

# **ENTERPRISE AND LIFELONG LEARNING COMMITTEE**

Tuesday 26 September 2000  
(*Afternoon*)

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## ENTERPRISE AND LIFELONG LEARNING COMMITTEE

### 21<sup>st</sup> Meeting 2000, Session 1

#### DEPUTY CONVENER

\*Miss Annabel Goldie (West of Scotland) (Con)

#### COMMITTEE MEMBERS

\*Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP)

Nick Johnston (Mid Scotland and Fife) (Con)

\*Marilyn Livingstone (Kirkcaldy) (Lab)

\*George Lyon (Argyll and Bute) (LD)

Ms Margo MacDonald (Lothians) (SNP)

Mr Duncan McNeil (Greenock and Inverclyde) (Lab)

\*Dr Elaine Murray (Dumfries) (Lab)

\*Elaine Thomson (Aberdeen North) (Lab)

\*Allan Wilson (Cunninghame North) (Lab)

\*attended

#### THE FOLLOWING MEMBERS ALSO ATTENDED:

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

Cathy Peattie (Falkirk East) (Lab)

#### WITNESSES

Mike Foulis (Scottish Executive Enterprise and Lifelong Learning Department)

Ann Hill (Scottish Qualifications Authority)

Iain McMillan (Scottish Qualifications Authority)

David Miller (Scottish Qualifications Authority)

Brian Minto (Scottish Qualifications Authority)

Ron Tuck (Former Chief Executive of the Scottish Qualifications Authority)

#### CLERK TO THE COMMITTEE

Simon Watkins

#### SENIOR ASSISTANT CLERK

David McLaren

#### ASSISTANT CLERK

Linda Orton

#### LOCATION

The Chamber



## Scottish Parliament

### Enterprise and Lifelong Learning Committee

*Tuesday 26 September 2000*

*(Afternoon)*

[THE DEPUTY CONVENER *opened the meeting at 14:03*]

**The Deputy Convener (Miss Annabel Goldie):**

Good afternoon, ladies and gentlemen. I open the 21<sup>st</sup> meeting this year of the Enterprise and Lifelong Learning Committee. This is our second meeting in respect of our inquiry into the governance of the Scottish Qualifications Authority.

I have before me a copy of a letter from John Swinney, who has intimated his resignation from the committee with immediate effect. Events and circumstances have, of course, moved on to a new dimension for John, and I think it appropriate for me, on behalf of the committee, to record our appreciation of what he did in his role as convener during the committee's first year. I think that we would all agree that John was a very capable convener and that we should express publicly our gratitude to him for the manner in which he started us off on our course. Perhaps I may speak for us all in saying that, on a personal level, we wish John well in his new role.

I intimate apologies from Nick Johnston, who has to convene the Audit Committee, and from Margo MacDonald, who may join us later.

I welcome to the meeting Cathy Peattie, who is attending as a reporter from the Education, Culture and Sport Committee, and Brian Monteith, who is attending as a member of that committee.

**Allan Wilson (Cunninghame North) (Lab):** I intimate apologies from Duncan McNeil. Duncan has been taken ill and so he will not be with us today.

### Scottish Qualifications Authority

**Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP):** Before we begin our formal business, I want to raise an issue that has come up since the committee started to take evidence at last week's meeting. It relates to further clarification of a question that I asked the civil service witnesses.

At question time last week, Nicola Sturgeon asked Mr Galbraith whether the ministerial code of

conduct on freedom of information would ensure that advice to ministers was kept secret and away from the committee. The minister replied:

"What we will not release is internal advice given to ministers, as that would not be appropriate."—[*Official Report*, 20 September 2000; Vol 8, c 442.]

It seems to me that the Enterprise and Lifelong Learning Committee has a duty to ensure that all relevant evidence is produced to assist this committee and the Education, Culture and Sport Committee with our inquiries. In our examination of the issue of governance, we must ascertain whether the governance failed, whether the system failed or whether individuals failed—that is, whether human error was responsible. Unless we know the advice that was given by the civil servants to the ministers, we are not in a position to judge whether the ministers acted appropriately or whether they were derelict in their duty in any respect.

Therefore, in this case—perhaps in this case only, because of the unusual and extraordinary level of public interest in the committee's inquiry—we should invite the minister to reconsider that decision and to make available to us, during our inquiry, all necessary information.

**The Deputy Convener:** I note Mr Ewing's point. There may be merit in what he says, as there may be omissions in the evidence that we have taken. I am also conscious that we have been deluged with a huge volume of information to examine.

I suggest that it would be appropriate for me to note your comments, Mr Ewing. After we have taken evidence today, we may have to consider whether to extend the evidence-taking sessions in order to seek the further information that you think may be necessary. I think that it would be appropriate to leave that matter for the agenda of a future meeting.

Perhaps, following discussion with the clerk, we could make the request that you expressed, which the clerk may wish to channel to the department. It would be for the department to decide whether it could comply with that request.

**Simon Watkins (Clerk to the Committee):** I am happy to do that, if it is the will of the committee.

**The Deputy Convener:** Do committee members have views on the point raised by Mr Ewing? Would it be acceptable for the clerk to write to the department, given that it would be for the department to consider whether it could release further information?

**Allan Wilson:** Would not it be more appropriate for the convener of the Enterprise and Lifelong Learning Committee to raise the issue with the convener of the Education, Culture and Sport Committee, given that both committees are

involved in similar inquiries? That would prevent one committee from going off at a tangent.

**The Deputy Convener:** In fairness, the Education, Culture and Sport Committee will not take evidence from the department of enterprise and lifelong learning or from the three witnesses from whom we took evidence.

**Simon Watkins:** That is the case, as far as I am aware.

**The Deputy Convener:** Is it acceptable for a letter to be sent to the department seeking further information, which is within the province of the department to determine whether it can release?

**Allan Wilson:** On occasion, the Education, Culture and Sport Committee will be able to take evidence from civil servants. We are talking about a code that applies across the board, irrespective of department. I would prefer there to be liaison between the two committees before our committee goes off at a tangent in relation to the matter raised by Fergus Ewing, which also has an impact on the work of the Education, Culture and Sport Committee.

**The Deputy Convener:** In fairness to Mr Ewing, his point refers specifically to the department of enterprise and lifelong learning and to the three witnesses from whom we have taken evidence. Is not that the case, Mr Ewing?

**Fergus Ewing:** The point also applies to the Education, Culture and Sport Committee. However, this committee is concerned with the activities of the enterprise and lifelong learning department. If the suggestion is that the requests for information in the letter that is to be sent by the convener, on behalf of this committee, should be restricted to advice that was given to the Minister for Enterprise and Lifelong Learning, that seems entirely proper. The Education, Culture and Sport Committee could, even before taking evidence, write a similar letter—if so advised—to the Minister for Children and Education.

I would therefore be happy if the letter from the convener of this committee was sent only to the enterprise and lifelong learning department, asking about advice to the minister. I hope that Labour and Liberal members of this committee agree that there must be no whitewash in this inquiry.

**The Deputy Convener:** Mr Ewing has made a request that we ask the enterprise and lifelong learning department for the further information that he seeks. Does the committee accept that request?

**Allan Wilson:** By way of an amendment to Mr Ewing's proposal, I suggest that the convener of this committee and the convener of the Education, Culture and Sport Committee should liaise with each other before any request is made for

additional evidence.

**The Deputy Convener:** Would it be acceptable for a copy of the letter that I write, as acting convener, to be copied to the convener of the Education, Culture and Sport Committee?

**Allan Wilson:** No. I am suggesting that you should liaise with the convener of the Education, Culture and Sport Committee in advance of any request for additional information from any civil servant in relation to this inquiry. That is fairly standard procedure.

The Education, Culture and Sport Committee is the lead committee and the issues that arise in this committee will arise in exactly the same form in that committee. It is our duty to liaise with our colleagues on the Education, Culture and Sport Committee to ensure that one or other committee does not go off at a tangent.

**The Deputy Convener:** Equally, it could be argued that this committee should be free-standing and should act independently in relation to the remit that it is being asked to discharge. This committee has no competence to control what the Education, Culture and Sport Committee does; likewise, that committee has no competence to control what this committee does.

Mr Ewing's request is perfectly reasonable and would in no way prejudice what is going on in the other parliamentary inquiry. If that information could be made available by the enterprise and lifelong learning department, this committee would be better able to come to its conclusions.

**Fergus Ewing:** Convener, I propose that a letter be sent to the enterprise and lifelong learning department.

**The Deputy Convener:** As no one else seems prepared to second Mr Ewing's proposal, and in the interest of assisting democracy, I use my casting vote to second the proposal. Is there any other proposal to put to the committee?

**Dr Elaine Murray (Dumfries) (Lab):** One of the members of the Education, Culture and Sport Committee was indicating that she wanted to comment.

**The Deputy Convener:** I am sorry. Mrs Peattie, would you like to speak?

**Cathy Peattie (Falkirk East) (Lab):** I realise the importance of this to the committee, as a similar issue will arise for the Education, Culture and Sport Committee. Getting the information is a part of the parliamentary process and should not be dependent on a whim of the minister. It might be helpful for the convener of this committee to liaise with the convener of the Education, Culture and Sport Committee to ensure continuity on this issue.

**The Deputy Convener:** I have listened to what Mrs Peattie has said. Mr Ewing, do you still wish to press your proposal?

**Fergus Ewing:** It is a matter of principle. This inquiry must have all relevant information before it, and we do not have that information. That is wrong in principle. I therefore adhere to my proposal that a letter—along the lines that you have described, convener—be sent to the Minister for Enterprise and Lifelong Learning, urging the Executive to reconsider the decision that was intimidated by Mr Galbraith last week at question time to withhold internal advice from both committees' inquiries.

**Allan Wilson:** I move, as an amendment to that proposal, that, prior to any letter being issued, the conveners of the two committees that are conducting the inquiries should liaise with each other.

14:15

**The Deputy Convener:** Is there a seconder for Mr Wilson's amendment?

**Elaine Thomson (Aberdeen North) (Lab):** Yes.

**The Deputy Convener:** Can I have a show of hands on the amendment?

**FOR**

Livingstone, Marilyn (Kirkcaldy) (Lab)  
Lyon, George (Argyll and Bute) (LD)  
Murray, Dr Elaine (Dumfries) (Lab)  
Thomson, Elaine (Aberdeen North) (Lab)  
Wilson, Allan (Cunninghame North) (Lab)

**AGAINST**

Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
Goldie, Miss Annabel (West of Scotland) (Con)

**The Deputy Convener:** The result of the division is: For 5, Against 2, Abstentions 0. The amendment is therefore agreed to.

We will now vote on the proposal. The question is, that the proposal, as amended, be agreed to.

**FOR**

Livingstone, Marilyn (Kirkcaldy) (Lab)  
Lyon, George (Argyll and Bute) (LD)  
Murray, Dr Elaine (Dumfries) (Lab)  
Thomson, Elaine (Aberdeen North) (Lab)  
Wilson, Allan (Cunninghame North) (Lab)

**AGAINST**

Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
Goldie, Miss Annabel (West of Scotland) (Con)

**The Deputy Convener:** The result of the division is: For 5, Against 2, Abstentions 0. Therefore, the proposal, as amended, is agreed to.

**Fergus Ewing:** I understand that the committee has now taken the decision that the conveners of this committee and the Education, Culture and Sport Committee will liaise with each other. As we

are to resume this inquiry on Friday, I request that the liaison be concluded before that meeting, so that, if appropriate, this issue can be revisited on Friday morning. That gives 48 hours for the two individuals to have a chat, which would presumably be sufficient time.

**The Deputy Convener:** I hear what Mr Ewing is saying. As deputy convener and acting convener for this meeting, I will try to ensure that those wishes are met. However, as the committee will understand, we are unclear about who will be convening Friday's meeting. Therefore, I am in an impasse in terms of determining who is responsible for doing what. You will have to leave it with me to consult my successor or to determine who will be convening Friday's meeting. We will try to ensure that contact is made with the convener of the Education, Culture and Sport Committee.

I am anxious to make progress. I am sure that our witnesses did not expect to have this procedural delight cast before them when they arrived here this afternoon.

On behalf of the committee, I welcome the witnesses. You are all here by invitation and I express our appreciation to you all for making yourselves available. We have here Mr David Miller, who is the chairman of the Scottish Qualifications Authority; Mr Brian Minto, who is vice-chairman; Mr Iain McMillan, who is a board member; and Mrs Ann Hill, who is also a board member. As members will see from the agenda, we will later have the opportunity to take evidence from Mr Ron Tuck, the former chief executive of the SQA.

I will start proceedings by asking one or two general questions. This committee has a remit to examine governance. I am anxious that we adhere strictly to our remit. Some issues may be of considerable interest to members, but if those issues relate to the specifics of what was happening in the SQA in relation to examination results, they will properly be for the Education, Culture and Sport Committee to consider. I ask members to bear in mind our precise remit.

Mr Miller, I have read the helpful submission from the SQA on governance, for which I thank you. I have noted the conclusions that you drew. Do you think that there is a deficiency in the technical aspects of governance? Do you think that there is a weakness in communication between the board and the minister?

**David Miller (Scottish Qualifications Authority):** No, I do not think so. I used to be the chairman of the Scottish Vocational Education Council—that is now quite a long time ago. The arrangement was that we saw the minister once a year, after which the minister would write a letter of guidance to us on what he expected us to do in

the following 12 months.

Since then, I have had one meeting each year with the appropriate minister, but we have not received a letter of guidance. The meeting has been more informal, with the chief executive and I putting forward issues that we want to develop and debate. That ought to be enough in normal circumstances.

**The Deputy Convener:** I notice that one of the refinements that you suggest in your submission is for six-monthly meetings with ministers, at which plans and targets could be agreed. Was it the intention that attendance at that meeting should be restricted to the chairman of the board and ministers, or was it anticipated that other members of the board would be included?

**David Miller:** Usually it has been the chairman and the chief executive. That should continue, unless the minister indicates otherwise. That is appropriate.

The submission mentions other matters, one of which I have felt strongly about from the beginning. I feel that the board would have been helped by the presence of members of the Scottish Executive as observers. That was always the case with the Scottish Examination Board and SCOTVEC. For various reasons, financial more than anything else, we were advised when SQA was set up that the Scottish Office would not approve observers coming to board meetings. That was partly because it would be costly if the exercise were adopted by all the non-departmental public bodies and partly because it was felt that the Scottish Executive might be compromised by its presence at meetings when decisions were taken of which it might not necessarily approve. I believe that the attendance of such an assessor from the Scottish Executive should be restored. That would help to short-circuit one of the missing components.

As non-executives who are, apart from me, unpaid—I am paid—the amount of detail into which board members can go is limited and should remain so. In any organisation, there is an element of trust between executive and non-executive members. The failure of information has been the cause of the problem.

**The Deputy Convener:** Thank you. At the moment, liaison meetings are held between members of the department of enterprise and lifelong learning and the chief executive and some members of staff of the SQA. Did the minutes of those meetings go to board members?

**David Miller:** No, they did not. On every occasion, there was a chief executive's report on what had taken place during the meetings, but we did not see the minutes.

**The Deputy Convener:** Does that explain why one of the recommendations in your submission is that there should be

“regular management information for the Scottish Executive and bi-monthly senior management . . . meetings to monitor progress against targets”?

That would allow a flow of information between the two sides.

**David Miller:** Yes. If members can stand one more minute of history, I will explain. When the SEB and SCOTVEC were wound up, there was a hiatus, as neither chief executive was going to continue. We at the SEB and SCOTVEC decided that we should take the initiative and try to describe the kind of organisation that we would like the SQA to be. We had regular meetings with the Scottish Office, which I attended on behalf of the incipient SQA, to talk about the investment that would be necessary in computers and so on. When the chief executive was appointed, I withdrew.

There ought to be a more direct connection—a reconnection—between the board and the operational side. We are only at the start of all these reviews, but it is our intention that the vice-chair and I should meet Bill Morton, the new acting chief executive, monthly to go over operational items. I repeat, however, that we are non-executive members, which is part of the difficulty.

**The Deputy Convener:** I am grateful. The other broad question that I want to ask is perhaps more appropriately addressed to the members of the board. I want to identify what they consider to be the role of members of the board.

I am grateful to Mr Miller for painting the background. Having had the opportunity to read the minutes of some of the board meetings, I appreciate why he commented on not getting too enmeshed in the detail. How do the individual members of the board see their role? Do they see it as simply to consider the information made available at board meetings and to bring their background and experience to bear to ask questions and examine what they have been told, or do they regard it as a little more inquisitive than that? Perhaps Mr McMillan would like to speak first.

**Iain McMillan (Scottish Qualifications Authority):** The nature of our role was defined by the former Secretary of State for Scotland in our letters of appointment. It was to set out the SQA's strategy and objectives, to approve its corporate plan and estimates, to make decisions on major issues of policy and to review the authority's performance. It was very much about vision and ensuring that the necessary framework was in place.

That is consistent with the governance of most



non-departmental public bodies. I understood my role to be about vision, conduct, prudence, ethical standards, setting a strategic direction for the authority and concentrating on ends, not means. Non-executive directors should not stray into the area of operational management.

That does not mean that board members should not challenge and question executive colleagues. The committee has written evidence that shows that members of the board did that during the run-up to this year's examinations.

**The Deputy Convener:** Is your view similar, Mr Minto?

**Brian Minto (Scottish Qualifications Authority):** It is. However, I have an additional function on the board, in that I convene the finance committee. I see my main role on the board as being to monitor the authority's finances, to discuss budgets with the officers and to report to the board on the financial information that the officers present.

**Ann Hill (Scottish Qualifications Authority):** I was invited to sit on the board because of my background in the Scottish School Board Association. I see the position of non-executive board members as a safeguard of policy, more than anything else. We bring with us the concerns of the constituency with which we are familiar—in my case, the concerns of parents. Those have been brought to the attention of the board and the officers. Basically, our role is to ask questions and to find out information, to ensure that we safeguard the service.

**The Deputy Convener:** I open the meeting to questions from members.

**Dr Murray:** I want to examine the information that was available to you about the awards processing system, a subject that was brought up at your board meetings on a number of occasions. Of the meeting on 23 September last year, you say:

"It was agreed that Board members should be kept informed between meetings of any major issue of concern in connection with implementation of the APS"—

a system that failed in the long run. That item remained on your agenda. As late as June this year it was intimated to you that

"there were no significant software problems to resolve".

I know that hindsight is a wonderful thing, but do you think that the mechanisms that were in place allowed you to be notified appropriately of the problems? If you are not satisfied that you received the information that you needed, how could the process of information transfer be improved? What could be done to ensure that board members are made aware of concerns?

In the most recent edition of "Grapevine", the SSBA says that it alerted the SQA in March and again in April this year of problems in schools concerning the electronic transfer of data between schools and the SQA. If another body brings concerns to you, how do you investigate those? What did you do when the SSBA told you that it thought that there was a problem with electronic transfer? The SSBA may not have been the only organisation that expressed such concerns to you. Did that prompt any action from the board?

14:30

**David Miller:** Yes it did—that and a number of other comments that were made prompted us to ask questions. Members will see—from the minutes of one of the finance and general purposes committee meetings in June—that we asked David Elliot to come to that committee and that we cross-questioned him closely and offered to make available additional resources. Contrary to popular opinion, the SQA is not bankrupt and could have provided more resources. We were assured that the situation would be all right.

A number of other things were also going on in the background. One day, after I had heard a specific but unofficial comment from somebody and realised that concerns existed, I took the opportunity to go to Dalkieth and spend time going round each department. One particular member of the organisation—a very valued member—expressed considerable concern to me. I spoke to the chief executive about that, and he took the matter very seriously.

A meeting using videoconferencing was held, during which we discussed the stage we were at. At the end of that meeting, everybody was assured that well over 90 per cent of the results would be okay. I asked the individual who had expressed concern whether he agreed or was anxious. I can remember his answer clearly. He said that the SQA was a can-do organisation, that everybody now had their heads up and that he was absolutely committed to producing the level of results of which we had been advised.

Although a great deal of documented evidence has been supplied in the form of board minutes, many other activities were going on that are not covered by the minutes.

**Dr Murray:** Would you say, therefore, that you felt reassured by the various statements that were made to you about the—

**David Miller:** I felt reassured about the level of missing data. By that stage, we had established that the missing data were the problem, but that the results would be publishable on the given date, although the data were not perfect.

**Dr Murray:** What would you have done had you not been reassured of that? What course of action would have been open to you?

**David Miller:** That is part of the difficulty. The question is perfectly logical, but it is difficult to answer because the time scales were—as they are in general as far as the SQA is concerned—extremely short. I also had in mind—I suspect that the other board members did, too—that intervention at a very late stage would be a complicating, rather than helpful, factor.

We agreed to invite our internal auditors to conduct a review the following year, on the assumption that the results would be almost complete when they came out. That would have been a perfectly orderly process to follow. If we had, given the time scale, been willing to pay for another 30 people to throw at the problem, that would have simply constituted a massive interruption to the already tight time scale, by the time that those people had been trained and so on.

**Allan Wilson:** I wish to turn to your written evidence to the committee, specifically the evidence on governance. You conclude that issues of governance did not contribute to the current difficulties, but that governance worked well. You go on to ask whether there is a better model for the governance of the Scottish Qualifications Authority—the primary matter that we aim to determine. You conclude that, at the time of the establishment of the SQA, there was cross-party support for its establishment as a non-departmental public body, rather than an agency or arm of Government. You also conclude that there was wide support in education and training circles for that. Does support still exist in those circles for the SQA's continuation as an NDPB?

**David Miller:** We should consider the level of board input, the contribution of the people at the SQA board table and the areas from which those people come. They are not representatives—they are all on the board as individuals. Iain McMillan, for example, is there as an individual, not because he is a member of the Confederation of British Industry. I believe strongly that the contribution of the board members—whether they are from schools, colleges, universities, industry or whatever—would be required by whatever body ran the system.

Members would expect me to say this, but I also think that the Scottish Vocational Education Council, the Scottish Examination Board and the SQA—for its first three years of operation—operated extremely well. We have made a desperate error this year, which has caused fearful confusion for everybody and upset to children. I cannot defend that—I do not want members to construe anything that I say as being defensive.

It would, however, be worthwhile to consider the extraordinarily high level of service that, until this year, has been provided by the same employees and board members. The structure is the right one—I do not know whether that point of view would attract support and I have not speculated about it.

Huge criticisms can be made, but 16,000 people from the teaching profession and its environs are involved every year in the process of examination. The SQA is the vehicle through which that is done; we are not the arbiters of the details of the exams, of the marking or of anything else—that is the right way to go.

I have always said that, if the SQA ceases to be in the ownership of the people whom it serves, it will fail. That has, perhaps, been a contributory factor this year.

**Allan Wilson:** We have heard from officials in the enterprise and lifelong learning department about the "Management Statement and Financial Memorandum", which seeks in several respects to amplify statutory provision relating to the governance of the authority. You refer to that in your submission.

The "Management Statement and Financial Memorandum" requires the board to ensure that the SQA provides ministers with advice relating to the SQA's functions. Does that mean that the SQA's board has a duty to notify ministers of problems that they feel unable to resolve without ministers' assistance?

On Mr Miller's role, is not the SQA chair responsible to ministers for the overall direction and management of the SQA, in accordance with the statement and memorandum? Can that be interpreted literally? Is the chairman responsible?

**David Miller:** On the first question, if I felt that there were problems of which I was aware in detail, of course I would have gone to the minister. The SQA executive has regular contact with the Scottish Executive and it would be quite improper for me to hide from the minister any problem of which I was aware.

I understand Mr Wilson's question and I can assure him that a non-executive director in industry must take on trust many detailed performance criteria. The SQA's board has a document that sets out our key objectives for the next five years and for this year. That document passes through the Scottish Executive, the board and—at the level below that—departmental heads derive their particular objectives for the following year from it.

This year, I am afraid that our difficulty was that a group of non-executive directors were aware that there were problems, but were assured that

those problems would be overcome. I believe that the chief executive himself, from whom the committee will take evidence, believed that to be the case.

**The Deputy Convener:** To clarify Mr Wilson's point, paragraph 6.3 of the "Management Statement and Financial Memorandum" states:

"SQA members contribute to the formulation and approval of the Authority's policies; they also have a key role in monitoring the implementation of these policies and are required to monitor progress on achievement of targets at least on a six-monthly basis".

When would there be a trigger at board level to suggest that something was not right? If your argument is that non-executive members have to accept everything they are presented with, that begs the question why they are there.

**David Miller:** Every December we produce a corporate plan—I presume members have a copy of that—which contains our mission, corporate goals, key objectives and so on. It is created by the executive and approved by the board—without comment and amendment. It goes then to the Scottish Executive for approval. We review the SQA's performance against that document, as per paragraph 6.3 of the "Management Statement and Financial Memorandum". When we

"monitor progress on achievement of targets",

we examine the corporate plan to see whether targets have been met. That has been reported.

The role of non-executive members is to monitor and deal with difficult situations and that is what we did. However we did that on the basis of inaccurate information, which is very difficult.

**The Deputy Convener:** I accept that. The board of management did its best with the ingredients that were available. Given that, if a significant problem—about which the board was completely unaware—arose in a substratum, should some further safeguard be considered to try to avoid such a situation being repeated?

**David Miller:** With hindsight, that must be the case. In our submission, we suggest that the attendance at board meetings of senior representatives of the Scottish Executive would be helpful and that we ought to institute a committee that consists of the vice-chairman, the chief executive and me. That committee would examine specifically the detail of the operational side of the business. It would meet monthly and report to the finance and general purposes committee and the board of the SQA. I regret that we did not have something as straightforward as that in place—I believe it would have solved the problem.

Members should bear in mind that higher still was being developed—the higher still development unit was passing documentation to

us as it was being developed—and that the implementation of the design rules left rather a short time scale. It was presumed that when the SQA executive told us that everything would be all right, higher still was meeting the requirements of the design rules. We were aware that national assessment banks were being delivered a bit late; that was partly down to us and partly down to the HSDU. The amount of paperwork in that exercise was immense. As I said in the final annual report of the SEB, an organisation such as a warehousing operation, which handled the amount of paper and documentation that the SQA handles and that made as few mistakes as the SQA did until this year, would see itself as significantly successful. I say that as an industrialist. The excellence and commitment of the staff is unquestionable.

**Iain McMillan:** When the chief executive and the director of awards reassured the board and the finance, planning and general purposes committee on the points on which they were being probed, we believed that they were reassuring us according to their certain knowledge. Since then, it has transpired—the former chief executive alludes to this in his evidence—that the board was being reassured on the basis of best of knowledge, and not certain knowledge.

We, and perhaps other non-departmental government bodies, need to make it clear that when information and reassurances are given to a board, they should be based on certain knowledge. When reassurances cannot be based on certain knowledge, that should be made clear.

14:45

**Allan Wilson:** In your written evidence, you refer to a proposition to recommend the appointment of assessors, as happened with the SEB and SCOTVEC. However you referred to advisers in your oral evidence.

**David Miller:** I am sorry. Assessors is the right word. I am sometimes all at sea with such expressions. I mean assessors on the board, who will give prompts, rather than advice.

**George Lyon (Argyll and Bute) (LD):** I want to address the issue of where the breakdown occurred. You say that it occurred below chief executive level, at the level of the officers who reported to the board.

In his submission, Ron Tuck acknowledges that the SQA faced a huge challenge. It had not only to implement a major information technology project, but it had to create the awards processing system that was an essential requirement for the new certification arrangements. It had also to publish a huge volume of material to support higher still implementation, while carrying on its core

business of assessment and certification of 340,000 candidates per annum in 1,600 centres. This was quite a high-risk year, as both the IT system and the higher still programme were being implemented. On reflection, was not it to the board's discredit that it did not do more to monitor what was going on, especially as it was entering into such a high-risk operation?

**David Miller:** I do not think so. I understand what George Lyon says, and with hindsight we might have done things differently. However, as far as the board was concerned, the staff who dealt with the examinations were the same staff who had dealt immaculately and in a world-class way with previous examinations. Hordes of people from abroad were beating a path to our door to get our assistance in developing their programmes. We were reassured intellectually by the fact that the people who were involved this year were those who had been involved on all previous occasions, which were hugely successful.

We asked many of the right questions, but we were given answers that turned out to be inaccurate. It is difficult, under any circumstances, to operate on that basis. With hindsight, I would have instituted some kind of forum, so that the operations side of the business would be exposed to the non-executive directors—although that side of the SQA is the executive's business and was reported to the executive at every executive meeting.

**George Lyon:** Ann Hill said that your role was to ask questions and find answers, but clearly you asked the questions and got the wrong answers—you were not being told what was going on inside the organisation.

You said that one person came to you from within the organisation, to report his or her concerns. Was that the only report that you heard from inside the organisation about concerns that must have existed? According to some of the anecdotal evidence that the committee has heard, the organisation was in a state of meltdown at some stages. Did not more than one person come to you to intimate serious concerns about what was happening inside the organisation? If only one person came forward, why were those at the coalface not willing to speak out? Was that something to do with the management style?

**David Miller:** I will address your first question first. When somebody is concerned about something, they seek reassurances. We sought reassurances, which we were given. I do not know whether my colleagues have anything to add to that.

**Iain McMillan:** I can speak only for myself. No one in the organisation approached me to tell me that problems were expected.

**Brian Minto:** No one approached me, either.

**David Miller:** People expressed concern. The chief executive expressed concern. However—and I believe that the chief executive is beyond criticism in the matter—the requisite assurances were given.

Mr Lyon asked why no one was willing to come forward to express concerns, but the ethos of the organisation is not such that one would expect people to withhold information for fear of retribution should they disclose it. We had all the governance arrangements in place, but amazingly—I agree that it is amazing—no one came to the board to say that they foresaw a monumental problem.

During the year, I visited many schools with the chief executive or the appropriate schools liaison officer. Although at the beginning there were concerns about late registration—that was where the problem started—no one said that the position was impossible and that they expected it to lead to failure. The schools that I visited were not only in the central belt, but all over Scotland.

**George Lyon:** I take it from that, that at no time during the past 12 months did the board discuss the possibility of reporting back to the minister before the final stage of the process, to say that there was a serious problem and to express reservations about what the board was being told by senior management.

**David Miller:** No. The assurances that the board was given implied that the situation was under control, so we did not go to the minister.

**Marilyn Livingstone (Kirkcaldy) (Lab):** I will try to keep my questions brief. Elaine Murray asked about the APS. In your submission you say that one of the root causes of the problem was a failure “to anticipate the stresses, strains and knock-on effects that the late development of APS would create”.

The minutes of your meeting of 23 March 2000 note that essential

“processing software modules were still under development”

and that external personnel were being brought in to help with that. At every meeting, the board received an update on the situation, but on 23 March there were still massive problems. What reassurances did you receive at that time and were you satisfied by them?

**David Miller:** The assurance that we received was given correctly, because the software worked. It is not unusual for software to be written late in the development of a programme. One of the difficulties—which we thought was a software problem—turned out to be a data management problem. The assurances that we were given

about the software, late though its development was, were absolutely correct. The computer system did what was asked of it.

**Marilyn Livingstone:** I want to return to your corporate plan, because the process of agreeing that plan is vital. Did you feel that the agreement that you had made with the Executive was appropriate?

**David Miller:** I am sorry—I missed that.

**Marilyn Livingstone:** Did you feel that the process by which you agreed your corporate plan with the Executive was appropriate? Were you happy with it?

**David Miller:** Yes. Detailed work was done internally on the plan before it reached the finance and general purposes committee and the board. It was not plucked out of the air; it was the result of careful consideration. The board provided input to the plan and it then went to the Scottish Executive for approval. It was, in due course, approved.

**Marilyn Livingstone:** You have said that you do not, as a matter of course, get the notes of the meetings between the Executive and the SQA liaison group. Were you aware of concerns about difficulties that were expressed by outside bodies?

**David Miller:** We were aware that such bodies were telling us—especially in relation to the registration of students—that there were considerable strains on schools, which we caused. As a result of lateness, a knock-on effect ran through the system. We were aware of that. That is why we asked so many questions.

**Marilyn Livingstone:** Did the answers to those questions satisfy you that everything was under control?

**David Miller:** Yes. I take no satisfaction from it, but I sat in front of the press on the day that we were supposed to put the envelopes in the post. The figures that I used then were, as far as I was concerned, a continuum of the figures that we received over a period; that 1,500 candidates and 0.5 per cent of courses were affected. Those figures were given to us in good faith. We dealt with the matter based on the figures being the logical extension of those that had come out during the previous days and weeks. When I went to Dalkeith the next morning, the figures turned out to be nonsense—unposted certificates were still lying in the exam room.

I sat in front of the press, passing on what turned out to be completely unreal information. I do not think that there is any way to cope with that as a one-day-a-week executive director or as a lesser board member. One cannot go through paperwork here, there and everywhere to establish whether the advice that one receives is correct.

**Brian Minto:** Concerns were expressed to me in mid-May about registration in the further education sector. I asked for a report on the awards processing system to be put on the agenda of the finance committee, which was done on 1 June. We got an extremely full report from the director of awards. We were given assurances that contingency plans had been prepared for every eventuality. We accepted that things were in order and that problems were being solved. That was subsequently reported to the board on 22 June. Again, the board was reassured that problems were being solved.

**David Miller:** I would not like any of what we are saying to be taken as excusive. My colleagues and I have spent an enormous amount of time since the event on trains, aeroplanes or wherever we are, asking ourselves what we could have done to prevent the events happening. The changes that we suggested are things that we want to put in place and might have put in place sooner, had we known that this was going to happen.

Please do not think that we are being excusive and defensive. I have tried to analyse how to ensure that such events do not happen again. That will not be done by changing the nature of the body that is in charge of the activities for which the Scottish Qualifications Authority is responsible.

**The Deputy Convener:** I have listened to that clarification and I thank Mr Miller for it.

The perception is that the board should, of necessity, be concerned with strategic overview and should not—if I understand the view of the board correctly—meddle with operational matters. Given that there is a deficiency because of a vacuum, is there any intention to introduce a whistle-blower strategy for lower management?

**David Miller:** We have one, on which I will get clarification from my official.

We have had such a policy for between 18 months and two years. Somebody like me would try very hard to ensure that that aspect of governance was properly in place. That has been done and the policy has been communicated.

**The Deputy Convener:** Would it be fair to conclude that the whistle was not being blown very loudly? Certainly, it was not being blown in an audible sense, so that people on the board or elsewhere could hear it.

**David Miller:** I am not being facetious, convener, but while one can have a whistle-blowing policy, I do not think that one can be responsible for making people blow the whistle: if people choose not to do so, they will not do so.

Personally, I do not believe that the climate in the SQA precluded anyone from making such

efforts, had they wished to do so. The whistle-blowing policy has never been put into effect. No one used it, despite the fact that it existed and was communicated to staff.

15:00

**Fergus Ewing:** Rather than people who work for the SQA being encouraged to whistle-blow, which suggests involvement in an activity that may endanger career prospects, should they be encouraged to offer positive criticism and comment?

**David Miller:** Yes.

**Fergus Ewing:** I want to ask about the root of the problem, according to Mr Tuck, whose written submission says:

"The crucial flaw which led to the problems with August certification lay in the management of data."

Precisely what went wrong with the management of data?

**David Miller:** In some cases, information sent from schools was not entered: it existed within the organisation and had either been lost or had simply not been entered. It seems extraordinary to me that an organisation that had managed data so efficiently before got into such a mess without anyone saying anything to us on this occasion.

**Fergus Ewing:** I spoke to people in schools—

**The Deputy Convener:** May I intervene, Mr Ewing, to remind you of the terms of our remit. I think that we are straying into matters that are properly the concern of the Education, Culture and Sport Committee's inquiry.

I would have no objection if you were to ask Mr Miller how he, as chairman of the board, and his colleagues responded to the knowledge that there was a data management problem. However, I do not think that it is appropriate for the committee to become concerned with the minutiae of that problem.

**Fergus Ewing:** Your interruptions are always extremely courteous, convener.

I noticed Mr Lyon complaining when I pursued that line of questioning, but I would have welcomed the opportunity to continue with it, as it relates directly to the skills, knowledge and experience held by people who should be involved in the administration and organisation of exam results in Scotland.

I am trying to get to grips with the root of the problem to find out whether there is a deficiency in the composition of the board of the SQA in relation to the skills and attributes held by people who might have been on the board had a different type of skills been sought.

**The Deputy Convener:** Mr Ewing, if your questions on the governance of the SQA concern the board or how it operates, it is entirely proper that you should put those questions. However, I would like to know what your questions are.

**Fergus Ewing:** Must I submit my questions in advance and in writing?

**The Deputy Convener:** No, you may articulate them orally. I will let you know whether I approve of them.

**Fergus Ewing:** It seems to me that the problem lay in part with the SQA board, which—I believe—is composed of between 15 and 24 members. More of the board's members should be directly involved at the chalkface. They should be people who know about the problems that schools were having with inputting information and about the difficulties that occurred throughout the year with obtaining parts of the higher still course.

This is a serious point about the governance of the SQA. Does not the board have a deficit of teachers who teach in classrooms—not retired teachers, but those who are involved at the chalkface? Had more SQA board members been from that category, would not they have been better placed to say, "Hang on a minute. The computer and data management problems are not being sorted out at all"?

Given that we are examining the governance of the SQA, is not that a clear recommendation that we could pursue?

**David Miller:** We have the president of the Educational Institute of Scotland, who is a teacher in St Andrews. We have two head teachers, one of whom became a head teacher after we had appointed him to the board. I am not being critical of him when I say that we thought we had recruited a teacher, but in the interval he became a head teacher. We have a good deal of school-based input. We have a member of the Association of Directors of Education in Scotland. We have Ann Hill. The board is a lifelong learning body that covers school education, further education, some universities and industry. It has to be composed of people of the sort that I have described. The representation on the board is good, bearing in mind the constituencies that we serve.

I understand the point that is being made, but I think that the membership is broad. When we get to 15 board members, we have the opportunity to add another five of our choice, to cover areas of geography or skill that we think are lacking.

**Fergus Ewing:** I want to move on and refer to paragraph 19 of the minutes of the meeting on 8 February between the SQA and the Scottish Executive. The paragraph, which is headed "ICT

Funding", may or may not go to the root of the problem that we are trying to solve. It states:

"Ron Tuck reported that over the next 3-5 years the SQA intended to establish a bank of NABs on computer/internet and related software to:

- meet the demand of FE; and
- support on-line assessment".

Paragraph 20 continues:

"This would enhance the quality of assessment and reduce running costs, but the SQA would need around £100m development funding."

I understand that that figure was a mistake that was corrected in the subsequent minutes to £10 million. However, that does not alter the relevance of the sentence. If, in February, Mr Tuck reported to the non-executive board members and to you, the chairman, that £10 million needed to be spent on computers and computer systems, would it not have been reasonable for the executive members of the board, and you, to ask whether something was wrong with the existing systems?

**The Deputy Convener:** Before Mr Miller replies, would Mr Ewing say again to which meeting he is referring, and to which paragraph? Is it the liaison group meeting of 8 February?

**Fergus Ewing:** Yes. Paragraph 19 is on page 5.

**David Miller:** The point that we were raising—and it was raised with the minister—has nothing to do with the current operations of the SQA. If we want a system that will respond instantly to assessment on demand, a different range of things has to be available to achieve that. We need a sufficient number of national assessment banks. You will have to ask Ron Tuck about that, as he will have much more information than I do.

However, we were talking not about part of the current operating system, but about a project in which we might, indeed, be world leaders and for which we might even have a market. We were trying to say that further education needs to have assessment available whenever it is required. As members know, we currently have two diets a year. The only way round that would be to develop a brand new computer system that would allow us to select assessment from an enormous bank so that no one could predict what they would get. It would be done there and then, and part of it could also be computer marked.

We raised all that with the minister—with a rather stary gaze in our eyes, I must say—but it is entirely separate from the current operation of the SQA. The SQA is not bankrupt. This is not a money issue or a computer issue; it is a management and data management issue. I assure members that we are not running a bankrupt system. This is an entirely new project.

**Fergus Ewing:** You stated that you warned ministers about data management problems earlier on. Can you recall specifically when those warnings were first issued to ministers, either directly or through civil servants?

**David Miller:** I honestly cannot say when warnings were issued through civil servants, but I met the minister on 25 July, quite close to the production of the exam results. We had a discussion about whether the results should be delayed, and I am glad that we did not delay them, as we would not have been any better off in a week's time than we were then.

**Fergus Ewing:** We know that the non-executive board members of the SQA, including those who are here today, are distinguished in other walks of life—in chartered accountancy and as director of the Confederation of British Industry Scotland, for example. There are also many other distinguished board members, including Malcolm Green, who is not here today. All of you are busy people, engaged, in most cases, in full-time employment or activity in other important walks of life. Is the best way to run an important body such as the SQA to have a series of non-executive members, for all of whom membership is bound to be, at best, part-time?

**David Miller:** Yes. If you want around the board table the kind of expertise that can make a sensible contribution to the development of an organisation, you must have people with that experience. I have no doubt that all of us are involved in a number of things, but I do not think that any of us are so busy that we cannot put our minds to the SQA. I invite Iain McMillan to comment.

**Iain McMillan:** That was the first time, to my recollection, that Mr Ewing has ever described me as distinguished, and I welcome that. To answer his question, I think that David Miller is absolutely right. The model normally works well. Members of the board come from various walks of life, bring skills and insights to the board and, in the main, give a result that is greater than the sum of its parts.

**Fergus Ewing:** I have another question.

**The Deputy Convener:** We are slightly pushed for time, Mr Ewing, and I am anxious that other members should participate. Is it a brief question?

**Fergus Ewing:** Yes.

Were there any experts in data management and information and communications technology among the non-executive board members?

**David Miller:** The answer, I think, is yes.

**Fergus Ewing:** Can you recall who that was?

**David Miller:** I hesitate to answer, as it involves a choice, but we have a banker and a chartered accountant, to say nothing of my vice-chairman. Those people are involved with data management and are among those who expressed concern.

**Ann Hill:** I want to comment on two of Mr Ewing's points. I have some sympathy with his request that we have more teachers on the board. We need to have more dialogue with teachers, because they can give us the necessary expertise. It may not have solved the problem if everyone had listened to teachers earlier, but we might have been able to cope with it better.

Not as a board member of the SQA, but as chief executive of the Scottish School Board Association, I alerted the minister to the problem on 3 April this year, following concerns that were raised as long ago as October the year before by teachers and board members. Between October 1999 and March 2000, we listened to the concerns that were raised by schools and we alerted everybody. Since then, concerns have been raised continually with members of staff at the SQA and we have been reassured continually that it will be all right on the night.

**George Lyon:** I want to return to the issue of risk assessment. Ron Tuck's submission states:

"With hindsight, I think that we should have carried out a more rigorous risk analysis and a careful identification of management information needs."

Who carried out the risk assessment before you ventured into the development of higher still and the introduction of the new IT system, and did the board have confidence in the picture that was painted of that risk assessment? Did you believe that it had been done well enough, and done in enough depth to reassure you that the project would turn out successfully?

15:15

**David Miller:** I cannot say more than that we asked a lot of questions and that we got reassurances.

**George Lyon:** Was the risk assessment internal or external?

**David Miller:** It was an internal assessment. You would have to ask Mr Tuck, but I am pretty sure that it was only an internal risk assessment.

**Iain McMillan:** Perhaps I could add to that. My understanding is that the risk assessment was carried out by the executive directors with the chairman of the audit committee and that they were greatly assisted by internal auditors. Those matters were reported to the board and, as far as we were concerned, the assessment had been carried out very professionally.

**Elaine Thomson:** A lot of the questions that I wanted to ask concerned areas that have been explored. We are trying to ascertain whether the governance of the SQA needs to be improved to enable it to operate better. That is where all our questions are coming from. Given that a lot of new measures have been implemented in the past year—higher still going live for the first time, a new IT system, the SQA having to manage all the data, the new certificates—and given the history in the public sector of IT disasters of one sort or another, did you recognise that you were in a high-risk environment? Are you sure that everything was done that needed to be done to assess the level of risk? If it was recognised that you were in a high-risk situation, what extra steps were taken to address the risks?

**David Miller:** I repeat that, amazingly, the problem was not an IT failure, but the management of data. As you know, the software produced more than 90 per cent of the results correctly; it did what was asked of it. It really was a data management problem. If you listened to and read reports you would hardly believe that the figure was 90 per cent. That figure is not nearly good enough—I am not excusing myself—but you would hardly believe that we had a result that was as high as 90 per cent. The software worked remarkably well. I take my hat off to the two computer people who were involved in the development of the system, who were working very hard against the clock.

Yes, we were aware of the high risk. I had said from the outset, when we had the meetings with the Scottish Executive, that the one thing that we would get ourselves into a mess over was a computer system that did not operate. The design rules were being delivered quite late on. The development time scale was short, but the computer system did what was asked of it.

**Elaine Thomson:** You said that data management was the source of the problem. Are you saying that the overall project management was inadequate because it had allowed the data management to go wrong? It has been said today that you were assured that the data transfer from the schools and further education colleges would be all right in the end. Was that proved? Was user acceptance testing or systems testing used to prove that the data flow was adequate and that the communications worked, as well as the software?

**David Miller:** I was aware—and I think the board was aware, because this is when the questions started to be asked—that there was an incompatibility between some of the schools' systems, the further education establishments' systems and our systems and that we were chasing our tails from registration onwards.



**Elaine Thomson:** When you became aware of that, was it too late for you to do anything?

**David Miller:** The problem started at the point of registration, which happens again this year in three or four weeks' time, I think. We were aware that registration had been delayed and was causing difficulties. When we visited schools, that issue was raised with us. The registration was completed eventually, but not in the way that one would have liked, especially with regard to the data transfer arrangements.

You should ask Ron Tuck about that sort of detail.

**Cathy Peattie:** I want to explore further the governance role. I have heard about non-executive members and the problems that people have felt they have with operational issues.

The paper that you have given us highlights a number of refinements that you think could be made to the SQA board. Why do you think that they would work? If they would work, why have they not been made before?

**David Miller:** The first answer would be that hindsight is a wonderful thing. Meetings were being held all the time between our executive and the Scottish Executive. We heard reports of those meetings at each board meeting, but we did not see the minutes. We felt that a lot of the operational debate was taking place between the Scottish Executive and our executive. Now that we have seen the minutes, we can see that that was not the case. The discussions were much more general than we thought and, where they were specific, they dealt with the introduction of higher still.

In the paper, we have laid out our belief that the current organisation is the right one but that, like many organisations, it must be subject to continual change. With that in mind, we have made a number of suggestions that will go a long way toward solving the problems that we have encountered.

**Brian Minto:** I was involved with SCOTVEC for the whole of its existence. At that time, we had assessors from the Scottish Office. I, and the board of SCOTVEC, found that helpful and I am sure that the Scottish Office found it helpful as well. That is why we are making our suggestion. We think that it will work and that it will help.

**Mr Brian Monteith (Mid Scotland and Fife) (Con):** I will try to keep within your rules on governance, convener.

**The Deputy Convener:** Try also to keep it brief.

**Mr Monteith:** In respect of the governance of the SQA, if the problems had been not data management but marking, would the board have

been aware of that?

**David Miller:** We were made aware that there was a shortage of markers and that that was because of the fact that some registrations were not complete. Again, we were given statistics about the number of papers that needed markers and how those numbers were falling all the time. We were assured—as was the case, I think—that the marker situation had been solved, although it had been solved late. I think that 88 per cent of this year's markers had been markers last year.

**Mr Monteith:** There has been much talk of the different cultures in the old SCOTVEC and the SEB. Given that David Miller was involved with SCOTVEC, can he tell me whether elements of the culture of governance in those organisations came into the SQA? If so, what were they? In the governance of the SQA, did one cultural view of how to govern an organisation dominate the other?

**David Miller:** I was also chairman of the SEB, by the way.

The cultures were different. SCOTVEC operated in a competitive field, in that city and guilds and various others could compete in the market. I would guess that it had a sharper external edge than the SEB, which served a fixed and known population of stakeholders. The result—the EIS made this criticism—was that SCOTVEC was fleet of foot in the marketplace, so national certificates went down better in schools than the SEB equivalent.

We put those two bodies together and would have liked a single new place from which to work. We have an office in Glasgow, which has a value, and many of the staff who work in Glasgow choose, inconveniently, to live down by Largs and on the west coast. The Dalkeith building has a debt attached to it, and has no real alternative-use value. If we sold it, we would have to repay a debt of around £700,000 to City of Edinburgh Council. The option of housing the two bodies together was not realistic financially when the SQA was set up, as we did not have the funds to buy and create a new office.

An awful lot of people who worked in Dalkeith seemed to live in Dunbar or over Soutra, so we had to do the best that we could with the existing buildings. We introduced video conferencing to try to help the situation. We also created a single structure and some people from Dalkeith—including David Elliot—were directors, as were some people from SCOTVEC. I thought that the mix was coming together, and that the difficulty that we experienced this year would produce the comrades-in-adversity syndrome that would drive people together. I regret to say that that has not happened.

**The Deputy Convener:** Is that physical dichotomy still a difficulty for the good governance of the SQA?

**David Miller:** I shall be careful in answering that question. It would be more advantageous for everybody to be in a single building. The problems of getting there would be huge, in terms of cost and of losing the valuable input of a vast number of people such as those who move the paper every year, who live mostly in Dalkeith. We would lose a huge core of knowledge if we said, "Let's go to Stirling" or wherever. However, if we came down from Mars, we would undoubtedly choose to have one building.

**The Deputy Convener:** On behalf of the committee, I thank you for attending this afternoon and answering our questions. Are there any concluding remarks that you would like to make?

**David Miller:** You have been very courteous in giving us a hearing. Thank you very much.

**The Deputy Convener:** Our next witness is Mr Ron Tuck. Good afternoon, Mr Tuck. On behalf of the committee, I welcome you and thank you for attending. I thank you also for making your submission available to the committee. It has been most helpful. You have listened to my earlier comments about the remit of this inquiry; it is concerned solely with the governance of the SQA. That is the issue towards which we shall direct our thoughts and questions.

As the former chief executive, what was your perception of lines of responsibility and accountability? How did you consider that you interacted with the board and with the Scottish Executive? From your submission, I am not quite clear on where operational responsibility stops and strategic responsibility takes over. I would be glad to hear your comments on how you interpreted your role.

15:30

**Ron Tuck (Former Chief Executive of the Scottish Qualifications Authority):** I was responsible for leading in all operational management matters and, in conjunction with senior colleagues, for proposing a strategy. However, responsibility for the approval of that strategy rested with the board of management. That happened through our corporate planning process. A fairly detailed corporate plan was put to the board for approval and was subsequently submitted to the Scottish Executive for ministerial approval. The additional line of communication was directly with Scottish Executive officials. Latterly, that would be officials from the enterprise and lifelong learning department and the education department, as both had an interest in SQA business. There were also annual meetings

with ministers. I never met the minister alone, but always in conjunction with the chairman.

Our relationship with Scottish Executive officials was primarily an exchange of information and advice. It did not make any difference to our responsibilities as set out in the management statement.

**The Deputy Convener:** Do you have a view on whether there were adequate safeguards in the system of governance to allow the emergence of a potentially dangerous situation to be identified? If such safeguards did not exist, what safeguards should be put in place now?

**Ron Tuck:** Since 10 August, I have thought about that question a great deal. It is a very hard question to answer. What happened in the SQA was so extreme and unusual that one wonders what governance arrangements would have made a difference in that situation.

In my submission I tried to explain that, at the beginning of the year, we foresaw certain definite challenges or risks: a significant programme of higher still implementation; the production of more than twice as many question papers as are normally produced; the national assessment bank; responding to what teachers were saying about unit assessment in schools; and delivering a large software programme. Our focus was on those new risks. We dealt openly and honestly, both with our board and with Scottish Executive officials, about those risks.

The problem that eventually sunk us was related to data management. I do not mean data management in an IT sense, but in the sense of basic physical handling of data. It occurred in a part of the organisation that we had hitherto regarded as rock-solid reliable—although I am not suggesting for a moment that the staff in that department suddenly became unreliable. We were hit with a problem that we did not anticipate and of which we did not become fully aware until towards the end of June.

The advice that we gave throughout the year, to the board and to the Scottish Executive, about higher still implementation and teachers' concerns, and about the development of the software programme, was accurate and fair, by and large. We managed to deliver the exam diet with the extra question papers and we delivered the national assessment bank. The software developments took place in time, if only just, and, to my knowledge, the software worked. Governance arrangements worked well in dealing with the risks that we had identified. What happened was that something that we had not anticipated came out of left field. I, like others, am subject to criticism for not anticipating that, but I cannot envisage what form of governance

arrangements would have made a material difference in that situation.

**The Deputy Convener:** I am grateful to you for your candour, Mr Tuck. The question that the committee is wrestling with is, was this such a phenomenon in the exercise of the SQA's functions and objectives that nobody at managerial level could have been aware of an emerging problem.

**Ron Tuck:** I would not go so far as to say that—clearly not. My difficulty, as you will understand, is that on Wednesday 9 August I went public to the press and to everyone else with what I believed to be the situation. It transpires that the problems were far worse than I had understood them to be, but as I have not been in the employment of the SQA since 11 August, I have not been privy to the investigation. Given the information that has emerged since then about the extent of the problems, it would have to be said that somebody at some level within operations unit must have understood that the problems were far worse than senior management had been led to believe. I am not in a position to answer why that was the case.

**The Deputy Convener:** Does that point to some deficiency in line management, communication systems and accountability?

**Ron Tuck:** I would guess so. I would presume that that is correct.

**The Deputy Convener:** Thank you. I believe that Mr Lyon has a question. Is it relevant to the point that we are discussing?

**George Lyon:** Yes. I would like further clarification of that point. Either the process was wrong, because you were not being given the information about the problems in data processing, or you were being lied to by the staff below you. Which was it?

**Ron Tuck:** I have no reason to distrust or doubt the good faith and integrity of any member of staff. There is no evidence of that, with one possible exception. I am therefore unable to explain why data management problems were worse than I had been led to believe.

**Marilyn Livingstone:** On that point, I want to return to your evidence. You say that the information that you gave to the board at the time was, to the best of your knowledge, correct, and that you and your senior management colleagues "were not fully aware" of the difficulties. We have heard evidence from the board. What is the difference between information being correct to the best of your knowledge and a guarantee that information is correct? In future, how can information be guaranteed to be correct?

**Ron Tuck:** The management information difficulty we had was that to grapple with centre-

held data that were apparently missing we needed our data to be organised by centre and candidate. Information is not built up in that way for the purpose of issuing certificates; it is assembled by subject and reaggregated by centre and candidate only in the latter stages. We therefore found ourselves having some difficulty getting information in which we could have total confidence or that could be produced quickly. That was a difficulty that we should perhaps have anticipated, but I would have to say that had we embarked on trying to build in that level of sophistication to the IT system we might have been led to advise the Government that implementation of higher still was not doable.

**Allan Wilson:** You are quite categorical in your evidence to the committee that you do not feel that "the form of governance had any bearing on the difficulties with this year's examination results."

Indeed, you claim:

"Throughout SQA's three and a half years of existence, the Board has functioned well."

If the board model per se functions well, is the chairman perhaps over-dependent on voluntary activity? If board members do not attend meetings, does the model become dysfunctional? If board members' expertise and experience is lost to the board deliberations, is not there a case for external, independent examination of operational management controls?

**Ron Tuck:** By and large, attendance at board meetings was good and we had lively and good discussion. In the past year in particular, I found them quite probing. Members of the board asked the kind of questions that I would have asked had I been a board member. They asked the right kind of questions.

I do not know what form of governance arrangements would have detected a problem that was quite as unusual as the one that we encountered. It was unusual in two respects. First, the SQA faced extreme pressures this year. As I say in my submission, I have to accept that I was at fault for implicitly accepting the challenge of a difficult year. I thought that that challenge was doable, and I still believe that we could have done it, but we did not do it, so the judgment can now reasonably be made that perhaps we bit off more than we could chew and accepted a challenge that involved too many risks. Fault lies there, rather than in the way the board sought to oversee the SQA's activities.

The other way in which the problem was unusual was that it did not arise from any of the new things that we were trying to do; it arose in what until then had been a very solid and dependable part of our operations. I do not say that to excuse myself, as clearly the senior

management team and I should have been looking at all aspects of our operations. However, I suppose that we were so focused on the new challenges that we made too many assumptions about the working of a hitherto reliable part of the organisation.

Although I was warned towards the end of May that there were data issues, they were presented to me as staffing issues. I was told that we needed to recruit extra staff to cope with the big influx of results that were coming in a bit late, and we brought in a large number of extra staff to do that. I had no inkling of the fact that data that schools were submitting were going missing. We tried several audit trails to discover why such a peculiar thing was happening and found several partial explanations, but there was no one cause—no golden bullet—allowing one to say that the problem was sorted. We could not explain why some data were going missing, so we concentrated on retrieving data from schools. We tried to do that throughout July with a reasonable, but insufficient, degree of success. I now find myself in the strange position of still being unable to explain why data went missing. I hope that the SQA's internal inquiry has revealed the essential cause.

**Dr Murray:** I seek clarification of your statement that the problem was in data management, that the problem did not surface until June and that you were not aware of it in its full entirety until 10 August. Are you saying that the problem was not related to the APS developments that the board discussed, the issues on which the Scottish Executive offered help in March 2000, or the electronic transfer of data between schools and the SQA, to which the SSBA, according to its publication, alerted the SQA and the minister in March and April 1999? Are you saying that something else went wrong? What would be the channels by which you would find out what went wrong in another department?

**Ron Tuck:** I would not go quite as far as you do in your summary. The lateness of software development added to pressures and therefore contributed to a data management problem. We were alerted to electronic transfer problems through our contacts with schools. I do not remember learning of the SSBA's concerns until we read them on the pages of *The Herald*, at which point the chairman wrote to Ann Hill for clarification. I have no recollection of Ann Hill contacting us directly in that regard.

There were clearly some problems with the electronic transfer of data from schools. For example, on 3 May there was a failure of transfer from Strathclyde educational establishment management information system centres but, as far as we were able to determine, there was no

widespread problem. We followed that audit trail and found that problems with the electronic transfer of data were a partial cause.

We have to accept that, in the first year of a new IT system, we get little bugs. Sometimes things work; sometimes they do not. By and large, as far as we can see, electronic transfer of data from schools worked reasonably well. Sometimes it did not, and it had to be fixed. Sometimes the problem was as basic as a faulty disk—we came across that on occasion—but we followed that through and found that that was not widespread; however, it was a partial cause of problems.

It was never the case that we ignored warnings from anybody, which is why I stress that it was the final problem—the late problem—and the very internal problem of data management that floored us. We listened carefully to the problems that teachers raised about unit assessments. We listened to the problems that administrators raised about electronic data transfer and tried to address them. I assure you that we took the feedback from a range of sources very seriously indeed. All those things added to the stresses and strains on the system, but they were not the fatal flaw, if I may put it that way.

15:45

**Dr Murray:** Did you inform ministers of any of those discussions or the fact that concerns had been raised on any of those issues?

**Ron Tuck:** I did not have a direct line to the minister. My line of contact was with officials at the education and lifelong learning department. In March, for example, we had discussions about software, which was why the department kindly gave us the services for a day of a leading IT expert from the Scottish Executive, who came in and looked at what we were doing. There was that kind of open dialogue. As we became aware of problems, we informed Scottish Executive officials. The killer problem was one that we were not aware of until it was rather too late.

**The Deputy Convener:** I am keeping an eye on the time. I do not want to inhibit members' proper lines of questioning, but I ask you to keep your questions as brief as possible and to let Mr Tuck answer as concisely as he can.

**Fergus Ewing:** We heard the chairman, Mr Miller, say that he informed the Executive last year that new computer systems require to work properly or there will be serious problems. You did not seem to answer Dr Murray's question directly, so I pose it again. Can you recall when you first informed the civil servants about the emerging problems that you were discovering in data management?

**Ron Tuck:** It would have been late June.

**Fergus Ewing:** I see.

In your opening remarks, you said that the particular problem arose in a department that had hitherto been a paragon of efficiency. You did not say which department that was. Will you reveal that to us, please?

**Ron Tuck:** It was the operations unit.

**Fergus Ewing:** Was the particular problem related to the input of information from schools?

**Ron Tuck:** The problem was related to the fact that data sent to the unit from schools—and indeed from further education colleges—was not being successfully processed in the system. Therefore, there were missing data.

**Fergus Ewing:** What puzzles me is that if there was an effective system of governance—*[Interruption.]* I am sorry, I am a bit distracted, as Mr Lyon is making remarks to the convener. If there was a problem of—

**The Deputy Convener:** My Lyon is seeking a point of clarification.

**Fergus Ewing:** May I continue?

**The Deputy Convener:** What do you want to clarify, Mr Lyon?

**George Lyon:** Did the problem in that most recent reply relate to paper or electronic data?

**Ron Tuck:** Primarily paper, but the question would need to be asked directly of the SQA, because it has conducted an internal inquiry. I can give you evidence only on the basis of my knowledge and understanding which, as you know, proved to be less than perfect. The problems were greater than I had been led to understand by 9 and 10 August. I am not evading your question; I am saying that I am not necessarily able to provide a precise answer to it.

**Fergus Ewing:** What we are trying to establish is whether the issue of governance is of any relevance to this matter. I believe that last year you set up focus groups in schools, on issues related to assessment. Was that related to higher still development rather than data management?

**Ron Tuck:** No, it covered all aspects. It also covered administrative and information technology issues.

**Fergus Ewing:** Did you receive feedback from that focus group process, which I think you instituted quite early last year?

**Ron Tuck:** Yes.

**Fergus Ewing:** When exactly did you institute it?

**Ron Tuck:** I cannot recall exactly when. It might even have been late 1998, but I am working from memory.

**Fergus Ewing:** What puzzles me is that in addition to all the feedback you got from the focus groups, which were part of the governance of the SQA, as soon as schools began to send information about internal assessment and the three units which I believe were the required component, they informed the SQA of problems with the correct recording of those data. When did you become aware of such problems?

**Ron Tuck:** We have to distinguish between different kinds of data. Earlier in the session, centres must send in registrations, which is what happens when a candidate first becomes involved with the SQA. That is a one-off process. The next piece of data is entry, which states that the candidate is taking these units, that course, this group award or whatever. Results can be submitted only after a candidate has completed a unit or a course. In the main, you do not expect to get the data in any volume until April or May. It is in the nature of the system that you would not come across problems of that missing data at any early stage.

We knew that the overall volume of entries was broadly correct because we knew how many people have taken highers and standard grades in previous sessions. That is not going to alter much from year to year unless there is great demographic change. You make a calculation on the basis of likely uptake of the new courses. We knew that, broadly speaking, the volume of entries that had come in was roughly correct, so we did not have concerns about missing entries. Problems with missing results can start to manifest themselves only once students have completed sufficient units or have completed standard grade internal assessment elements and so on.

**Fergus Ewing:** Yes, but what puzzles me is what seems to be, on the face of it, a contradiction between Ann Hill's evidence and Mr Miller's evidence. The thrust of Ann Hill's evidence is that teachers' concerns were made manifest in October 1999. Mr Miller's first warnings to ministers were on 25 July 2000. There is an apparent conflict of evidence. It seems surprising that warnings were not given to ministers earlier than has been indicated so far in the evidence.

**Ron Tuck:** To understand that, we need to recognise that there were different issues. Warnings that were given were about different matters at different times. The primary concern of the assessment focus group—as you would expect from a body representing teachers—was unit assessments in schools. As you know, that aspect of higher still has been the most controversial. A body of teachers' opinion is critical

of the idea of unit assessments in schools. We were keen to monitor feedback from teachers on how unit assessment was operating so that we could make necessary adjustments. Administrative issues were discussed, but they were about, for example, difficulties with centres' own software submitting data to us.

As I have tried to explain, by February and March of this year it seemed to us that the great bulk of entry data had been entered successfully because we had in our system, in ballpark terms, the right amount of data. The warning was listened to, but the issue seemed to be under control. We then moved on to a different issue.

As I recall, Ann Hill's warnings in March were primarily about the danger that candidates would turn up in their school and there would not be enough exam papers for them. That was the warning then. That turned out not to be a problem, as we said it would not, because we knew that we had a contingency plan to ensure that even though the number of entries might not be exactly right we would oversupply schools with question papers to ensure that no candidate would be in that position.

We must understand that there was not one big warning; there were different warnings about different issues. You hear a warning. You try to address it, but new issues emerge.

**Fergus Ewing:** I suggested earlier that one deficiency in the governance of the SQA may be that there is not enough teacher involvement, especially those who are teaching in the classrooms. Do you share that concern?

**Ron Tuck:** If I were still in my former position, I would welcome the involvement of more teachers on the board—who could be against it? Having said that, we had multiple channels of communication with teachers. You mentioned the schools assessment focus group. We had the same arrangement with further education colleagues.

We had regular meetings with officials from the Educational Institute of Scotland and the Scottish Secondary Teachers Association. In addition, the chairman and I had a programme of visits to schools, during which we always talked to classroom teachers and pupils. We employ some 6,000 markers and several hundred practising teachers as members of our examining teams, and every summer I meet them. I do not think that my senior management colleagues or I were out of touch with teacher opinion. Expand the number of teachers on the board by all means, but I do not think that lack of input from teachers was a significant flaw in our governance arrangements.

**George Lyon:** I would like to return to the issue of data processing, to ensure that I have it clear in my mind. You were saying that the major flow of

data did not start until April and May of this year.

**Ron Tuck:** Are you talking about the results?

**George Lyon:** I am talking about the results coming into your system. Only then did you start to identify that there were data processing problems. You said that those problems were mostly on the paper side. What form did those problems take? Was the information physically going missing, was it not being entered into the IT system, or was it being mislaid? I find it incredible that you had no idea where these bits of paper were disappearing to.

**Ron Tuck:** When we became aware that a massive amount of data was outstanding, the first advice that I received was that it had not been submitted. Various explanations for why that might credibly be the case were given to me. When we contacted schools, they informed us that they had submitted the data already. At that point we began to look for other possible explanations. In the somewhat more detailed paper that I submitted to the Education, Culture and Sport Committee, I describe some of the audit trails that we followed. If you wish, convener, I can rehearse those explanations now.

**The Deputy Convener:** I am anxious that we stick to the issue of governance. I appreciate that some of the incidents that we have been discussing will help the committee to come to an opinion on the mechanics of governance, but we are more concerned with the terms of line management and accountability.

**Ron Tuck:** In conjunction with the director of the awards division and in discussion with colleagues, I attempted to identify a number of potential reasons for data going missing and to carry out an audit. The aim was to ascertain the extent to which a particular problem might be the cause of data going missing. We followed five or six such audit trails; in terms of staff time, that is quite an expensive activity. Each of the trails produced an unsatisfyingly partial explanation.

In early July I found myself in the incredible situation—I do not object to the word that Mr Lyon used—of not being able to explain why the problems were happening. However, we were running out of time to go back the way and needed to move forward. We had to say that, for whatever reason, there was a problem with missing data and that we needed to retrieve it from schools. If we failed to do that, we would not be able to issue certificates on time. That was a thoroughly unsatisfactory position. We attempted as management to get to the root of the problem of missing data, but were unable to do so in the time available.

**George Lyon:** I return to my earlier question: did the process fail or was there an attempt to

circumvent the audit trails to ensure that management was misled about what was happening in this part of the operation?

**Ron Tuck:** I can respond only as I responded previously. The answer to your question will come from the SQA's internal inquiry. Because of the pressure that we were under to deliver certification, we did not have time to carry out an exhaustive inquiry into what had gone wrong. My understanding is that the new chief executive has led such an inquiry. I am sure that that will shed more light on the matter than I can.

16:00

**Elaine Thomson:** You said of the things that were going on in the SQA last year, such as the new computer system or the implementation of higher still, that none of them alone caused the knock-on effects, but that various things combined to impact on data management. You said that you were unable to forecast that.

With major change in any organisation, particularly when new IT systems are installed, one of the normal processes is end-to-end testing, not only within the new computer system but in some of the other processes of inputting and obtaining data. Was such user-acceptance testing done, so that you could follow all the data trails? At the time, was that working effectively?

**Ron Tuck:** The overall time scale did not allow for user-acceptance testing, if I understand what you mean by that.

**Elaine Thomson:** Is it true that, other than unit testing of the software to verify that it did more or less what you expected it to do, there was no end-to-end testing of the whole system as a process, from the point of registering people to sit exams through to the point at which the certificate is produced?

**Ron Tuck:** It would have been beyond the scope of our powers to do that, given that such testing would also have involved the seven companies that supply software to our centres. To have ensured that such national whole-system testing took place would have required an initiative outside the SQA. The software developed for centres was not the responsibility of the SQA; it was our responsibility to supply certain specifications to the software suppliers, but we could not require them to do anything.

**Elaine Thomson:** In retrospect, would you say that your project management was inadequate or that you did not have adequate powers to carry out the required testing?

**Ron Tuck:** That is a reasonable question to ask. I do not necessarily feel in a position to agree or disagree with what you suggest, but it strikes me

as a fair question.

**Cathy Peattie:** You spoke of people raising several issues, as opposed to one big issue, with you over the summer. I am confused. Why did you continually feel that you could meet the goals in the time scale? Why was the SQA board unaware of the on-going issues?

**Ron Tuck:** Even by the time the board met on 22 June, I did not know that there were data management problems. The data issue that was reported to me was one of staffing, arising out of the fact that data were due to arrive in a large flux instead of in the more even submission that we had expected. I had not been alerted to the existence of data management problems. I can now only surmise that the procedures that had worked well for years broke down under pressure and that the difficulties simply went unreported, for whatever reason. I know that Mr Lyon has been keen for me to identify that reason and I honestly wish that I could. I am sure that subsequent investigation will have identified what the reasons were.

The issue of data management—as distinct from that of data flow—hit us late on. We were weeks away from certification and we had to do a lot of things in a hurry. Therefore, the opportunity for an extensive investigation was not available to us.

**Cathy Peattie:** As far as we know, the SQA board was still unaware of the situation at the time. This inquiry is about governance and about how the SQA operates. You are telling us that various problems were occurring—I accept that it was difficult to pinpoint them and their source exactly—while the board was in ignorance of the issues. Why were the issues not reported to the board? Is there any way in which the board can meet or be briefed between meetings, given the severity of the issues that were on the table?

**Ron Tuck:** Are you talking about the problems that became apparent after 22 June?

**Cathy Peattie:** Yes.

**Ron Tuck:** The chairman wrote to board members more than once to inform them of the situation. I could not tell you the exact dates, but he wrote to them at least twice.

**Cathy Peattie:** Was any consideration given to pushing back the date on which examination results would be mailed out?

**Ron Tuck:** Yes. That was considered as late as 25 July. The reason why it was agreed not to delay the issuing of results was that, as you will recall, we believed that the problem was confined to about 1,500 candidates. The choice that we saw was whether to issue results on 9 August, knowing that, as we thought, 1,500 candidates would be affected by data gaps that could be

resolved as soon as data could be retrieved from schools—which would be after the summer holiday—or to delay all certification by a week to the detriment of 99 per cent of candidates. We could not be sure that that week would be enough time to pick up the missing data. On the basis of the information that we had, it seemed best to proceed with certification on 9 August. Clearly, had I been aware of the true scale of data management problems, the proposal to the minister would have been to postpone certification.

**The Deputy Convener:** The SQA has made a submission. In answering the question whether there is a better model for the governance of the SQA, the SQA has come up with three suggestions: the appointment of assessors; six-monthly meetings with ministers to cover key issues and agree plans and targets; and regular management information for the Scottish Executive through bi-monthly senior management meetings. Do you think that those suggestions would improve the current situation and remedy some of the deficiencies that have been disclosed?

**Ron Tuck:** They are helpful suggestions and I would support their implementation. The form of governance in relation to school qualifications in Scotland has not changed since 1963. The Scottish Certificate of Education Board was set up in the early 1960s under a form of governance that was similar to the one we have now. In that sense, the SQA is not a modern quango; it is a 37-year-old quango. In all that time, it is only this year in which things have gone badly wrong. I accept responsibility for that. I do not think that it raises questions about a form of governance that has, as I say, generally served the country well for more than 35 years.

**Mr Monteith:** In relation to the governance of the SQA, your submission explains a great deal about the relationship that the SQA had with the Executive and the board. However, it does not say a lot about the relationship between the management and the staff. You will have heard me ask about possible cultural differences. Could you explain whether there were problems of governance in the structure of the SQA that might have contributed to the problem? Did the inheritance from the two organisations contribute to the difficulties that were encountered?

**Ron Tuck:** David Miller summed up the situation well and I would not disagree with him on that issue. Obviously, it would have been helpful to have had the whole organisation on one site, but that would have been risky because of the staff losses that it could have incurred.

We were making progress towards putting in place a single culture, although such things do not happen overnight and the traditions were quite

different. However, I do not believe that major issues of culture were a contributory factor. In every organisation, in the public sector and the private sector, if one asks the staff what they think of the organisation they will always identify communications as the No 1 problem. We were no exception. In an opinion survey, staff said clearly that they thought that communication should be improved. We tried to act on the results of that survey. I did a walkabout of the entire organisation, spending half a day at each of the different units. I talked to every member of staff in the organisation, and I had a pretty good feel for what they thought was right and what was wrong. A number of my senior colleagues did the same. Our culture was not perfect and our communication was not perfect, but we were trying to move in the right direction, and I think that we were reasonably successful in that.

**Allan Wilson:** Did you have any form of official staff consultation, such as staff consultative meetings or meetings with staff representatives, that might have thrown up additional information that otherwise was inaccessible to you?

**Ron Tuck:** We had regular meetings with our recognised trade unions, which represent around 35 per cent of staff. Those meetings were useful. They were always chaired either by me or by the director of corporate services. We did not have a staff consultative forum as such, although that was under consideration, but we had a variety of means, such as team briefings and staff meetings, of communicating with staff. We tried to use a range of communication media to keep in touch with the views of staff, and indeed to consult them on matters that were of great concern to them. For example, we had a number of consultations on how staff wanted the restructuring of the SQA to proceed.

**The Deputy Convener:** Mr Ewing, you have one brief question.

**Fergus Ewing:** I understood you to say that the SQA has had a seamless existence since 1963, but it was set up in 1996 from a merger of two organisations—the Scottish Vocational Education Council and the Scottish Examination Board. If the SEB had been left to get on with things, would we be here now or would it have produced the exam results with meticulous accuracy, as it did previously?

**Ron Tuck:** I did not say that there was a seamless line from 1963 until now. I said that the form of governance—that is, the powers that the Government has over the organisation—that was adopted for the SQA was much closer to the one for the SEB than the one for SCOTVEC; it represented pretty much the status quo for the SEB, but a tightening of control for SCOTVEC.



The answer to your question is difficult. If there had not been a merger, we would not have had higher still and the awards processing system, so matters would have gone on as normal, but the problems that occurred in data management occurred in the part of the organisation that was the heart of the old SEB. That is not a criticism of the staff, I hasten to add, but it cannot become a criticism of the Glasgow side of the organisation, because what happened was not directly its responsibility.

**Fergus Ewing:** This is just a statement—major Government policy change can cause extreme and unforeseen problems.

**The Deputy Convener:** We are here to ask questions, Mr Ewing. Have you concluded your interrogation?

**Fergus Ewing:** Yes, convener.

**The Deputy Convener:** Mr Tuck, on behalf of the committee, I thank you for attending this afternoon. We realise that you have been under significant pressure in recent months and that you may have viewed this occasion with some anxiety, so we are particularly appreciative of your attendance. I think I speak for us all when I say that the candour and fullness of your answers has been extremely helpful. Our remit is to try to improve circumstances, if such improvement is possible, and your evidence will greatly assist us in our consideration of the circumstances.

Our next witnesses are Mike Foulis, David Stewart and Alistair Aitken. Good afternoon and thank you for once again making yourselves available to the committee. You kindly agreed to attend this afternoon to enable committee members to follow up any matters that might have arisen from the documentation that was circulated at the previous committee meeting. I will clarify for committee members that the minutes of the ad hoc meetings have been made available—it is now a question of the clerk circulating them to us. The clerk is using his best endeavours to ensure that that is done today or tomorrow.

Given that Mr Foulis, Mr Aitken and Mr Stewart have kindly agreed to do any tidying-up that we require, I do not want to turn this into an extended interrogatory session, so I appeal to members to ask questions only if they need clarification of points arising from the documentation that we received at the previous meeting.

There are no questions. Gentlemen, I am extremely sorry that you should have had to spend the afternoon listening to the proceedings. None the less, I hope that the evidence to which you have listened has been of assistance to you in the broad determination of events at the SQA. Thank you for your willingness to come here this afternoon. I had not expected this part of the

proceedings to be quite so brief. Do you wish to make any remarks to the committee?

**Mike Foulis (Scottish Executive Enterprise and Lifelong Learning Department):** I was just going to say that it is nice to see parliamentary democracy in action.

**The Deputy Convener:** In concluding the proceedings, I remind members that the next meeting will be on Friday at 9.30 am in committee room 1. I look forward to members being available at that time.

*Meeting closed at 16:16.*



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