyre: Testing can highlight problems that need to be remedied. When time scales for completion are predicted, a degree of slippage and contingency is factored in. However, the purpose of testing is to ensure that any potential problems with the software are identified before it is used in the live environment. That is why it is reviewed at least weekly.

Cathy Peattie: The system will not go live until the blips are ironed out.

Billy MacIntyre: No.

Bill Morton: We are concerned that the system should be stable. As we have explained to the committee previously, that is one of the reasons why this year we are not doing anything that is not absolutely necessary.

Michael Russell: You have talked about the improvement and development of systems. However, our inquiry discovered that some of the systems that had worked well in previous years were not used last year and seemed to have been forgotten.

A programme used to be run before the certificates were printed, which took all the data and compared them against the data that came in, to see how many records produced unexpected results. The system checked whether any assessment was missing and whether any data were wrong. Are you running that check this year? Will that be an important check before you finally print certificates? Will you report the results of that check to the minister, so that at an early stage—before certificates are printed—we will have an indication of potential problems?

Billy MacIntyre: The completeness of the data in the system is critical. The first check of completeness is the one that I mentioned earlier, which measures whether the right number of entries are in the system for units that contribute to national courses. That is monitored at least weekly.

The other checks concern predominantly estimates and internal assessment marks. Those checks will be run in the coming week for standard grade estimates and internal assessment marks. We have now processed a major element of the standard grade estimate and internal assessment mark data.

Michael Russell: Will you report the results of those checks as they develop, both to the minister and to the committee, so that we can be either forewarned or delighted?

Bill Morton: I sincerely hope that you will be delighted.

Michael Russell: We also hope that we will be delighted, Mr Morton, but I am asking whether you will report those results to us.

Bill Morton: We clearly have a shared objective. When members of the committee visit the SQA in Glasgow, we will take that opportunity to go through our project plan in detail to reassure members that we are confident of being on track.

There will be a series of decision points at which we will have to make a critical judgment on the state of the data in relation to their completeness and accuracy. Members can be sure that we will be happy to share our findings with the Executive and the committee.

Irene McGugan: I question the accuracy of a datum that you have given us. Your submission says that, since October 2000, 1,007 schools and 100 education authorities have been visited.

Bill Morton: Heed must be paid to what the convener said about the use of language. There are far fewer secondary schools than 1,007. I think that 1,007 visits have been made to secondary schools, some of which were repeat visits, and that 100 visits have been made to education authorities. I apologise for the confusion.

The Convener: Either that or we can now explain the problems that were encountered last year.

Bill Morton: I assure you that the confusion arises from clumsiness rather than an inadequacy in the use of information.

Mr Brian Monteith (Mid Scotland and Fife) (Con): In last week's written submission from the trade unions, in regard to data management, the unions said that

"the expectation is that we will be swamped by unit results during May. There is no guarantee this will be easier to handle than last year ... This is affecting morale."

Can you reassure the committee that you will be able to handle the unit results as they come in and that you are taking steps to reassure your staff?

Bill Morton: The trade union position was taken between February and March, and it anticipated problems that we have had the opportunity to address. However, I am not making light of the concerns of the staff and I shall not be complacent about the need to put in place the right sorts of support. The best thing that we can do is to have the system running as efficiently as we can, simplified wherever possible, and with the right number of staff and managers trained to do the job. That is on-going work. Estimates and results data are coming in now and are being processed.

16:30

Billy MacIntyre: We have processed approximately 300,000 unit results to date. Some have been passes, some have been fails and some have been deferrals, although the vast majority have been passes. We have a deadline—rather than a target—of the end of May for the receipt of any outstanding results from centres in respect of those units. Through a number of sources, we have encouraged centres to submit those as soon as possible and they continue to come in. I hope that their number will increase this week and next week, but even if they all come in at the end of May, we will have the capacity to process them.

Mr Monteith: In your written submission, you mention in relation to data management, that

"a further 5,226 entries had been received for the external assessment only with no associated course entry ... These cases are being investigated."

Can you expand on why that happened and what your investigations are throwing up?

Bill Morton: Yes. Billy MacIntyre will answer that question.

Billy MacIntyre: The number of such cases as of yesterday is 4,925. I shall explain the general make-up of a national qualification course. A

candidate is entered for a course, for the external assessment—the exam—and for any other examinations that are required in the school. There are normally three units. In the cases in question, however, we have received an entry from the school or college for the external assessment, and perhaps for the units, but not for the course. That is understandable in cases in which a candidate sat the course during the previous year and failed the external exam, meaning that the candidate was required to be re-entered only for the external assessment. However, the number of such cases is of sufficient magnitude that our account managers are double-checking with centres—schools and colleges—to ensure that no data have been omitted that the centres should submit to us to ensure that our candidate records are complete.

I cannot tell the committee how many similar cases arose last year, because such data integrity checks were not undertaken. I hope that the committee will agree that we have taken a step forward in identifying such issues which, although not significant in magnitude, could affect individual candidates and the completeness or accuracy of their certificates when they are produced. It is therefore important that we follow up such cases.

Bill Morton: We are making no assumptions; we are checking the facts.

Mr Monteith: That suggests that the appointment of account managers is proving to be useful.

You mentioned your cumulative entries and eligibility reports and said that many centres have confirmed that the information on entries that you received was accurate. Have any centres confirmed that that information was inaccurate? If so, what is being done to address that? You also said that your eligibility report has revealed the fact that 5 per cent of cases still need to be dealt with. We remember the figure of 5 per cent from last year, which was enough to begin to cause problems. Are you confident that you can deal with the 5 per cent that you revealed in your eligibility report?

Bill Morton: You need to be careful with statistics and ensure that we are talking about apples and apples, not apples and pears. We had to correct the impression that gave rise to a lot of undue concern about such matters last time.

Billy MacIntyre: I am not aware of centres having expressed problems regarding data within the cumulative entries report. There have been instances when, perhaps late in the day, a change of level was required for a candidate. For example, it could be deemed, late in the term, that a candidate should sit intermediate 2 rather than higher and that may not have been reflected in the

cumulative report when it was issued. As you will appreciate, the report is produced at a certain point; after that point, matters move on. The feedback from centres is that the reports have been accurate. A mechanism is in place whereby changes can be picked up right up to the time when the candidates sit the exam. A candidate could either sit an exam at a different level or have a new entry on the day of the exam, and that could be identified.

As for the eligibility report and the figure of 5 per cent, the number is approximately 13,000 and 5 per cent of those courses have national course units contributing to them. The overall number of course entries is about 740,000. There are some centres where the numbers are fairly significant, but the last time that I examined the matter in detail, the vast majority had fewer than 10 or 15 individual entries to resolve.

Centres have had the reports for some time and have the opportunity to see what corrective action is required; they can either withdraw an entry, if it has been included but not withdrawn, or submit a remaining unit to complete the picture. I monitor that weekly and there are about 20,000 units out of a total complement for national qualification courses of about 900,000. The volumes are not huge. At that stage, those are not errors. We want to highlight early in the process that, if we do not receive the complete entry profile for a course, the candidate will not complete that course.

When we receive the unit results in June, we will run a similar check to see what results are missing. Running such reports is an improvement to the process and we now know the extent of problems that may exist. We have plenty of time to work with centres to resolve them.

Bill Morton: Because of the checking process, the procedure is more accurate and robust. Some schools and colleges said that one of the units that relates to such a gap has been confirmed as a fail or is definitely deferred. It progressively narrows down.

The Convener: When you attended the committee meeting in March, everyone acknowledged that the situation in the further education sector was unacceptable. It is now mid-May, so will you update us on what progress has been made to ensure that certification within the further education sector has been completed?

Bill Morton: Yes. We acknowledged, rightly, that problems existed and took the opportunity to thank the sector for its forbearance. Until such issues were resolved, a fairly large-scale, complicated data-match exercise was undertaken to ensure that the data between SQA and the colleges were harmonised. The issue of duplicate and multiple Scottish candidate numbers also had

to be resolved. The Scottish group awards certification has now reached 30,000 certificates. We are continuing to increase the regularity of certification for freestanding units.

Billy MacIntyre: As I said in my evidence to the committee at the previous meeting, not only were the group awards outstanding, but many candidates from last year who had sat only a number of units, not necessarily as part of a group award, still required to receive their certificate.

At the end of this week, approximately 44,000 certificates will be issued to complete the picture for last year, in large part for those candidates whose certification has not been complete to date. We have not able to release what we call the unit-only certificates before completion of the college data-match exercise. Had we released those certificates earlier, there would have been the risk that a couple of units on a candidate's record, although they may have been certificated, could in fact have been part of a group award, due to missing data elsewhere in the system. Having confirmed where all the outstanding group awards are for the colleges concerned, we can now say with certainty where the remaining unit-only cases can be certificated.

The Convener: So, by the end of this week, all the FE sector certificates should have been issued.

Billy MacIntyre: Not for the whole FE sector. For those colleges that have gone through the first stage of the data-match exercise, the unit-only certificates will have been issued by the end of this week. We are still working with a few colleges to complete that first-stage exercise and, for 18 colleges that use a software system called the further education management information system—FEMIS—there will be a second iterative process, which will kick off very soon. That process is being piloted with a college now; it is intended to flush out what should be the small proportion of remaining certificates that may exist within the system.

The Convener: According to the best estimates, how many Scottish FE students are still awaiting certification?

Billy MacIntyre: For unit-only certificates, the number is 44,000—but those will be covered by the end of this week. Above that 44,000, the number would be in the hundreds. The problem is that, until we have completed the remaining reconciliation exercise, we cannot determine with certainty what certificates might be outstanding. Our estimate is that the number of such certificates is in the hundreds.

The Convener: What steps are in place to ensure that, this time next year, FE students are not awaiting certification? The fact that they are

waiting is not acceptable.

Billy MacIntyre: I fully accept and appreciate that. The rigour that we are applying to the processing of data for national qualifications applies across the board, and the changes that we are making are not related exclusively to national qualifications. The way in which we handle and process data, and the way in which we confirm data back to the centres, is not restricted to national qualifications; it covers all the qualifications that we deal with.

The Convener: I want you to clarify that. We have a date from which diet 2001 students should receive their certificates. Approximately when should FE students receive their certificates?

Billy MacIntyre: For group awards, that happens on an on-going cycle during the year. It is our intention to move to certificating weekly the students who are involved in that. Each week, when a candidate is identified as having completed a group award in our system, the weekly certification run will pick up that candidate and they will be certificated accordingly.

For the unit-only certificates, it is our intention, once the main diet for national qualifications is complete in August—about two thirds to three quarters of the way through August—to do the run that is required for the unit-only candidates, the majority of whom are in the further education sector. We are working up a certification timetable that factors in everything that requires to be certificated for this year and specifies when it will be certificated.

The Convener: Could we have a copy of that, once it has been worked up?

Billy MacIntyre: Certainly.

Bill Morton: We also have a parallel account management team, for colleges, employers and training providers. Judging from the feedback that we receive from our customers in that sector, that team is doing a really good job.

We have been working closely with the Association of Scottish Colleges on how we can move forward. We had a constructive meeting with representatives of the association last Friday, at which we discussed how we could plan together for improvements in the future. We are trying hard to ensure that we improve on the service that we give to the ASC, and indeed to all colleges, as that needs some radical improvement. I regret that the SQA has failed to deliver to expectation up to this point in time.

Irene McGugan: When do you expect the FE secondment to be in place? Why has it taken longer to recruit that person than it has the other two secondees?

16:45

Bill Morton: I am not sure about the answer to the second part of that question. We have been trying to identify a secondee and, in that regard, we have had some support from the Association of Scottish Colleges. Anton Colella has set a precedent by bringing a wealth of knowledge and understanding of the school end of the perspective—and not of communications alone—to the senior management team. He has made a significant contribution to our planning process, playing a big part in our project plan, which has now moved to preparing properly and fully for the post-certification appeals.

My aspiration is to have the secondee in place at the earliest opportunity. We are trying to encourage people to come forward and express an interest in taking up the FE secondment.

Irene McGugan: However, is it the case that no firm date has been set?

Bill Morton: Although we have had expressions of interest, we have not yet had any firm applicants—despite our best endeavours. We will continue to persevere with that matter.

Michael Russell: I have two quick points to make. Some weeks ago, there was press speculation that the Highland Council was leading a move to renegotiate its agreement with the SQA, so that the agreement would be clearly outcome-based on the SQA's performance. Did that happen or is it happening? What is the future of the SQA's relationship with its customers? I am aware that Mr Morton will have to be brief in his response to those questions.

Bill Morton: My quick response is that I am not aware that that has happened. I would not be averse to, nor would we be defensive about, having a service-level agreement with our customers, as that is a good discipline to employ.

Michael Russell: My second point is to ask for clarification of something that Mr Morton said earlier. Is the SQA about to appoint someone who will be in charge of public relations?

Bill Morton: We have a communications manager in place.

Michael Russell: Is that person also on secondment?

Bill Morton: No.

Michael Russell: Does that mean that that person was appointed?

Bill Morton: Yes.

Michael Russell: Does that mean that you and Mr McIntyre are the two senior management secondees?

Bill Morton: Yes, plus Anton Colella, who is a secondee from St Margaret Mary's Secondary School in Castlemilk, Glasgow, where he is the deputy head teacher. Currently, his secondment is part-time. Brian Naylor has also joined the senior management team to strengthen our resources in the management of on-going change.

Michael Russell: From where is he seconded?

Bill Morton: Brian Naylor is seconded from Historic Scotland.

Michael Russell: I presume that the financial and other terms of their secondments are all different. Is that the case?

Bill Morton: Yes. The terms of their secondments and the contribution that is required of them are different.

Michael Russell: Are the costs of your and Mr McIntyre's secondments met by the SQA and reimbursed to Forth Valley Enterprise?

Bill Morton: As I think I have explained to the committee before, as part of a senior management development programme, we are seconded by Scottish Enterprise to the Scottish Qualifications Authority. Part of the programme encourages senior members of staff to be seconded into other management situations.

Michael Russell: I certainly did not know that. Mr Morton will have to forgive me for finding it curious that Scottish Enterprise has seconded Mr Morton and Mr McIntyre to the SQA as part of its management experience—

Bill Morton: Senior management development programme—

Michael Russell: Some experience.

Bill Morton: It is an excellent experience.

The Convener: Character building.

Bill Morton: I cannot think of a better learning experience for senior management development than being the SQA's chief executive.

Michael Russell: In serious terms, surely a more direct line of responsibility will be required for a national body such as the SQA as it faces its future challenges?

Bill Morton: Yes. However, I do not want anybody to think that, in the interim, the commitment is not whole-hearted. Over the past nine months in particular, the SQA has become an integral part of my life. I would like to believe that the commitment that I give matches that of my staff, or is in no way any less of a commitment.

Michael Russell: I am sure that it is, but there has to be transparency in such things. What is the length of your secondment?

Bill Morton: Currently, I am seconded to the SQA until November 2001.

Ian Jenkins: I have only one question. Could you tell us about the winter examination diet? I am worried that the diet may be introduced without discussion of the implications and the tensions that might arise from it.

Bill Morton: The SQA entered into a commitment in that regard about three years ago. We are including the diet in our planning process to ensure that we are prepared for it. The Education, Culture and Sport Committee's inquiries found that our planning and preparation were inadequate in the past. We are ensuring that that is addressed and seeking to ensure that we put in place all the necessary steps for successful delivery. The winter diet covers a limited number of subjects and will have a smaller number of candidate entries.

The issue of the winter diet fits well with some of our longer-term planning processes, such as post-August strategy development and the on-going process of organisational development and change, particularly restructuring, which we have made only the first steps towards. I would be happy to talk to the committee at greater length about those issues.

Ian Jenkins: What subjects will be involved and when will the diet start?

Jean Blair: English and communication, maths, care, administration—subjects that are important in relation to colleges.

Ian Jenkins: Do you expect that schools will not be able to enter candidates for that diet?

Jean Blair: We would not bar anyone from entering the winter diet. Whether to enter would be a choice for the individual school. The consultation process suggested that the further education sector broadly supported the introduction of a winter diet. We decided that the subjects would have to have at least 100 candidates each. That is how we arrived at the subjects that would be involved.

Ian Jenkins: You understand that I am worried about the possibility that schools might be put under pressure to enter the winter diet.

Jean Blair: Whether to enter would be for the individual school to decide.

The Convener: One question has become four, I see, Mr Jenkins.

Cathy Peattie: I will try to make my question brief, although the answer might not be.

Bill Morton was seconded to the SQA as part of a crisis management strategy. The committee prepared and delivered a report last year in the

knowledge that the things that we wanted to do could not happen overnight and that the diet for the following year was well under way.

I would like to know what happens next. None of us wants to be here next year anticipating a crisis in the SQA. I want to be able to examine what is happening in our schools in a positive way. I want the committee to be able to examine the wider implications of education in Scotland, but we have not had time to do that because of the problems with the SQA. Can we be assured that progress is being made?

Bill Morton: I will try to give you a short answer. I share your ambition. I want the Education, Culture and Sport Committee to be able to consider broader issues. We have managed to get out of a crisis and are moving towards a process that will successfully deliver certification in August. I welcome the committee's on-going interest and support and think that, although the experience might not always be comfortable, the requirement for us to account openly for our actions is healthy and imposes a useful discipline on my colleagues and me.

I am increasingly confident that, although we still face difficulties and challenges in the months ahead, the improvements that have been put in place will ensure that the prospects for a successful certification process are good.

The Convener: Thank you for your evidence. We are looking forward to our visit to Dalkeith next Tuesday morning and to Glasgow on 29 May.

Bill Morton: Thank you, convener. No doubt we will meet again.

The Convener: No doubt, but perhaps in more pleasant circumstances.

We now move into private session.

16:54

Meeting continued in private until 17:30.

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