

Chapter 8: A Single Examining Body

The possibility of a single examining body for Scotland was first considered by the Scottish Examination Board in 1983 during discussion of the Action Plan for 16-18 year olds and of the HMI report on *Teaching and Learning in the Senior Stages of the Scottish Secondary School* (Note 25). The Board at that time took the view that the eventual aim should be to have a single examining body for examinations and certification for 16-18 year olds.

To sound out the views of all interested parties, the Government in September 1984 had published a consultation paper entitled *School and Further Education: A Single Examining Body?*, but no clear consensus emerged from this exercise. A full account of the arguments used at that time for and against a merger can be found in *The Higher Tradition*, pages 215-6. The most telling argument against such a move was the vastness of the tasks facing both the SEB and the newly established SCOTVEC. The latter would not take over the certification of the new, untried National Certificate modules until 1985, and the SEB was still getting to grips with the introduction of Standard Grade. The SEB was in favour of the setting up of a single examining body for the 14-18 age group, but the predecessors of SCOTVEC had been split over the issue: SCOTVEC favoured the proposal, but SCOTBEC came out against it. By the time the Secretary of State decided, a year later, in October 1985, that the time was not opportune for the creation of a single examining body, Scottish education was in the midst of a serious industrial dispute with teachers.

The 1986 Policy Review and Financial Management Survey of the SEB carried out by an officer of the SED recommended that the merger option should be examined within the next five years in policy terms, subject to a cost-benefit analysis.

By 1990, COSLA was becoming particularly concerned about the costs of both the SEB and SCOTVEC, and it began to press the Scottish Office to take action. COSLA maintained that it was ridiculous to have two examining bodies in a country as small as Scotland. Considerable financial pressures were facing local authorities at that time and they were concerned about the spiralling cost of funding both bodies. In 1991, for example, local authorities (through COSLA) paid £1 million to SCOTVEC and over £9 million to the SEB for presentation charges. The difference in the level of support was due to the different ways in which the two bodies were allowed to raise money under their charters. Virtually all of SEB's income was derived from charging local authorities for presenting candidates in examinations; on the other hand, SCOTVEC's £1 million was a direct grant, but it also received money indirectly from local authorities through the bursaries they paid to students.

When SCOTVEC was set up, it had relied quite heavily on a grant from local authorities paid through COSLA, and its Articles of Association had originally required the approval of both the Scottish Office and COSLA for its estimates and the level at which it set its fees. However, a revision of its Articles had removed this requirement and left SCOTVEC a free agent in the setting of estimates and fees, provided they were kept reasonable. The change in its constitution also allowed it to extend the scope of its work without reference to the Secretary of State and, at its prize-giving ceremony in December 1989, it celebrated the achieving of one million module enrolments in a single year. By the early 1990s, its finances were in such a healthy state that it was possible for COSLA to reduce its grant, year on year, so that it dropped to £¾ million in 1992, to £75,000 in 1993, and disappeared altogether in 1993. Having started, therefore, with an annual budget

of around £4 million, of which 60% was externally funded by COSLA, it was now financially independent with an annual budget of over £10 million.

Local authorities, however, were still affected indirectly through bursaries which they paid to students in further education, including the cost of enrolment fees; and overall COSLA was paying over £4 million to SCOTVEC for the various services it provided. In addition to the money raised through fees, SCOTVEC also received substantial funding from the SOED and the Employment Department over the period 1994-97 to progress SVQ and GSVQ developments and to facilitate the achievement of national training targets. In 1993-94 alone, when SCOTVEC's ordinary expenditure was £6.663 million, these additional grants amounted to £1 million from the SOED and £0.5 million from the Department of Employment.

In 1993, SCOTVEC decided to grant its Chairman an honorarium of £10,000 for a commitment of 50 days per annum, and its Vice-Chairman £2,500 for 20 days; it was never the practice of the SEB to pay honoraria. This difference in approach, however, was probably due less to the financial state of the two bodies than to the fact that SCOTVEC was so closely aligned to the business world where the payment of fees for holding such posts was commonplace, whereas the long-standing practice in education was to give one's services free of charge to national and local bodies.

The financial position of the SEB was much less good. It was not able to raise money in the same way as SCOTVEC and did not have the same independence in decision-making. Even if it proposed an increase in presentation fees, this could be blocked by COSLA. The introduction of Standard Grade and the revision of Higher Grade subjects, though both educationally beneficial, were becoming very costly to the local authorities which had to meet the presentation fees for all of their pupils. COSLA therefore put pressure on the SEB to cut costs by modifying its marking and presentation procedures and reducing its staffing.

The Board was handicapped in another way. Due to financial constraints, COSLA delayed the replacement of the Board's mainframe computer, which had been in use from the early 1980s. Following the introduction of Standard Grade, this computer was now struggling to cope with the increased number of presentations and the greater complexities of the checking procedures which the Board wished to introduce, not only to improve efficiency within the Board's offices but also to streamline the submission of presentations and the receipt of results by examination centres through electronic data interchange (EDI). The results of a feasibility study carried out by a firm of consultants was submitted to COSLA in July 1992, but COSLA insisted on a further full study which did not commence until November 1992. It was the middle of 1994 before the Board was able to sign a £250,000 contract with the Seattle-based Sequent Computer Systems for the installation of new hardware. At the same time, it ordered a software package from Bull International Systems (Livingston) that would be capable of handling its finance and payroll requirements and improve the processing of its examination marking, which the Board insisted would be essential if the Higher Still examinations were to be serviced from 1997. It had been hoped that the new system could be in place for the 1995 examinations, but, although considerable progress was made in 1995 towards the goal of having an open, integrated and single entry office-wide computing system, the Bull contract ran into difficulties, and the processing of the 1995 examination marks had to be carried out on the old IBM mainframe system.

On 2 July 1991, COSLA wrote to the SEB and SCOTVEC seeking their views on a proposal from the COSLA Education Committee that early consideration should be given to merging the two

examining bodies. On 24 January 1992, the Chairman's Committee of the SEB met with representatives of COSLA, and at this meeting COSLA proposed that a working party, consisting of representatives of SOED, COSLA, SEB and SCOTVEC, be set up to examine the feasibility of a merger between the Board and SCOTVEC, and to make recommendations on the action required to effect a merger.

On 27 February 1992, however, Michael Forsyth, the Scottish Minister for Education and Health, wrote to the Chairman of the SEB stressing that it would be for the Secretary of State to effect any change of this kind and indicating that the Government had no plans at that time to merge the two bodies. This was understandable in view of the imminent publication of the Howie Report. The Policy Review of SCOTVEC carried out by the SOED in 1991 (see Chapter 3) had recommended that, while a merger should definitely be considered at some stage, it was as yet premature. (A similar Review of SEB from August to December 1992 was to come to the same conclusion.)

Nevertheless, at its meeting on 5 March 1992, the Board agreed to take part in the discussions on the understanding that the 6-month timescale for the working party report would be removed and that the remit would include the desirability as well as the feasibility of a merger. This wider remit was accepted by COSLA, and a working party (consisting of two Directors of Education, two officers from the SEB and two from SCOTVEC, with a secretary from COSLA) was constituted under the independent chairmanship of Mrs Eileen Dunning, who had previously been Headteacher of St Augustine's High School in Edinburgh. Its first meeting took place on 12 November 1992. The SOED declined to join the working party on the grounds that a merger was premature in the light of the Howie proposals. However, it was kept informed of the progress made in the working group.

The Howie Report, which was published on 5 March 1992, did not get involved in the merger issue. Although it criticised the mixing of SEB and SCOTVEC courses in schools as an *ad hoc* response to the unsatisfactory examination arrangements for S5 and S6, it confined its recommendations to stating that the SEB and SCOTVEC should "*share responsibility for the Scottish Upper Secondary Award, drawing on their collective experience of quality assurance in the field of assessment*" and strongly recommending "*that means be found of enabling the effective co-operation of SEB and SCOTVEC on the joint venture of developing and nurturing the Scottish Upper Secondary Award.*" However, the Howie proposals did give a new impetus to support for a merger. In particular, there was growing criticism of the academic/vocational divide which, some claimed, was preserved by the separation of the two bodies and led to a commonly held view in the school sector that SCOTVEC courses were inferior to those of the SEB. This sort of consideration swung the GTC, the EIS and the Labour Party behind the merger idea. The SCCC also proposed that there should be only one examining body. It was concerned about the amount of assessment undertaken in S4-S6 and pointed out that Britain was the only country in Europe which conducted external examinations at three stages between the ages of 16 and 18. Its recommendation, therefore, was that external examinations should be conducted only at S6 level, while certificates at S4 and S5 should be based entirely on internal assessment.

The aim of the merger working party had been to submit its report by the Spring of 1993, when it was expected that the Government would publish its response to the Howie Report; but it eventually broke up in disagreement in June 1993, some of the group recommending that the better option was to merge, the others believing that co-operation between SCOTVEC and the SEB was preferable. The drafting of the report was substantially finished by the autumn of 1993, but it was

not published then as it was felt that the deliberations of the working party, though inconclusive in some respects, would be most useful after the Government had reached a decision on the Howie proposals. In the event, the Government response in *Higher Still* was not published until March 1994, and the working party report was not issued to the participating bodies until spring 1994, and not made public until June 1994. That final version contained certain amendments to the document not approved by the working party, and also a final chapter of Conclusions and Recommendations written by the Chairman herself. Members were invited to submit comments on these changes, but the group did not meet to discuss them; nor did it see the final version until it was made public. I can find no mention of the SCOTVEC Board having discussed it; the SEB did not deal with it until March 1995 when the Consultation Paper on future arrangements was issued by the Department. By that time, events had moved on and the report was of use only as background information.

The working party identified considerable difficulties regarding the feasibility of a merger. Initially, it had been assumed that the statutory position of the SEB would be the main problem to be resolved, but SCOTVEC's legal position had also become complicated. The 1991 Finance Act, for example, had provided tax relief on qualifications accredited as SVQs, and various regulations made under the New Street Works Act of 1991 named SCOTVEC as an awarding body and as the UK registration body for the qualifications prescribed under that Act. Besides, both SCOTVEC and the SEB now had a wide range of contractual agreements with various bodies, and it was not certain that these could automatically be transferred to a successor body. Failure to re-negotiate these contracts could have serious financial implications for any new body.

The working party noted that substantial savings had been made through merging SCOTBEC and SCOTVEC into the single body SCOTVEC and locating it in one building. It was likely, therefore, that there would be reductions in operating costs if a new, merged body could be located on one site. However, the experience of the SCOTVEC merger suggested that a merger of the SEB and SCOTVEC could result in considerable transitional staffing costs (e.g. redundancy, early retirement, relocation and recruitment of new staff to replace experienced staff who might not wish to be relocated). Much more serious than this would be the problem of providing premises large enough to accommodate a merged body. This could be extremely expensive - between £17 million and £25 million to build new premises (excluding furniture and equipment), and between £1.6 million and £2 million per annum to rent suitable accommodation.. There was little that could be used to offset these costs. The market value of the SEB site in Dalkeith was estimated at only £275,000 and, although the sale of SCOTVEC's Hanover House in Glasgow might fetch a considerable sum, there was still £3.3 million outstanding of the £3.95 million borrowed in December 1992 to purchase that building. Reluctantly, therefore, the working party concluded that a merged body would have to continue to work from two sites.

Nevertheless, the use of information technology to harmonise the administrative arrangements of the two bodies, whether on one site or two, would not only bring benefits to users (e.g. through co-ordinated Records of Education and Training) but also had the potential for financial savings.

The completely different ways in which the two bodies were financed would clearly have to be harmonised, but the working party did not see serious difficulties in this. It favoured giving a merged body the kind of increased autonomy which had been extended to SCOTVEC following its 1991 Policy and Financial Review, while bearing in mind that major users would wish to have a significant influence on the operations of the new body.

There was no disagreement over the desirability of securing parity of esteem for academic and vocational qualifications, in principle at least; but reconciling policies on curriculum, learning approaches, assessment and certification would require careful handling if the needs and standards of school education and those of various industrial councils were to be satisfied as preparation for both higher education and employment. Despite its greater involvement in the school curriculum through the National Certificate and GSVQs, SCOTVEC was now a validating rather than an examining body, and there was no unanimity over whether there should even be an attempt to produce a single, coherent pattern of assessment. It was argued within the working party that a mixed pattern, tailored to the specific and separate purposes of the SEB and the SCOTVEC, would be required even if a merger took place. Choice was more likely to remain if the two bodies remained apart, each pursuing its own philosophy. And, although Howie had expressed the hope that the best practices of the two organisations could be adopted to implement his proposals, the two camps on the working party feared that the philosophies of both would suffer. Since the examinations set by the SEB were intended to reflect the work carried out in schools and to maintain school standards, practising educationists played a predominant role on its Board, committees and panels. The SEB procedures were based on a long tradition of solid reliability which commanded the respect of all users. Its Board was always careful not to make any changes which might jeopardise that reputation, and any proposed change was subject to a lengthy process of consultation and consideration, culminating in its referral to the Secretary of State for approval.

The introduction of an examination in Urdu gives some indication of how long change could take. The Examination Committee of the Board first discussed the matter in October 1993 after receiving a letter from the Headmaster of Shawlands Academy requesting that such a course and examination be introduced at Standard Grade. It took a year to receive the formal approval of the Secretary of State and set up the first meeting of a working party charged with the preparation of a draft syllabus. That draft was issued for consultation in May 1996 with a view to holding the first examination in Standard Grade in 1998 (**Note 26**).

SCOTVEC, on the other hand, could not afford such time-consuming procedures. While it, too, was always careful not to make changes without first consulting interested bodies, it had to be flexible and respond immediately to the requirements of industry and commerce, even to the extent of validating qualifications for schemes which had been initiated and devised at local level. To ensure a speedy response to developments, SCOTVEC delegated considerable authority to Sector Boards, panels, groups, chairmen and individual officers.

It was the question of whether a merger was desirable which proved the sticking-point and resulted in the following fudged summary statement: *"The arguments for the desirability of merger are finely balanced at this time. There is little doubt that there is room for improvement particularly in the areas of administration and certification. There is a possible danger of uniformity leading to inappropriate testing and certification but this could be avoided by merging the best practices of SEB and SCOTVEC, and by careful attention to the organisational structure of the new organisation."*

Both the SEB and SCOTVEC were now expressing fears that a merger would be detrimental to their respective client groups, particularly if a unitary approach to procedures was adopted. There was a danger, too, that the new body would not have the same standing as either of its predecessors. Against this, the proponents of a merger pointed to the confusion and irritation created for users by the different arrangements and different types of assessment used by the two bodies for overlapping

qualifications. If a merger did go ahead, the experience of SCOTVEC, immediately after it was set up, highlighted the importance of spending a great deal of money in the early years on marketing and public relations in order to establish its new identity and credentials and to win the complete confidence of users.

The working party also considered options other than the *status quo* or a merger, including the setting up of a joint committee of the two bodies with delegated powers to achieve greater coherence and policy co-ordination. More radical options included a re-definition of roles so that one body would be responsible for assessment and certification for the age group 5-16 or 5-18, and the other for 16+ or 18+; or giving one body the task of dealing with school centres while the other dealt with all other establishments; or one handling all external examinations, the other all internally-assessed courses.

The view of Dunning herself was that, at the very least, the SEB and SCOTVEC should as a short-term measure have a formal relationship where their interests overlapped, i.e. in the secondary sector. She said that headteachers of schools in England looked with envy on Scottish schools for having to deal with only one examining body.

Despite the impasse in the working party, the SEB and SCOTVEC continued to work closely together on a number of issues. As early as June 1988, following concern expressed by SCOTVEC over the expansion of SEB short courses and the effect that this could have on the use of SCOTVEC modules in schools, particularly in relation to different approaches to moderation, a liaison committee (under the chairmanship of HMCI Douglas Osler) had been established to keep short courses and modules for S3 and S4 under review; a year later, this committee published guidance for schools. In 1991, the two bodies were involved in discussing how they might have a joint approach regarding the development of a Scottish Record of Education and Achievement, building on the Scottish Record of Vocational Education and Training which SCOTVEC had already pioneered; and, in 1992, when SCOTVEC was asked to assume responsibility for the production, development and distribution of the National Record of Achievement in Scotland, it held discussions with officers from the SEB. Early in 1993, agreement was reached on the introduction of a common candidate number, thus opening up the possibility of introducing a single certificate for vocational and academic achievement, which existed nowhere else in the UK. It was agreed that it would be based on the format of the candidate number already used by SCOTVEC, since SCOTVEC claimed it would cost £750,000 to alter its computer software to cope with a different length of number. Blocks of numbers would be issued to individual centres on a permanent basis, enabling each centre to allocate numbers to pupils without further reference to the certificating bodies. Discussions continued on how best to implement this decision, since it was recognised that the SEB would not be able to introduce the system until its new computer became operational in 1995. During 1993, there were exchanges between them relating to the compatibility of their computer systems, and consideration was given to the design of a "*Scottish Awards Framework*" which would bring all their qualifications into a coherent structure that could be presented to users in an uncomplicated way.

In 1993, Standard Grade awards in English and Mathematics were recognised as fulfilling core skills in GSVQs, and the two bodies agreed to recognise each other's qualifications for certain CSYS and Higher National Certificate/Diploma subjects. In a joint statement they announced that certain modules in Communication, Mathematics and Modern Languages would be recognised for entry to CSYS courses in English, Mathematics and Modern Languages, and that passes in these

three subjects at Higher Grade would be recommended for entry to similar courses at HNC and HND levels, even though the content and the assessment were different.

Meanwhile, the two bodies continued to maintain reciprocal representation at senior officer level on committees and working groups, though the author of the SEB Policy Review indicated that attendance was not always as regular as might have been expected; and this practice was further extended in October 1994, when the SEB agreed that the Chief Executive of SCOTVEC could participate at their Board meetings as an Observer, thus reciprocating the awarding of Observer status to the SEB Chief Executive by the Board of SCOTVEC.

The publication of *Higher Still* in March 1994 did not really bring the merger any closer. It certainly stated categorically that all Higher Still qualifications would be presented on a single certificate, updated annually, if necessary, so that each student would have a single cumulative record of achievements; but, other than that, it merely confirmed the Howie suggestion that the two bodies would work with the SOED in developing arrangements for administering the awards, and stated that Ministers would be "*examining options for the best relationship between SCOTVEC and SEB to perform this function, in consultation with the bodies themselves.*" An internal SOED memo (dated 12 May 1994) makes it clear that, at this stage, the Department was content that the two examining bodies were working on some joint venture which, while falling short of a merger, would achieve the "*single certificating source*" sought by the Department. In its response to *Higher Still* in April 1994, Strathclyde Region strongly criticised the decision to opt for more consultation, claiming that it was clear from many of the responses to the Howie Report that a merger was called for. COSLA Education Committee also began again to press for action.

On 31 August 1994, Ian Fraser, who had served on the Board since 1982, finished his four-year stint as Chairman of the Board. He had not had to face any industrial turmoil and there had not been many high profile situations but, in his quiet, firm, effective way he had thoughtfully steered the Board through a period of intense pressure from several quarters — not least the completion of the Standard Grade Programme, the Revision of Higher Grade and CSYS, the establishing of the Primary Assessment Unit, a complete restructuring of the administration of the Board, developing profitable commercial projects, and reacting to various financial crises and educational initiatives.

The new Chairman, who had been appointed by the Secretary of State to take over on 1 September 1994, was Mr Allan Hannah, Rector of Glenwood High School in Glenrothes. Unfortunately, in the summer of 1994 he suffered a stroke which was so serious that he had to resign. For the last four months of 1994 the Vice-Chairman, Mr Robert Nimmo, Rector of the High School of Dundee, acted as Chairman.

The first hint that the Scottish Office was seriously considering a merger of the two boards came shortly before Christmas 1994 when it was announced that Mr David Miller, who had been Chairman of SCOTVEC since January 1992, was to become Chairman also of the SEB as from 1 January 1995. Soon after this, agreement was reached to form a SCOTVEC/SEB Joint Committee which would be chaired by HMDSCI Walter Beveridge and consist in the first instance of the Chairmen, Vice Chairmen and Chief Executives of both organisations. There is no record of this Committee's having ever met.

The first movement towards a merger began to be seen in March 1995. Even then, there were doubts within the Scottish Office as to whether it would be feasible to merge the two bodies at the

same time as plans were being laid to implement *Higher Still*, and so the move came in the form of a consultation paper entitled *Options for the future relationship between The Scottish Examination Board and The Scottish Vocational Education Council*. In the light of the new arrangements for upper secondary reform which had been announced in *Higher Still* exactly a year earlier, four options were presented:

- (a) either the SEB or SCOTVEC should take the lead for *Higher Still* developments;
- (b) the SEB and SCOTVEC should have joint responsibility for implementing *Higher Still*;
- (c) a third body, independent of the SEB and SCOTVEC, should be set up to administer the arrangements for *Higher Still*;
- (d) a new body should be set up which would take over all the existing functions of both the SEB and SCOTVEC.

Just over one month was allowed for responses — rather remarkable after what supporters of a merger regarded as a very long period of inaction on the part of the Scottish Office. The main stumbling block had been the difficulty in finding parliamentary time to pass the necessary legislation at a time when there was other more pressing legislation to consider. The possibility of a merger had been actively discussed within the SOED during 1992-93 when the Department was considering the responses to the Howie Report, but the need for primary legislation put the possibility of a merger on the back-burner. There were no major legal problems regarding the merging of SCOTVEC with another body since it had been established by the Secretary of State as a company limited by guarantee. The SEB was a statutory body, however. It had been set up initially as the Scottish Certificate of Education Examination Board under Section 1 of the Education (Scotland) Act 1963, and later changes to its name, purposes and functions also depended on legislation, viz. Section 129 of the Education (Scotland) Act 1980, as amended by Section 13 and Schedule 9 of the 1981 Education (Scotland) Act and Section 69 of the Self-Governing Schools, etc (Scotland) Act 1989, and the Scottish Examination Board Regulations 1981, as amended by the Designations of Institutions of Higher Education (Scotland) Order 1992.

Although four options were posited in the consultation document, it was very clear which one the Department favoured. The first option failed on a number of counts. If one body was to carry out all the administrative requirements of *Higher Still*, that could only be the SEB since, under existing legislation, only the SEB could conduct examinations and issue certificates relating to secondary education. If this option were adopted, the SEB would become responsible for all of the current modular provision that was to fall within the sphere of *Higher Still*, and this would seriously undermine SCOTVEC's financial base. Such an arrangement would also result in two bodies being responsible for vocational education in Scotland, which industry and commerce would find unacceptable. It would be virtually impossible for one body to administer successfully a single system of certification and assessment for courses run by two bodies; and it would not help to achieve the parity of esteem between academic and vocational subjects which the Government sought.

The Secretary of State himself ruled out the second option. The two bodies were already working closely together, but a system that relied on co-operation could never achieve parity of esteem for their respective qualifications, nor would it promote a unified scheme of curriculum and assessment.

Besides, users would find it confusing if two separate bodies were involved in assessing the same courses, or parts of courses, granting awards which would then appear on a single certificate. More seriously, however, it would require very complex legislation to make it possible for a statutory and a non-statutory body to share the administrative and financial arrangements which this option would demand.

The third option was given equally short shrift. What would be the point of setting up a new, third body to administer the awards to be made under *Higher Still*, leaving the SEB and SCOTVEC to look after only the rump of their existing functions? It would be more costly and, instead of improving the co-ordination of education and training, it was likely to fragment certification arrangements for the 14+ age group. The only thing that could be said in support of the third option was that it would promote parity of esteem between academic and vocational qualifications.

The Secretary of State strongly favoured the setting up of a new statutory body - a single Scottish Qualifications Authority - which would take over all the existing functions of both the SEB and SCOTVEC. Although there might be some start-up costs, such as integrating the existing information technology systems of the two bodies, it would almost certainly result in long-term savings. It was argued that most of the respondents to the Howie Report had favoured a merger since it offered the best opportunity of providing a single and coherent system of assessment and awards which would make it simpler for students, whether in education or training, to bridge the academic/vocational divide. Administration would be simplified and the system would be easier for users to understand. The whole system could be streamlined and better co-ordinated without sacrificing the types of course which characterised the two existing bodies.

Views were also sought on the size and composition of the new Board. The SCOTVEC Board had already been reduced to a maximum of 20 with a preponderance of members drawn from industry and commerce. Although the Policy and Financial Management Review of the SEB conducted by the Scottish Office in 1992 had recommended that the SEB Board be reduced to no more than 20, it still had 37 members in addition to the Chairman, and a high proportion of these were educationists. One problem in establishing a Board for the new examining body would be how to strike a balance between the various interests. Views were also sought on whether the new body should embrace all the functions of the SEB and SCOTVEC, or whether they should be amended or extended in any way. For example, should its advisory rôle be the same as that presently exercised by the SEB, i.e. in relation to secondary examinations only, or should it extend from the 5-14 programme right through to SCOTVEC's activities in the post-school sector?

The Policy and Financial Management Reviews of both examining bodies had drawn attention to and commended the financial freedom enjoyed by SCOTVEC, and the SEB Review had commented adversely on the tight control exercised by COSLA over SEB finances. Examination fees, financed mainly by local authorities, employers and training providers, produced most of the income of both the SEB and SCOTVEC. How could the new body be given financial freedom, while still protecting the interests of those who paid most of the fees? Would representation on the Board give them sufficient financial control, or should the Secretary of State, as a safeguard, take power of direction on financial matters?

The SEB favoured the fourth option, although it was emphasised that the transition would be disruptive, particularly when implemented at the same time as the momentous changes required by *Higher Still*. It would be very difficult to merge two bodies whose philosophy and structure

differed so much. Each of the bodies had its strengths, and great sensitivity and understanding would be required to cater for and protect the interests of such a wide range of users — from age 5 to 18 and beyond. For that reason, the SEB favoured a Board of between 20 and 30, with powers to co-opt non-Board members to its committees. Not unnaturally, it favoured financial accountability to the Scottish Office rather than to COSLA. The latter's interests could be protected by membership of the new Board and by the attendance of COSLA Assessors at Board and committee meetings. Besides having a right of appeal to the Secretary of State if the new body abused its virtual monopoly, COSLA would also have at its disposal the very powerful sanction of refusing to release teachers to carry out the various tasks of the new body.

SCOTVEC also favoured the fourth option. It recommended a Board of around 20, which it thought would be large enough to draw on a wide range of experience and expertise, and yet be small enough to encourage and permit members to play an active role in setting its strategic direction, formulating policy and monitoring performance. The Secretary of State should appoint all members of the Board, after consulting a wide range of organisations, and his aim should be to achieve a broad balance of interests and backgrounds, and especially parity of academic and vocational interests, rather than a numerical apportioning of places to interest groups. Its preference would be that the new body should be a company limited by guarantee, having a memorandum and articles of association which defined its functions and accountability, but which could be varied without parliamentary approval. If it had to have a statutory basis, any legislation should be framed in sufficiently broad terms to permit the merged body enough flexibility to adapt to a changing environment. The merged body should be permitted to decide its own committee structure, and co-option should be possible so that specialist expertise could be introduced when required. Likewise, the operational aspects of setting up the new body should be left to the body itself to decide. It should be self-financing and accountable to the Secretary of State, with customers having the right of appeal to the Secretary of State against excessive increases in fees.

Of the 76 responses to the consultation paper, 63 were in favour of the merger going ahead. On 2 August 1995, the Secretary of State announced that the starting date for the Higher Still Development Programme would be delayed by one year. Two days later, the Government reported that the SEB and SCOTVEC would be merged. The Bill to effect this merger was published in December 1995. It passed through the House of Commons in July 1996 and received the Royal Assent as the Education (Scotland) Act 1996, under which the Scottish Qualifications Authority would take over all the responsibilities of the SEB and SCOTVEC as from 1 April 1997.

Note 25: See *The Higher Tradition*, Chapter 59.

Note 26: In addition to the Urdu request, the SEB decided in October 1994 to seek permission from the Secretary of State to introduce an examination in Hindi. Prior to this, the Board had used the examination papers prepared by the East Anglian Examination Board, but this facility had now been withdrawn. Pending the decision of the Secretary of State, arrangements were made with the Council for Indian School Certificate Examinations to provide papers in Hindi of a standard comparable to that of Standard Grade. However, these papers never materialised.