Annual report and accounts

2021-2022

Transforming lives through learning

An Executive Agency of the Scottish Government

Laid before the Scottish Parliament by the Scottish Ministers

Annual accounts authorised for issue

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Chief Executive's Statement

I am pleased to present Education Scotland's Annual Report and Accounts for 2021-22. This has been yet another challenging year for Education Scotland – and another year of embracing change. As the country moves to recovery following Covid-19 we have demonstrated robust resilience and flexibility as we continue to support the learners, practitioners and education system of Scotland.

As reported last year, the Cabinet Secretary for Education and Skills announced on 22 June 2021 the intention to replace the Scottish Qualifications Authority (SQA) and to reform Education Scotland, including removing the function of inspection from the agency. Professor Ken Muir CBE, University of the West of Scotland, was appointed to act as an independent advisor on the Reform of SQA and Education Scotland.

Professor Muir's subsequent report, 'Putting Children at the Centre: A Vision for Scottish Education' was published on 9 March 2022. Scottish Government also published their response on the same day, confirming that there will be a new qualifications body, a new national agency for Scottish education and an independent inspectorate body. These will replace SQA and Education Scotland.

To support this reform work, Education Scotland has established its own Change Team. The team has worked with the Independent Adviser, Scottish Government, SQA, staff and other key stakeholders to ensure appropriate information in relation to the reform is shared in a timely manner, using a range of different communication channels. We have also worked closely with our trade union colleagues to support staff and have established a staff engagement group to advise us on the most appropriate ways to communicate and engage with staff. The Organisation for Economic Co-operation and Development (OECD) Curriculum Review, also recently published, will also help shape the future of our organisation as we strive to support continual improvement across the whole education system.

For 2021-22, we took the decision to review our Corporate Plan. The Plan is focused around six strategic priorities, five of which are externally focused and fully in line with the National Improvement Framework and wider Scottish Government policy priorities. As our people are the driving force in achieving our strategic goals, the sixth priority is focused on further strengthening the culture of the organisation. The 'Great Place to Work' programme therefore brings together new and existing work across Education Scotland designed to improve working lives and relationships. This work is led by a small team of people from across the organisation, accompanied by a strong internal communications and engagement strategy to ensure staff can hear from our Leadership Team and can take part in discussions across a range of topics.

Our risk management framework has been in operation now for 2 years and is working well. The next step in our risk journey will be the development of an integrated assurance map as a further tool to manage risk. This will help us to better coordinate and direct all assurance related activities and resources, thus providing a well-structured, and evidence based, analysis of risk and assurance.

At the start of the academic year we announced that HM Inspectors of Education would adopt a phased approach to resuming scrutiny activity, due to the Covid-19 pandemic. Initially, HM Inspectors engaged with establishments and services that were due to have a further inspection and resumed visits to colleges. Thereafter, it was planned, that from January 2022, HM Inspectors would undertake a programme of individual early learning and childcare settings and school inspections. Taking the ongoing challenges settings and schools faced dealing with Covid-19 and stakeholder views into account, however, HM Inspectors did not resume routine early learning and childcare and school inspection programme as originally planned. Instead, from late-February, HM Inspectors carried out 'recovery' visits to support the education sector as it continued to respond to the impact of the current pandemic. So far in this current academic year HMIE have engaged with more than 280 schools and settings across a range of scrutiny activities.

Three national thematic inspections were also undertaken in November and December 2021, focused on outdoor learning; approaches to supporting children's and young people's wellbeing; and local approaches to recovery. We also carried out a thematic inspection of Foundation Apprenticeship programmes between March 2020 and November 2021.

We have also continued our online delivery model for our wide range of professional learning and leadership activity. Feedback from programme participants continues to be very positive for all of our programmes and the move to an online delivery model has allowed for increased participation from across Scotland.

Education Scotland has also continued to deliver, and further enhance, GLOW, Scotland's online learning platform while the National e-Learning Offer (NeLO) has also continued to go from strength-to-strength, with learners being able to access a variety of live, recorded and supported resources.

Throughout this year our six Regional Improvement Teams have continued to provide bespoke support to Regional Improvement Collaboratives (RICs); local authorities and schools.   Attainment Advisors, National Improvement Framework (NIF) Officers and curriculum specialists have engaged with local authority staff and practitioners across the education sector to support improvements in pedagogy, assessment and moderation, curriculum, leadership and ongoing work to support families and communities. A relentless focus on tackling the poverty related attainment gap and improvements in literacy, numeracy and health & wellbeing remain central in our work but there has also been a strong focus on deepening practitioner understanding of United Nations Convention on the Rights of the Child (UNCRC), learning for sustainability, ensuring a legacy from COP26 and strengthening equalities and inclusion for all learners.

A notable feature of our work has been the recently announced refresh of the Scottish Attainment Challenge. Five years on, and despite the challenges of the pandemic, we have built a strong platform of regional working through which we will increase our front-line support to practitioners across Scotland.

I truly believe that this year's annual report and accounts demonstrates our continued effort and commitment to overcoming the challenges of the past few years. The determination of all the staff to continue to support schools, local authorities and RICs while the organisation

is under-going reform is nothing less that exceptional. I am so proud of all our people and their contribution. I know they will carry on showing this dedication as we continue to develop new ways of working.

Gayle Gorman

HM Chief Inspector of Education and Chief Executive of Education Scotland

Overview

In this part of the performance report, we present an overview of Education Scotland, our activities and the main risks and challenges facing us. We also include a performance summary which sets out our most significant achievements in financial year 2021/2022.

About Education Scotland

Status, activities and staffing

Education Scotland is the national improvement agency for education in Scotland. We were established in July 2011 as an Executive Agency of Scottish Government under the terms of the Scotland Act 1998. Scottish Ministers have charged us with supporting quality and improvement in Scottish education and thereby securing the delivery of better learning experiences and outcomes for learners of all ages. We work in the following ways across education sectors, and at national, regional, local and establishment levels.

- Providing professional learning and leadership programmes.
- Providing professional advice and support for improvement, including face to face and digital resources.
- Carrying out scrutiny activity, including inspection and review.
- Managing the development of national digital resources, including Glow, our online learning platform.
- Continuing to develop the NeLO alongside partners, e-Sgoil, West OS and all RICs, offering high quality opportunities for live, recorded and supported learning that can support learning and effective curriculum design in the classroom, across early learning settings and when learning remotely.
- Providing independent policy advice to Ministers and civil servants, informed by our evidence.

Our status as an Executive Agency means that we operate independently and impartially, whilst remaining directly accountable to Scottish Ministers for the standards of our work. This status safeguards the independence of inspection, review and reporting within the overall context of the National Improvement Framework.

Education Scotland employed 388 staff (376 Full Time Equivalent) as of 31 March 2022.

Purpose and activities

Our vision is achieving excellence and equity for Scotland's learners, with Scotland's educators. Our mission is to work in partnership with all stakeholders involved in Scottish education to secure sustained improvement in achievement and attainment for all learners, closing the poverty-related attainment gap, and securing positive and sustained destinations for all learners, regardless of their age and where the learning takes place. Our values are: Integrity; Respect; Excellence and Creativity.

Social, community and human rights

Everything we do is designed to contribute to the Scottish Government's national purpose of creating a more successful country with opportunities for all to flourish through increased wellbeing, and sustainable and inclusive economic growth. Our work in improving quality,

effectiveness and equality in education contributes to the following National Outcomes: That people:

- Grow up loved, safe and respected so that we realise our full potential.
- Are well educated, skilled and able to contribute to society.
- Tackle poverty by sharing opportunities, wealth and power more equally.
- Have thriving and innovative businesses, with quality jobs and fair work for everyone.
- Live in communities that are inclusive, empowered, resilient and safe.
- Respect, protect and fulfil human rights and live free from discrimination.

Strategy and business model

In June 2021, we published our new five-year Corporate Plan, which sets out what we aim to achieve up until 2026. The Plan is focused around six strategic priorities.

- System Leadership
- Curriculum
- Learning, Teaching and Assessment
- Inclusion, Wellbeing, Equity and Equalities
- Best use of evidence
- Culture, values and behaviour

However, we are cognisant that we are entering a period of system change and organisational reform and we are committed to remaining flexible, adaptable and, more importantly, aspirational. Our new plan was under development prior to the announcement of the educational reform in Scotland and we are currently reviewing our KPIs and priorities for the next year to ensure that we continue to focus on the right priorities to support the education system through this change.

Key issues and risks

Education Scotland operates in a complex and evolving environment and it is important that we understand our changing context and the internal and external factors that shape or influence our risk environment. These factors need to be known, understood and evaluated if we are to effectively manage and mitigate the risks and issues that might threaten delivery of our strategic priorities.

Risk identification is an important part of business planning and managing performance and we therefore undertake a range of risk management activities to identify, assess and address risk at every level within the agency. These ensure that the right people are involved in the management of risks and that each stage in the process is being actively recorded, managed and is reflective of the current situation. As a result, the Agency's risk registers are live documents which are updated on an ongoing basis. Our risk management approach and activities are overseen by the Agency's Audit and Risk Committee.

The key issues and risks that the Agency have faced include:

Impact

Undoubtedly the biggest issue currently facing Education Scotland is education reform. The Cabinet Secretary for Education and Skills recently announced that as well as the creation of an independent Inspectorate, the creation of a new national agency for Scottish education that will take forward some of the current remit of Education Scotland. We are acutely aware that our support for the system is needed now more than ever if we are to ensure that the transition to this reformed system does not negatively impact on learners. Our strategic priorities therefore focus on outcomes that we envision will be achieved by not just Education Scotland but also its successor organisations. We have also clearly set out our short-term priorities to ensure our work continues to have focus during the transition period.

The inevitable impact on the wellbeing, morale, retention and recruitment of staff within Education Scotland has required careful handling. It has been vitally important to ensure that the Agency's staff are not just taken on the reform journey but that we help them understand how their unique contribution can continue in any new space.

Wellbeing

We also continue to be mindful of the need to support the continued wellbeing of our staff not only because of the increased ask and pressure on the Agency resulting from education reform but also because of the isolation some might feel from working at home as a result of the Covid-19 pandemic. We also recognise that for some staff the move to hybrid working and a return to the office is a source of stress and anxiety. We therefore continue to make a wide range of resources available to staff to support both their health and wellbeing and our new ways of working. This includes the publication of guidance, monthly wellbeing updates; various wellness interactive sessions & webinars and Connect with Colleague sessions covering a wide range of topics from providing tips and advice on looking after our mental and physical health; to nutrition, to the progress with reform. We have also developed a new approach to corporate induction to help overcome the challenges of inducting new members of staff into the organisation at a time when we are still predominantly working from home.

Impact and Political

The unprecedented impact arising from the pandemic has also required us to continue to take mitigating action to change the way we work to provide more tailored support to the sector. Our approaches, drawing on the wide-ranging skills and expertise available in the agency, have allowed us to continue to provide support and advice locally, regionally and nationally. Education Scotland has clearly demonstrated over the last two years that it is a flexible, adaptable and supportive organisation that can respond and implement new approaches for the benefit of the education system.

Technology

The risks to the sustainability of our digital estate throughout the pandemic have required us to undertake a range of a remediation work to remove the risk of loss or corruption of service, including the roll out of a laptop replacement programme; provision of technical support to Glow users and the launch of the Cyber Security Continuous Improvement

project. And of course, we secured capital funding in 2021-22 to allow us to continue to invest in our corporate digital assets as part of the Transformation Programme.

Governance and Compliance

We identified the need to review and strengthen our information governance arrangements, developing and launching an improvement plan in 2021-22. Improvements made include the appointment of new information and data governance roles and responsibilities across the Agency, a full review and refresh of the information register, with Information Asset Owners and Deputies appointed for all information assets, training opportunities, including a number of staff successfully becoming certified FOI Practitioners.

Financial

As we enter a new financial year, ongoing financial pressures across the public sector will continue to present challenges for the Agency, not least due to the potential to impact on our ability to deliver our strategic priorities. With staffing costs accounting for over 90% of our budget it continues to be vitally important that we apply a wide range of mitigating actions and controls in order to ensure effective and sustainable financial management. This includes close scrutiny of finances through monthly budget monitoring and forecasting reports, both at Directorate and at organisational level, and the development of robust workforce planning processes. Budget requirements have been notified to the Scottish Government as part of the formal Spending Review process and we continue to meet Scottish Government finance officials regularly to discuss the Agency's financial position and to highlight any resource implications. We have also sought to improve the financial capability across the organisation through continued finance training at all levels.

Resourcing

Finally, whilst out with our sphere of control, recruitment and on-boarding delays within the Scottish Government may start to impact on our capacity to deliver the Agency's strategic objectives. We have therefore escalated this within the Scottish Government's People Directorate.

Performance Analysis

In this part of the report, we provide a more detailed analysis of our performance in financial year 2021/22. We first outline how we measure and report on performance, and then provide an overview of our work in 2021/22 under each of our strategic objectives.

How we measure our performance

In financial year 2021/22, Education Scotland has been developing our approaches to corporate performance measurement. This includes, as outlined in our new Corporate Plan, the introduction of additional KPIs to help us monitor our progress in relation to the organisation's strategic objectives. As we move forward with planning for the next stage of the reform process, following the Cabinet Secretary's announcement, and identify our key areas of focus as part of this work, it is important to note that these KPIs, and their targets, may be subject to review and change.

This section will begin by focusing on the existing KPIs which have been included in previous Annual Report and Accounts, and for which we have year on year data available. Where appropriate, we have developed targets for these KPIs – further detail on each target will be included in the results for each of the relevant KPIs. Where we feel it is inappropriate to set targets we have made this clear. It should be noted that due to the focus on the reform work, where we have been able to establish targets for KPIs these were not able to be developed until early 2022. It is not possible therefore to comment on whether these have been achieved or not at this time. The progress towards these targets will be highlighted in next year's report.

Following on from the existing KPIs, the section will focus on our new KPIs. We are viewing this year as a baseline year to gather data in relation to our new KPIs and as such have not set targets for these KPIs. Plans are in place to review and discuss the data being gathered with key strategic priority leads in order to determine appropriate targets. These targets will be included in next year's Annual Report and Accounts. Where we are already aware that it would be inappropriate to set targets for KPIs we have made this clear.

Our KPIs which relate to leadership development opportunities and those which relate to inspection have been most affected by Covid-19. As is noted in the first table below, a number of professional learning and leadership programmes are still paused due to the impact of the pandemic. Similarly the individual inspections programme also remains paused due to Covid-19. Details of the 'recovery visits' and visits to establishments due to receive a further inspection which are taking place instead are provided in the Best Use of Evidence Strategic Priority section of the report.

Existing KPIs

Reach of our leadership development opportunities

This is an important 'lead' indicator of participants in our leadership programmes achieving other outcomes. While we want to increase our reach across the systems and have an impact on participants, each year the number of participants varies. This is because our annual offering is in response to the professional learning needs of the system, which in turn impacts on the number of practitioners. The number we can reach is also influenced by the delivery model and our capacity. As a result due to the potential for change we cannot set a specific target for this KPI.

Leadership Programme	Academic Year				
	2017/18 (Baseline)	2018/19	2019/20 *	2020/21	2021/22
	No. of participants				
Teacher Leadership	152	146	230	238	154
Supporting Teacher Leadership	21	20	60	66	21
Leadership of Early Learning	-	59	42	Paused	Paused
Towards Headship	31	10	16	11	19
Into Headship	132	134	170	235	478
In Headship	38	15	42	26	53
Excellence in Headship	128 (Cohort 1) 117 (Cohort 2)	137 (Cohort 3) 87 (Cohort 4)	103 (Cohort 5) 51 (Cohort 6) 73 (Cohort 7)	65 (Cohort 8)	64 (Cohort 9)
Excellence in Headship Stretch *	-	-	-	54	-
Leading Systems Change*	29	32	-	Paused	-
Evolving Systems Thinking	21 (Cohort 1)	33 (Cohort 2)	30 (Cohort 3) 153 (1 Cohort per RIC)	160 No new iteration	Paused
Middle Leaders Leading Change	-	-	137	382	434
Aspiring to Middle Leadership	-	-	118	221	540
Stepping Stones	-	-	-	785	1046
Building Racial Literacies	-	-	-	-	88
	No. of schools				
Collaborative Middle Leadership	-	3	19	Paused	Paused

Impact of our leadership development opportunities

It is important for us to track whether our leadership development programmes are contributing to short-term outcomes for participants, such as improved skills and confidence. Our target for this is to maintain a minimum of 90% of respondents reporting that they have increased confidence, knowledge, skills and that they are likely to share and implement their learning.

Source: Post-programme surveys of participants. %s who agree/strongly agree

Professional learning programme participants reporting…	Academic Year		
	2019/20 (Baseline)	2020/21	2021/22
	% of respondents		
Increases in confidence	87	83	69
Increases in knowledge	91	89	93
Increases in skills	86	83	64
That they are likely to share what they have learned	92	90	91
That they are likely to implement their learning in practice	87	94	96

The 2020/21 figures include data from Evolving Systems Thinking, Middle Leaders Leading Change and Excellence in Headship – Learn that were unable to be included in the previous Annual Report. The 2021/22 figures include evaluations from Supporting Teacher Leadership, Aspiring to Middle Leadership, and Excellence in Headship - Learn. Other programmes that did run during 2021/22 had programme evaluation numbers that were too low to analyse, or their final evaluations have not taken place yet. This information will be included in next year's Annual Report.

Views of our people

These indicators are important in tracking how our people feel about significant aspects of their working lives. By next year we will aim to ensure that we are aligned with Scottish Government results for these People Survey questions.

Source: Civil Service People Survey

Education Scotland staff members reporting…	Year		
	2019	2020	2021
	% of participants		
That they are able to access the right learning and development opportunities when they need to	50	56	65
That learning and development activities completed at ES have been helpful for career development	44	45	43
That they have the tools to do their jobs effectively	68	64	73
That they have the information they need to do their jobs well	64	58	57

Number of planned inspections completed

This indicator tracks the number of planned inspections we complete based on our annual published programme of scrutiny activity. As the majority of inspections remain paused due

to Covid-19 and the recent announcement about the creation of a new inspectorate in 2022, it is not possible for us to set a target for this KPI at this time.

Source: Management Information

Scrutiny Programme	Academic Year		
	2018/19 (Baseline)	2019/20	2020/21
	No. of planned inspections completed		
Early learning and childcare	163	94	Paused
Schools	252	169	Paused
Schools and Early Learning and Childcare – Further inspection	54	46	Paused
Community Learning and Development services	8	5	Paused
Colleges	27	18	27
Private Colleges and English Language Schools	1	2	4
Careers Information and Guidance (CIAG) services (follow ups)	6	5	4
Modern Apprentice reviews	2	1	Paused
Prison education	4	2	3
National Thematic inspections	4	3	4

In terms of the National Thematic Inspections, HMIE undertook a national overview of practice to support the delivery of high-quality and effective remote learning. 12 reports were published between January and April 2021. HMIE also undertook a national overview of remote learning in colleges with the report publishing in June 2021. HMIE undertook a national review of local authorities approaches to quality assurance as part of the alternative certification model. HMIE reviewed the quality of Foundation Apprenticeship programmes to identify what is working well, what needs to improve and to inform future developments. The review took place between March 2020 and November 2021 and was published in March 2022. In relation to colleges there was on-going engagement with all 27 colleges to provide support and challenge during this year. Progress visits recommenced from August 2021.

Impact of inspections

It is important for us to track whether our inspection activity is contributing to improving short-term outcomes for establishments. As above, it is not possible for us to establish a target for this KPI at this time.

Source: Post-inspection surveys of headteachers and heads of settings (school and early learning and childcare settings).

	Academic Year		
	2017/18 (Baseline)	**2018/19**	**2020/21**
Headteachers of inspected early learning and childcare settings and schools reporting…	*% of headteachers/ heads of setting*		
That the professional dialogue with HM inspectors during the inspection had helped the school/setting to make improvements	97	90	Paused
That the school/setting had made changes as a direct result of inspection	97	98	Paused
That they had used the inspection findings to inform their self-evaluation and improvement planning.	95	96	Paused

Communications and engagement

It is important to track our engagement with stakeholders using a range of channels. Over the next financial year we will aim to increase usage of these channels by 5%.This target does not include our KPI in relation to YouTube subscribers as this particular KPI and how it is/can be tracked is currently under review.

Source: Web analytics

Communications Channel	Financial Year		
	2019/20 (Baseline)	**2020/21**	**2021/2022**
	No. of subscribers		
Newsletter Unique Subscribers*	54,456	63,850	38,272
Facebook (engagements)	17,546	23,258	12,444
Twitter	52,802	68,029	74,139
YouTube	1,905	3,502	4,718

**Please note that in early 2021 we moved to a single newsletter. This and changes in compliance with GDPR/cookie opt out might have affected the number of unique subscribers.*

Glow Usage

Glow is the national online service funded by Scottish Government and provided by Education Scotland. This learning environment, which is free at the point of use, provides learners and educators across Scotland access to a wide set of digital tools and resources designed to enhance learning and teaching across the whole curriculum. It is important to track use of Glow as a platform to support learning and teaching. Local authorities and schools determine the way in which Glow is used and that influences whether users need to sign out of Glow and back in again (for example, where users have their own device, they can stay logged in to Teams for many days without having to log in or out of Glow – this

affects the figures for log-ins. As a result it is not possible for us to establish a target for this KPI).

Source: Analytics

	Financial Year				
	2017/18 (Baseline)	2018/19	2019/20	2020/21	2021/22
	No.				
Number of Glow login sessions	21,883,316	28,074,338	40,651,845	99,561,381	43,721,383

New KPIs[1]

Location of professional learning and leadership participants

This is an important indicator of the reach of our professional learning and leadership programmes. We strive to ensure that our professional learning and leadership programmes are accessible to all regardless of geography. It is important to note that for some programmes participants register with us while for others they register through their local authority. Therefore we do not have any control over the number of participants from each area and participation depends on the need identified in each authority and RIC. While we will continue to work to ensure fair representation and access to our programmes from across all authorities, and monitor this regularly, for the reasons outlined above we are unable to set a target for this KPI.

Source: Programme participant information

	Academic Year
	2021/22
	No. of participants
Local Authority	
Clackmannanshire	46
Falkirk	75
Stirling	74
West Lothian	128
East Lothian	34
Edinburgh	141
Fife	143

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[1] Please note that the new KPIs were introduced August/September 2021 and so all figures in this section only cover a partial year.

Midlothian	44
Scottish Borders	45
Dumfries and Galloway	72
East Ayrshire	51
North Ayrshire	45
South Ayrshire	47
Aberdeen City	68
Aberdeenshire	186
Argyll & Bute	69
Highland Council	84
Moray	59
Orkney	14
Shetland	15
Western Isles	14
Angus	96
Dundee	95
Perth & Kinross	91
East Dunbartonshire	58
East Renfrewshire	48
Glasgow	376
Inverclyde	38
North Lanarkshire	116
Renfrewshire	83
South Lanarkshire	130
West Dunbartonshire	28
Other – independent	27
Other – adhoc	157

It should be noted that these figures are reported on by academic year.

Professional Learning and Leadership (PLL) Website

Currently this website is a stand-alone site. We want all practitioners to sign up to and use the site as it holds valuable resources for professional learning and development. To achieve this we are targeting our marketing and communications efforts to grow the number of sign-ups and unique visitors. Work is also underway to audit the current membership of the site to ensure we have an accurate figure. This will identify and remove any duplicates and ensure all members are active. Once this is complete we will have a more accurate dataset which will allow us to set targets.

Source: Web analytics

	Financial Year	
	2021/22 (Baseline)	
	No. of sign ups	*No of unique visitors*
Number of sign ups and unique visitors to the PLL website	5,683	71,363

Participants in mentoring and coaching

Mentoring and coaching are key components of both our external and now our internal work. It is important to track the reach of this work over time. As this is a baseline year for our internal coaching and mentoring programme, we will seek to gather more data before establishing a target for this overall KPI.

Source: Management information

	Financial Year	
	2020/21 (external figures only)	**2021/22 (For internal figures this year is a baseline)**
	No.	
Number of participants engaging in mentoring and coaching* (external)	79	1047
Number of participants engaging in mentoring and coaching (internal)	-	15 coaching pairs

Please note that while coaching and mentoring are elements of different ES programmes, these figures refer to the coaching and mentoring work undertaken to support CERG Workstream 6.

Curriculum design professional learning

This indicator will help us to keep track of the reach of our professional learning which focuses on Curriculum Design. As this is a baseline year and we are in the process of changing the system used internally to track our engagements we are not currently in a position to establish a target for this KPI.

Source: Management information

	Financial Year
	2021/22 (Baseline)
	No.
Number of participants engaging in professional learning programmes focused on Curriculum Design	890

This figure is based on the number of participants attending across 11 events.

Implement curriclum design learning in practice

This indicator will help to provide an indication of the impact of our professional learning focused on curriculum design. As this is a baseline year for this KPI and there have been issues recording the data, we are not in a position to establish a target for this KPI at this time.

Source: Online events evaluation form[2]

	Financial Year
	2021/22 (Baseline)
	%
Proportion of participants in professional learning likely to have implemented curriculum design learning in practice	91

This figure is based on 179 out of 196 respondents to the online professional learning evaluation form.

Engagements with ES curriculum design resources

A significant number of online advice and guidance resources are produced by ES staff. This indicator will allow us to determine the reach of these resources. As this is a baseline year for this KPI we are seeking to gather more data before determing a suitable target.

Source: Web analytics

	Financial Year	
	2021/22 (Baseline)	
	No. page views	*No. downloads*
Number of engagements* with ES's	224,566	41,526

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[2] Please note that there is inconsistent tagging of event data and usage of the online professional learning evaluation form. To improve upon this we are currently reviewing our web estate and discussions around its usage and that of the evaluation form will be taking place.

Curriculum Design support materials, guidance and resources		

Engagements refer to numbers of page views and downloads.

Professional learning focused on learning, teaching and assessment

This indicator will help us to keep track of the reach of our professional learning which focuses on learning, teaching and assessment. As this is a baseline year and we are in the process of changing the system used internally to track our engagements we are not currently in a position to establish a target for this KPI.

Source: Management information

	Financial Year
	2021/22 (Baseline)
	No.
Number of participants engaging in professional learning focused on learning, teaching and assessment	14,458

Likely to implement professional learning focused on learning, teaching and assessment

This indicator will help to provide an indication of the impact of our professional learning focused on learning, teaching and assessment. As this is a baseline year for this KPI and there have been issues in recording the data, we are not in a position to establish a target for this KPI at this time.

Source: Online events evaluation form

	Financial Year
	2021/22 (Baseline)
	%
Proportion of participants in professional learning likely to implement learning in practice	92

This figure is based on 295 out of 320 respondents to the online professional learning evaluation form.

Engagements with learning, teaching and assessment resources

A significant number of online advice and guidance resources are produced by Education Scotland staff. This indicator will allow us to determine the reach of these resouces. As this

is a baseline year for this KPI we are seeking to gather more data before determining a suitable target.

Source: Web analytics

	Financial Year
	2021/22 (Baseline)
	No. of page views
Number of engagements with ES learning, teaching and assessment support materials, guidance and resources	2,886

Professional learning focused on inclusion, wellbeing, equity and equality

This indicator will help us to keep track of the reach of our professional learning which focuses on inclusion, wellbeing, equity and equalities. As this is a baseline year and we are in the process of changing the system used internally to track our engagements we are not currently in a position to establish a target for this KPI.

Source: Management Information

	Financial Year
	2021/22 (Baseline)
	No.
Number of professional learning opportunities focused on key areas of inclusion, wellbeing, equity and equalities	67

Downloads of resources on inclusion, wellbeing, equity and equality

A significant number of online advice and guidance resources are produced by Education Scotland staff. This indicator will allow us to determine the reach of these resources. As this is a baseline year for this KPI we are seeking to gaher more data before determining a suitable target.

Source: Web analytics

	Financial Year
	2021/22 (Baseline)
	No.

Number of downloads of resources and good practice examples	6,781

Due to inconsistent tagging of resources the above figure may not cover all downloads of resources and good practice examples.

Impact of professional learning focused on inclusion, wellbeing, equity and equality

This indicator will help to provide an indication of the impact of our professional learning focused on inclusion, wellbeing, equity and equality. As this is a a baseline year for this KPI and there have been issues recording the data, we are not in a position to establish a target for this KPI at this time.

Source: Online events evaluation

	Financial Year		
	2021/22 (Baseline)		
	% Knowledge increase	*% Awareness increase*	*% Confidence increase*
Proportion of professional learning participants who report increased awareness, understanding, knowledge and skills in relation to key areas of inclusion, wellbeing, equity and equality	89	85	85

These %s are based on an overall response of 62 to the online professional learning events evaluation. This evaluation currently does not ask about skills so we do not have data in relation to this at this time. The evaluation form will be revised to include this question going forward.

Implementation of professional learning focused on inclusion, wellbeing, equity and equality

This indicator will help to provide an indication of the impact of our professional learning focused on inclusion, wellbeing, equity and equality. As this is a baseline year for this KPI and there have been issues in recording the data, we are not in a position to establish a target for this KPI at this time.

Source: Online events evaluation

	Financial Year
	2021/22 (Baseline)
	%
Proportion of professional learning participants likely to implement the learning	97

These figures are based on an overall response of 62 to the online professional learning events evalution.

Professional learning focused on use of evidence

This indicator will help us to keep track of the reach of our professional learning which focuses on use of evidence. As this is a baseline year and we are in the process of changing the system used internally to track our engagements we are not currently in a position to establish a target for this KPI.

Source: Management information

	Financial Year
	2021/22 (Baseline)
	No.
Number of professional development opportunities focused on use of evidence	23

Impact of professional learning focused on use of evidence

This indicator will help to provide an indication of the impact of our professional learning focused on use of evidence. As this is a baseline year for this KPI and there have been issues recording the data, we are not in a position to establish a target for this KPI at this time.

Source: Online events evaluation

	Financial Year			
	2021/22 (Baseline)			
	% Knowledge increased	*% Awareness increased*	*% Understanding increased*	*% Confidence increased*
Proportion of professional development participants who report increased knowledge, awareness, understanding and skills	*93*	*89*	*-*	*93*

These %s are based on an overall response of 28 to the online professional learning events evalution.

Staff turnover

This KPI is an important indicator of staff satisfaction with their roles and Education Scotland. We will track this over time and aim to ensure that our levels of staff turnover and retention are in line with Scottish Government.

Source: Scottish Government HR pack

	Financial Year	
	2021/22 (Baseline)	
	% turnover rate	
Levels of staff turnover and retention	17.2	

How we monitor and report on our performance

Our Advisory Board and Audit and Risk Committee receive a number of reports on corporate performance. These include financial monitoring reports, the corporate and directorate Risk Registers and additional performance monitoring information. Papers from these meetings are also published on our website. Each directorate produces a monthly highlight paper indicating progress in key areas of work and around the new strategic priorities. A quarterly highlight paper is also reviewed by our Oversight Board, which is comprised of our Leadership Team and representatives from our Extended Leadership Team.

Performance Summary – Our Year in Review 2021/2022

System Leadership

Our professional learning and leadership opportunities continue to support educators at all stages in their careers and lead to positive impacts such as increases in knowledge.

We commissioned an **external evaluation** of our locality support.

Curriculum

Just **over 2,800** engagements took place to support the Raising Aspirations in Science Education Programme while our Improving Gender Balance in Education programme had **279** engagements with **541** establishments.

A Recovery and Improvement Pilot was delivered by Numeracy and Mathematics specialists to **more than 25** primary schools, approximately **4,000** children and **over 150** practitioners. Literacy specialists delivered **18** engagements from April 2021 to March 2022 to **501** attendees.

Learning, Teaching and Assessment

Digital staff delivered approximately **129** webinars to approximately **21,056** participants.

Through the National E-learning Offer, developed with partners, users had access to over **3,000** recorded lessons, **23,000 supported** resources and a programme of live learning opportunities.

Inclusion, Wellbeing, Equity and Equalities

Attainment Advisors worked with local authorities to learn more about the guidance and support provided in relation to the Pupil Equity Fund (PEF) and with school leaders from **50** schools to gather examples of PEF work. These were published in a new resource to share practice and support improvement – Pupil Equity Funding: Looking inwards, outwards, forwards.

To support mental health and wellbeing in primary schools we published The Compassionate and Connected Classroom which has been viewed **7,641** times.

Best Use of Evidence

In March 2022, HMIE carried out **19** recovery visits to focus on what's working well and ongoing challenges in schools and ELC settings as a result of Covid-19. By the end of June, **more than 150** visits will have taken place.

After the 2021 National Qualifications external exam diet was cancelled and an Alternative Certification Model developed, the Deputy First Minister requested HMIE undertake a national

review of local authority approaches. In April 2021 they engaged with all authorities and the findings report published in June 2021 has been downloaded **247** times.

Culture, Values and Behaviour

To support staff following the announcement from the Cabinet Secretary regarding the reform of Education Scotland and the replacement of the SQA, we have established a Change Team to lead on the work, a staff engagement group and a training programme – Change Ready.

As part of our Great Place to Work programme we developed an internal coaching programme and by March 2022 there were **15** pairs engaging in the peer to peer coaching.

Our performance in 2021/22

Over the following pages, we present the main areas of our performance in financial year 2021/22. We have structured the Performance Analysis around our new strategic objectives. We draw on a wide range of evidence which exemplifies our contribution and impact during the financial year 2021/22.

Systems Leadership

Our work in this area aims to support leaders in education to function effectively in circumstances of high uncertainty and complexity. We are working with system leaders to improve collective action on complex, systemic issues.

Highlights

Professional Learning and Leadership (PLL)

While some programmes remained paused due to the ongoing restrictions and challenges educators were facing due to Covid-19 others continued. The Teacher Leadership Programme explores what teacher leadership means and looks like in practice with participants supported to use an enquiring approach to developing an aspect of teaching and learning. The Supporting Teacher Leadership programme supports experienced educators through practitioner enquiry to develop their confidence to support others to take an enquiring approach. An end of programme evaluation (**17 respondents**) showed that **88%**[3] (**15 respondents**) were satisfied[4] with the programme and **65% (11 respondents)** valued the opportunity to develop coaching skills.

Aspiring to Middle Leadership supports develops an understanding of middle leadership and the necessary skills. **Almost all (97%)** of the **229** respondents to an end of programme evaluation stated they were more knowledgeable as a result of the programme. Middle leaders are also supported through the Middle Leaders Leading Change programme - designed to develop confidence in the use of coaching and coaching methods. Into Headship, Towards Headship, In Headship and Excellence in Headship programmes all provide learning opportunities for those aspiring to become headteachers, as well as for new and early career headteachers. In the case of Into Headship, participants receive the GTCS Standard for Headship upon completion – the mandatory requirement for all new headteachers in Scotland.

The support offered to the education workforce to manage additional pressures accumulated as a direct impact of Covid-19 was extended into 2021/2022. This was developed in partnership through the Covid-19 Education Recovery Group (CERG) Workforce Support and consists of mental health and wellbeing support, 1:1 coaching, group coaching, enhanced support for post-probation teachers (the Stepping Stones programme) and a Leadership and Mentoring Programme delivered by the Scottish Association of Minority Ethnic Educators. Currently, **over 2,000** educators have benefitted. The support will continue in its current form until June 2022.

Overview of locality support

While the locality approach which was designed to support the education system deal with the significant pressures they faced as a result of Covid-19, has now come to an end, over the last year there was a significant amount of work undertaken by the 6 locality teams. Examples of this and the impact it had was evidenced through an external evaluation

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[3] Please note that all percentages throughout this report are rounded up to the nearest whole percentage. Therefore percentages will not always add up to 100%.

[4] Combines 'satisfied' and 'very satisfied' responses.

carried out from April to August 2021. Evaluators selected one case study per locality. Participants valued the cross-directorate teams and appreciated the opportunity to have access to such a broad range of expertise. The flexible nature of the support and the way in which our staff tailored and adapted the support offered to meet the specific needs of each set of participants was widely valued. A brief overview is provided below:

- *Tayside – series of family learning and parental engagement workshops*

Through working in partnership with local authority contacts, a series of practitioner webinars in relation to family learning and parental engagement was delivered. New relationships developed that were highly valued and participants reported increases in knowledge and skills which were likely to impact their practice.

- *South East – Supporting improvement in three primary schools in Midlothian*

In partnership with the schools and local authority we developed improvement action plans. Those involved saw the flexible engagement as a strength as initial plans to deliver support to schools and staff, were replaced by more targeted sessions with headteachers, senior leaders and smaller groups of staff. The benefits of capacity building work and production of resources were highlighted as lasting impacts of the engagement.

- *West – Inverclyde Community Learning and Development (CLD) plan*

We provided support to assist in the further development of the digital CLD offer. The Council felt they benefited from the local knowledge of our staff which was complemented by their national expertise. A new CLD plan was drafted - more comprehensive and inclusive thanks to Education Scotland support.

- *Northern Alliance – Promoting Equity Week (PEW)*

PEW was a series of **25** online events which provided an opportunity to collaborate on what was working, to share research and provide professional learning in terms of understanding equity, raising attainment, and closing the poverty related attainment gap. It will help to inform future developments and has provided a suite of valuable online resources.

- *Forth Valley and West Lothian – Support for Early Learning and Childcare Area Support Managers (ELCASMs)*

Our staff delivered training to help expand the role of the ELCASMs to support Heads/Depute Heads of Centres with quality improvement and self-evaluation. Participants valued the remote delivery and the spread of sessions over two months to allow for momentum to be built but also for them to reflect on the content. The flexible development of the content revised over time based on participant feedback was much appreciated.

- *South West – North Ayrshire parental engagement*

Support was provided to a primary school and early learning centre on quality improvement in relation to stakeholder engagement. A coaching style approach was used which created a relaxed learning environment and as a result the headteachers felt their confidence had increased in relation to parental engagement, and that they had developed more positive relationships with Education Scotland.

Curriculum

We are working to support curriculum development and design that is strong, sustainable and responsive, and results in improved outcomes for learners. We are working with partners to strengthen and ensure that the use of highly effective curriculum practice is clearly defined, and understood for local contexts.

Highlights

Raising Aspirations in Science Education (RAiSE) Programme

RAiSE is a joint programme between the Wood Foundation, Education Scotland, Scottish Government and participating local authorities. Initially launched in 2017, it funds and supports authorities to appoint a Primary Science Development Officer (PSDO) to develop and lead a local strategy to improve STEM experiences for primary pupils. The network is supported by the National Education Officer for Primary Science who leads on the overall strategy. Funded by the Wood Foundation the post is based within Education Scotland. Since April 2021, **4** new authorities have joined which brings the total to **11**. There have been a range of engagements to support the programme – for example, from April to December 2021 just **over 2,800** engagements took place. Additionally, the National Education Officer organised professional learning opportunities for PSDOs and the PSDOs also delivered professional learning based on feedback and requests from practitioners. Case studies, examples of good practice and resources were also published on our National Improvement Hub. From April 2021 until March 2022, there were **1,473** page views.

Improving Gender Balance Programme (IGBE)

From April 2021 until March 2022, there were **279** engagements with **541** establishments - **94** of these were professional learning sessions attended by **over 2,300** practitioners. In addition to delivering a wide variety of regional sessions and delivering professional learning in collaboration with other ES teams, nationally the IGBE team delivered **7** overview sessions to raise awareness. Session evaluations indicate the sessions were well received. For example, one such evaluation shows that out of the **196** respondents to the survey **95%** (**186 respondents**) gave the session an overall rating of very good or good, **88%** agreed[5] the session had made them more knowledgeable about the impact of gender imbalance and **88%** (**172 respondents**) agreed that it had given them ideas of approaches for improving gender balance in their setting.

Numeracy and Mathematics

Our Numeracy and Mathematics officers led around **80** professional learning sessions with approximately **4,000** attendees. A programme of learning was also launched for Newly Qualified Teachers/Early Career Teachers to enhance confidence and skills. In an evaluation (**115 respondents**), while **61%** felt very or somewhat confident before training, this had increased to **86%** by the mid-point in the series of sessions. Additionally a Recovery and Improvement pilot programme was designed to support improvement and efficiency in teaching, learning and assessment in numeracy and mathematics, and address any learning loss that occurred in session 2020-2021 as a result of Covid-19. To

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[5] Please note that throughout this report all 'agreed' and 'strongly agreed' responses have been combined.

date, the programme has been delivered with **25+** primary schools, **approximately 4,000** children and **over 150** practitioners. This was included as a case study within the '[Education Recovery Strategy: Key Actions and Next Steps- the Contribution of Education to Scotland's COVID Recovery'](#) in late 2021.

Literacy in Education

Our Literacy officers have delivered **18** engagements from April 2021 until March 2022 to an audience of **approximately 501** attendees across these engagements. Engagements include national webinars held from October 2021 until February 2022 which explored the writing process in the Broad General Education phase of the curriculum and a session which aimed to raise awareness of the connection between listening and talking, and current national priorities such as closing the poverty related attainment gap. The webinars were well received with most respondents to session evaluations generally rating the overall experience as good or very good, indicating they felt more knowledgeable about the topic of the session and that they were likely or very likely to implement the learning in practice. Between December 2021 and March 2022 the number of page hits across all the clips was approximately **2,770**.

COP 26 Conference

In November 2021, COP 26, the 26th United Nations Climate Change Conference, took place in Glasgow. For young people in Scotland, this represented a pivotal moment where the impacts and causes of climate change were going to be debated and analysed, with the hope that an agreement would show the way forward. Education Scotland recognised the importance of the conference, in particular in relation to Learning for Sustainability, and established an internal team to lead the work. These specialists set up a practitioner network, a local authority leads' network and a partners network, run in conjunction with Youthlink Scotland. The key delivery from Education Scotland was the national learning and teaching offer - The Countdown to COP. This consisted of learning and teaching resources for early learning and childcare, primary and the Broad General Education phase focused on the themes of COP 26 – energy, transport, nature, adaptation and resilience, and finance. The webpage was one of the most visited on our website at **more than 30,000** views.

Scottish Learning Festival

The Scottish Learning Festival (SLF) took place as a virtual event in September 2021. After the event, a survey was issued and **477** responses were received. Respondents were asked whether SLF had increased their knowledge of national policy/guidance, of innovative practice and whether their confidence or skills in delivering their work had increased. The majority agreed that attending had increased their knowledge of national policy/guidance (**365 respondents, 77%**) and that their knowledge of innovative practice had increased (**348 respondents, 73%**). 77% of respondents (259) agreed that their confidence had increased and, **just over half** agreed that their skills had increased (**243 respondents, 51%**). Respondents were asked to indicate how likely they were to implement what they had learned, to make changes to practice or to share their learning. The majority indicated they were likely to do all three – **416** respondents (**87%**) said they were likely to share their learning, **380** (**80%**) stated they were likely to implement it and **344** (**72%**) were likely to make changes to their practice.

Learning, Teaching and Assessment

Our work aims to support all children and young people to maximise their successes and achievements. We aim to identify, develop and promote strategies for high quality learning, teaching and assessment that are aspirational, and forward looking.

Highlights

United Nations Convention on the Rights of the Child (UNCRC)

Education Scotland have undertaken a significant amount of work both internally and externally to raise awareness of the UNCRC. This has included the development of an internal Children's Rights and Participation Strategy, the establishment of a UNCRC champions group and internal/external professional learning. Internal sessions were held in June and August 2021, attended by approximately **76** staff across both sessions which looked at the connections between the UNCRC and relevant legislation/work such as the Additional Support for Learning Review (Scottish Government review of additional support for learning in schools) and Independent Care Review (Scottish Government review of the experiences of children in care). Feedback from these sessions indicated that as a result of the learning, colleagues have a much stronger understanding of UNCRC and are making the connections between the relevant legislation. Additionally, since April 2021 **more than 2,500** participants have attended external professional learning sessions with an average rating of **4.5/5** (where 5 is the highest rating) in evaluations. Participants have appreciated the opportunities to network and share resources/good practice.

National Improvement Framework (NIF)

NIF is a priority programme led by Education Scotland and Scottish Government which established a clear vision for Scottish education based on excellence and equity. It aims to improve attainment, particularly in literacy and numeracy; to close the attainment gap between the most and least disadvantaged children and young people; to support improvements in children and young people's health and wellbeing, and in terms of their employability skills and sustained positive school-leaver destinations. Our staff support the NIF in a variety of ways, particularly through the organisation's NIF Officers who provide professional advice and support, and professional learning opportunities.

The Quality Assurance and Moderation (QAMSO) programme is a key component of our support for the NIF. First launched in November 2016 with training provided on the moderation cycle and facilitation of moderation activities focussing on numeracy and mathematics, the programme has evolved several times including expanding it to include reading, listening and talking, and a change from national training to multi-level events and area specific sessions. The online programme was delivered across **6** twilight sessions and almost all local authorities have been involved with **1,048** practitioners signed up across **20** different local and regional cohorts. Pre and post programme evaluations indicate the positive impact on participants - **45%**[6] of the **612** responses to the baseline evaluation (**275 respondents**) felt confident moderating evidence of progress towards a curricular level while this increased to **80%** of the **238** responses to the post programme evaluation (**190 respondents**). Similarly **36%** (**220 respondents**) of the baseline evaluation respondents

felt confident in being able to support moderation processes and practice within their own setting and only **16%** (**98 respondents**) were confident in using digital approaches to supporting moderation. While in the post programme evaluation these figures had risen to **69%** (**164 respondents**) and **61%** (**145 respondents**) respectively.

Digital Learning and Teaching

From April 2021 until February 2022, Digital staff delivered **129** webinars to approximately **21,056** participants. Feedback highlighted that participants valued the opportunity to learn of new resources, reflect on their practice and increase their knowledge/understanding. Additionally, three reports were published including Computing Science (February 2022). This presents the findings of an Education Scotland survey with **356** schools and provides an overview of delivery in secondary schools. At the time the report was written, the survey had not yet closed and had a total of **309** unique school responses – **87%** of all secondary schools. The report is a valuable source of data in relation to Computing teacher numbers, delivery of Computing Science in S1/S2 and opportunities to study Computing Science or related courses in the Senior Phase.

Transformation Programme

This programme focused on the introduction of a Customer Records Management (CRM) system, a review of web channels - to improve how users access the range of professional advice and support we provide - and the development of a streamlined events management system and professional learning catalogue. The CRM will manage and capture data from every relationship and interaction with stakeholders to help us respond to needs and target support. The new events systems will make setting up, managing, finding and booking onto events quick and easy. After a successful trial of the new system, the Manage Events team are now customising it for Education Scotland needs. A new Website Strategy is also being developed and work on the Professional Learning Catalogue began in September 2021 – the aim is to establish a single source of information around the organisation's professional learning offer. To ensure the catalogue is effective, initial training and testing has been undertaken with staff to gather feedback on how well it works, how to support users and what changes may be required. A series of induction sessions were undertaken, including sessions in December 2021 and January 2022 - attended by **136** staff.

The National e-Learning Offer (NeLO)

Education Scotland continued to develop the NeLO alongside e-Sgoil, West OS and RICs. It offers high quality opportunities for live, recorded and supported learning that support learning and effective curriculum design, across early learning settings and when learning remotely. Learners and practitioners can access over **3,000** recorded lessons, **23,000 supported** resources and a programme of live opportunities covering all curriculum areas and supporting health and wellbeing and inclusion. Highlights include 'Dug's Discovery Den' for early years (**Over 35,000** views), Scotland's Assembly (**over 25,000** attendees) and its Learning Spaces (**over 60,000** views). The live Supported Study Webinars from e-Sgoil offer a choice of **over 60** subjects and courses for senior phase learners with **over 3,000** learners signed up.

Inclusion, Wellbeing, Equity and Equality

Our work aims to ensure that children, young people, families and communities feel valued and included. We collaborate with partners to make sure that these groups are present, participating, supported and achieving.

Scottish Attainment Challenge (SAC)

There are 32 Attainment Advisors located across our regional teams which ensures all local authorities have a dedicated support for SAC. They worked collaboratively with internal and external colleagues to support education recovery, reduce variation and accelerate progress in tackling the poverty related attainment gap. Our priorities took account of the evidence and learning from reports including: National Equity Audit, closing the poverty related attainment gap and Audit Scotland's report; and the plans for a refresh of the SAC outlined by the Cabinet Secretary for Education and Skills, in November 2021 and launched in March 2022.

Pupil Equity Funding (PEF) is an element of the Attainment Scotland Fund allocated directly to school leaders and targeted at closing the poverty-related attainment gap. It enables them to plan for and implement targeted approaches to improve the educational outcomes of children and young people impacted by poverty. In 2021-22 Attainment Advisors continued to support schools to plan, implement, monitor and report on their use of PEF. Between November 2021 and January 2022 they worked with local authority colleagues to learn more about the guidance and support which authorities provided in relation to PEF and with school leaders from a sample of schools to gather examples of their PEF work to date. Information was gathered from 50 schools. A report based on these discussions – Pupil Equity Funding: Looking Inwards, Outwards, Forwards - was produced by Attainment Advisors as part of the SAC Refresh and published on 30th March 2022.

Our local authority and national SAC reporting of the previous phase of the programme indicated scope to review the governance and accountability requirements across the programme. In response to this, Education Scotland and Scottish Government developed the Framework for Recovery and Accelerating Progress (March 2022) to which Senior Regional Advisors and Attainment Advisors have contributed significantly. The Framework, together with the new SAC guidance and SAC Logic Model supports the refreshed SAC programme, seeks to reduce variation and promote clear ambitions for progress throughout the system.

Mental Health and Wellbeing

Our staff supported the Scottish Government's Mental Health in Schools Working Group to develop the Mental Health and Wellbeing: Whole School Approach Framework published in August 2021 and as a member of the NHS Education for Scotland working group, supported the development of the Children and Young People's Mental Health and Wellbeing framework. To help demonstrate the connections between the frameworks and how they can be used strategically, Education Scotland developed the Cycle of Wellbeing resource. Since the latter resource was published in December 2021, it has been viewed **3,535 times**. Professional learning sessions raised awareness of children and young people's mental health and wellbeing, provided practitioners with practical examples and highlighted the recent frameworks. By February 2022, **18** sessions had been delivered and while attendance figures are not available for every session, figures demonstrate that at

least **562** attended across the sessions. Feedback has been positive with participants indicating through session evaluations they valued the opportunity to learn of resources.

Mentors in Violence Prevention Programme (MVP)

This peer education programme in secondary schools gives learners the opportunity to take a leadership role in building respectful relationships and challenging gender-based violence and other forms of harmful behaviour. From April 2021 until March 2022, over **1,065** staff received professional learning. Staff confidence in teaching about gender-based violence increased significantly: before training **33%** of the **410** practitioners who responded to the pre-training evaluation survey (**135** respondents) felt they had the necessary skills whereas **96%** of the **250** respondents to the post-training evaluation felt they had these skills after it (**240** respondents). A new website containing both resources and practitioner blogs was established in June 2021; it has already accrued more than **75,868** views. Approximately **120** schools have now delivered MVP though final figures are unavailable until Spring 2022, so this number may increase. **Ten** new school teams have also been trained. Young people's views are influencing the direction of MVP through a steering group set up this year comprised of mentors from around Scotland.

Supporting Lesbian, Gay, Bisexual and Transgender (LGBT) Inclusive Education

As part of Scotland's efforts to embed LGBT inclusive education across the curriculum – the **first** country in the world to do so – our staff have provided a range of support to practitioners and schools leaders. This includes the delivery of **3** online LGBT Inclusive Education sessions in partnership with the charity, Time for Inclusive Education. A total of **78** practitioners attended and evaluation feedback highlighted that the sessions were very well received with all participants rating the sessions as 'good' or 'very good' and all indicating that they would be 'very likely' to share what they had learned in the sessions with their colleagues. Additionally, the value to participants was further demonstrated by the fact that participants requested further sessions on LGBT inclusion in the future.

Supporting Regional Community Learning and Development Collaboration

Over the past year Education Scotland Community Learning and Development (CLD) staff have continued to develop collaborative working with CLD leads and others across each of the six RICs. This included facilitating practice sharing; co-producing professional learning to meet expressed needs, and working alongside CLD leads and partners producing CLD plans. At the request of the Scottish Government, we published links to all 32 CLD plans (2021-2024) on the National Improvement Hub. Additionally, working with Education Scotland professional learning colleagues, Scottish Government and other partners we played a key role progressing a number of significant national initiatives with the CLD sector. These include: active participation in the strategic and writing groups of both the Adult Learning Strategy, and Youth Work Strategy.

We are supporting the system to gather, analyse, evaluate and share an agreed set of quantitative and qualitative data, including independent external evaluation. We aim to use evidence and independent evaluation to celebrate success, support improvement and raise standards. Additionally, we will engage in discussions about the quality of education in individual establishments, regionally, nationally and internationally.

Highlights

Support and challenge

In December 2020, the Deputy First Minister (DFM) announced the 2021 National Qualifications external examination diet would be cancelled and an alternative Certification Model (ACM) developed. In March 2021, the DFM requested Her Majesty's Inspectors of Education (HMIE) undertake a national review of local authority approaches to quality assurance as part of this. In April 2021 they engaged with all local authorities including local authority officers, headteachers, SQA co-ordinators, teachers and representatives of professional associations and then provided advice to Scottish Ministers. A report was published in June 2021. Teaching staff welcomed the approach by HMIE and found the experience constructive and supportive. The report has been downloaded **261** times.

HMIE also carried out quality assurance and improvement activities in colleges on behalf of the Scottish Funding Council (SFC). Between March and April 2021 they engaged in professional dialogue with **495** staff and learners, and **180** learners from all colleges to inform a national overview of practice of remote learning. The report was published in June 2021. It formed the basis of a College Development Network (CDN) event in June 2021. HMIE have worked with CDN to support the implementation of the recommendations and share good practice examples and are also engaged in a wider research project with SFC and CDN on good practice in self-evaluation.

From October 2021, HMIE undertook visits to ELC settings, schools and CLD services that would have been due a further inspection or progress report following an inspection before the pandemic. These visits replaced a further inspection and focussed on how the school/setting was supporting children, young people and families through Covid-19 and progress made with recommendations from previous inspections. A letter to parents was published on our website setting out the findings and the next steps. **Over half** of the schools visited offered feedback with many commenting on the flexible approach taken and the positive impact that engagement had had on their continuing improvement. In recognition of the ongoing impact of Covid-19 it was announced in December 2021, that individual inspections would not resume. Instead, HMIE planned a "recovery visit" in a selection of settings and schools to focus on what is working well and the ongoing challenges. The recovery visits commenced in March 2022. As a result of the recovery visits, HMIE will also identify what further assistance is required to support progress towards recovery. HMIE have planned to carry out **more than 150** recovery visits by end June 2022. As at 31 March 2022, **19** recovery visits had occurred.

National thematic inspections were undertaken in November and December 2021 which involved engaging with **125** schools and settings. These focused on outdoor learning; approaches to supporting children's and young people's wellbeing; and local approaches to recovery. The thematic inspection on outdoor learning published on the Education Scotland website in February 2022 and the approaches to supporting children's and young people's

wellbeing published in March 2022. In addition, HMIE reviewed the quality of Foundation apprenticeship programmes to identify what is working well, what needs to improve and to inform future developments. The review took place between March 2020 and November 2021. It involved young people, **9** local authorities, **11** secondary schools, **6** colleges and **6** independent training providers. The report was published in March 2022.

HMIE fulfilled a statutory duty to provide an independent report when a Council makes changes to its school estate. They carried out independent evaluative activities across **34** proposals. Additionally, Scottish Ministers requested HMIE conduct an inspection of one school in accordance with section 66 (1) of the Education (Scotland) Act 1980. HMIE carried out a further inspection of another school which had previously been inspected under Section 66 (1) of the Education (Scotland) Act (1980). As a result of Covid-19, the programme of joint inspections of services for children led by the Care Inspectorate was paused until June 2021. Since then HMIE have joined a joint inspection in Dundee City Council between July and November 2021. The report was published in January 2022. HMIE also joined a progress review of Orkney Council and the report was published in August 2021. Finally, HMIE along with other scrutiny bodies (Care Inspectorate, Her Majesty's Inspectorate of Constabulary in Scotland and Healthcare Improvement Scotland) worked in collaboration with Clackmannanshire children and young people's partnership on self-evaluation and improvement work. The letter outlining the work and observations was published on the Care Inspectorate website in January 2022.

Gaelic Medium Education Inspections

Inspectors conducted **8** in person or virtual visits to schools who were subject to further monitoring from inspections. They discussed with leaders and practitioners the impact of Covid-19, their actions to support recovery and improvement, and their progress with areas for development identified from earlier scrutiny activity. Additionally, national overviews were produced to support the quality and effectiveness of the delivery of remote learning. Evidence was gathered on Gaelic Medium Education through engagement with local authorities, schools, parents and pupils to understand what was working well, identify challenges and further assistance required.

Self-Evaluation for Continuous Improvement Professional Learning

Education Scotland colleagues worked together to create a professional learning programme to consider effective use of self-evaluation in educational settings, examine toolkits to support effective self-evaluation, explore data and its importance and reflect on the principles of evaluative writing. It has internal and external elements - initial roll-out began in December 2021 and by the end of March 2022, approximately **87** Education Scotland staff had been offered training. Initial feedback suggests that participants have highly valued the training, with average ratings of **4.5 out of 5** (where 5 is the highest) in session evaluations. Also by the end of March, **7** local authorities had engaged with the programme with **over 400** school and authority leaders attending. External participants have also provided positive feedback in session evaluations with comments suggesting they valued the opportunity to engage in professional dialogue with their colleagues and that the training had increased their confidence in self-evaluation.

Culture, Values and Behaviour

We aim to ensure that all Education Scotland staff feel valued, empowered and fairly treated. Our main objective in this area is to make this organisation a great place to work.

Supporting Staff Through the Reform Process

Following the announcement from the Cabinet Secretary regarding the reform of Education Scotland and replacement of the Scottish Qualifications Agency in June 2021, Education Scotland established a Change Team to lead the work involved in preparing for the reform. The group is chaired by the Deputy Chief Executive and comprises representatives from across the organisation, including our Head of Internal Communications and Head of HR/Organisational Development. Since the formation of the group the key areas of focus have been on communications and engagement, scenario planning and governance arrangements.

Shortly after the Change Team was in place, an Education Scotland Staff Engagement Group (SEG) was established and there are currently **30** members of staff on this group. Engagement with and from this group is effective and this group has advised the Change Team on a number of key issues, including the scenario planning exercise outlined below.

A sub-group of the Change Team was also established to focus on scenario planning. The aim was to anticipate the scale and range of work required so that Education Scotland could quickly put plans in place once decisions were announced. There were a number of scenarios considered including whether a new agency would remain within Scottish Government or move to become a non-departmental public body (NDPB). It was recognised that each scenario could apply to all of, or parts of Education Scotland, depending on recommendations in the report and decisions of the Cabinet Secretary. Once the scenarios were identified keys areas of focus were identified for each scenario.

As part of the reform process, Professor Ken Muir held a public consultation to which Education Scotland provided an organisational response. A range of sessions were hosted to facilitate the staff contribution to the corporate response with sessions held at directorate and organisational levels. Additionally, at organisational level, all colleagues were invited to sessions to contribute their feedback. These sessions focused specifically on the following questions from the consultation:

- Removal of Scrutiny function from Education Scotland (**147 attended**)
- Reform of the functions of Education Scotland (**122 attended**)
- Establishing a new curriculum and assessment agency (**96 attended**)

The feedback received from directorates and the organisational level sessions were taken along with responses from the Advisory Board and SEG, and collated, reviewed and analysed by the Corporate Performance Team to shape the final corporate response. The final corporate response was presented to the Leadership Team for comment before submission to Professor Ken Muir and the Scottish Government.

To help support staff throughout the reform period, the 'Change Ready' programme was introduced in January 2022. It is a **four** module programme covering; change basics, leading through change, decision making and thriving (resilience) through change. All

colleagues with line management responsibility were invited to attend one of six available cohorts. To date **92** staff have completed the first module and **88** have completed the second module. By late Spring all modules will have been delivered. Additionally, a dedicated space on our intranet was created for review and reform information.

Great Place to Work (GPTW) Programme

The programme brings together new and existing work across Education Scotland designed to improve working lives, working relationships and address themes which emerged from the People Survey and some Cultural Discovery work. There are five main themes– each of which has been shaped by feedback from colleagues over the last year:

- Clear Purpose, Roles and Goals – work to develop our Corporate Plan has taken place and **7** staff engagement sessions held with approximately **486** attendees across the sessions.
- Great teams with clear ways of working – this includes strengthening partnership working between Scrutiny and Regional directorates and a range of experiments aimed at improving teamwork within these directorates.
- Good leadership at all levels – this includes our Coaching programme.
- Safe and supportive environment – this includes our Values in Action work.
- Continuous learning and development – this work includes an opening up of funded learning opportunities to support ongoing professional learning for all staff.

The coaching programme began in 2021 and aims to connect staff who want a coaching conversation with other colleagues who are passionate about and skilled in delivering coaching. This provides our staff with the opportunity to reflect, process, learn and improve their performance. Since May 2021 there have been **2** whole staff introduction sessions and **4** programme induction sessions. By March 2022 there had been **more than 76** participants across these induction sessions. Participants in the programme have had monthly coaching conversations and twilight sessions on developing coaching toolkits. In March 2022 there were **15** pairs engaging in coaching. Feedback suggests that the time to reflect has been invaluable and that participation has allowed them to make connections across teams and directorates that otherwise would not have happened.

Values in Action

The Values in Action framework was created through the work of our Safe and Supportive Environment workstream and followed on from initial background work and the coaching programme. It was created to ensure that our organisational values and behaviours are named and clear, and ensure as an organisation that we have clarity over 'how' we carry out our work. The workstream, supported by an external contractor, led an experiment to determine which competency or leadership framework would work best in an Education Scotland context. Twenty volunteers helped to use adapted versions of the frameworks in practice – using them to carry out self-assessment, build a development plan and have a 1:1 coaching session. The feedback informed the creation of the Values in Action framework which was launched in October 2021 with **91** members of Education Scotland staff completing the online self-assessment tool.

Financial review

Education Scotland is funded by the Scottish Government through the Education and Skills Portfolio. The financial results for 2021-22 are reported in the financial statements.

The total budget allocated at the start of the year was £32.784m and a further £13.037m of budget was transferred from the Scottish Government during the year for transfers of responsibilities which were outwith the core remit. The final budget for 2021-22 was £45.821m. Overall expenditure for the year was £44,698m, resulting in an underspend of £1,123m.

Education Scotland's initial budget allocation included £2.9m to support the National e-Learning Offer. As work progressed during the year, the budget and costs were reviewed and based on this work £0.4m was returned to the Scottish Government.

The National e-Learning Offer complements the online learning being provided by schools, local authorities and Regional Improvement Collaborative across Scotland. The resources include:

- On-line interactive resources for learners;
- Resources for practitioners preparing on-line learning;
- Professional learning resources for staff working remotely with learners on-line.

Other significant budget transfers included £6m for Glow which covers the costs of permanent and temporary staff who support work on Glow and also the costs of the Glow contract (See Note 3.1 of Annual Accounts).

There was a budget transfer of £1m to fund Education Scotland's work on the Scottish Attainment Challenge and this is used to cover the costs of Regional Attainment Advisors.

The Scottish Government also made a budget transfer of £1m to cover part of Education Scotland accommodation costs.

2021-22	Original Budget £000	Updated Budget £000	Outturn £000	Variance £000
Cash Resource Expenditure (RDEL)	30,284	40,909	39,224	(1,685)
Non-Cash Resource Expenditure (RDEL)	300	300	322	22
Annually managed Expenditure (AME)		112	110	(2)
Total Expenditure scoring against Resource Budgets	**30,584**	**41,321**	**39,656**	**(1,665)**
Capital Expenditure	2,200	4,500	5,042	542
Total	**32,784**	**45,821**	**44,698**	**(1,123)**

Cash resource variances – underspend of £1.685m

There were underspends in most budget areas including staff costs, non-staff costs and travel and subsistence costs, all of which are closely linked to activity levels. At the start of the financial year it was expected that levels of activity, including a return to school inspections, would ramp up over the course of the year. However, there were times when activities had to be paused and Education Scotland staff updated plans in response to Scottish Government guidance which took account of Covid infection rates. Staff worked with stakeholders to respond in a flexible way, offering different types and levels of support, whilst recognising the challenges faced by the education community.

Staff costs

The greater part of the underspend in the cash resource budget was due staff expenditure being less than estimated at the start of the year - the main contributing factors being delays in recruitment, with later than planned start dates, and activities being paused.

Non-staff costs

Activities were delayed due to changes in Covid guidance and Covid infection levels and this in turn had an impact on non-staff costs. Planned face to face meetings and events were delayed or cancelled and this had a direct impact on non-staff costs. There were also underspends on grants as some local authorities and schools were unable to spend the money allocated to them by the end of the financial year

Travel and Subsistence

Travel and subsistence costs were significantly under the budget set at the start of the year as budgets were predicated on a return to increased levels of activity and re-engagement with stakeholders.

Non Cash resource variance – overspend of £0.022m

The non-cash budget is ring-fenced and can only be used to cover depreciation charges and impairments. Depreciation charges were as expected at the start of the year, however, there was an additional impairment charge due to the early termination of the Safeguarding project. Further details are in the Parliamentary Accountability Report. This has resulted in an overspend of £22k.

Capital Expenditure – overspend of £0.542m

Education Scotland was allocated capital budget over two years (2020-21 and 2021-22) to implement an organisational transformation project. Part of this work involved the creation of a digital asset to provide support in the following areas:

- Customer Relationship Management (CRM) system;
- Catalogue of professional learning resources;
- Digital tool for event management;
- Web channels.

In 2021-22 capital costs have exceeded the budget by £0.542m. Included in this is £604k which was set during 2021-22 to provide for a potential VAT liability awaiting a ruling from HMRC.

Significant Variances

Staff costs

Staff costs were £27.664m, an increase of £1.256m on the previous year (2020-21 £26.408m). Permanent staff numbers increased by 19 during 2021-22 but due to recruitment delays some of these appointments were in the later part of the year. The increase in costs therefore does not represent the full year cost and staff costs are expected to increase in 2022-23. The increase in staff numbers in 2021-22 reflects a 'catching up' to fill vacancies which were not filled over the past two years and workloads during this period have only been manageable due to the reduction in inspections and other activities.

Operating income

Operating income for 2021-22 was higher than in 2020-21. Income from the Scottish Funding Council increased from 2020-21 but this was due to the re-profiling of costs rather than any real increase. There has been no change to the annual charge agreed but the recharge is now made monthly rather than quarterly. There has also been an increase in the funding received from the Wood foundation. This funding is used to provide grants in relation to 'Raising Aspirations in Science Education' and to provide opportunities in Science, Technology, Engineering and Mathematics.

Purchase of Goods and Services

The total cost of goods and services was £9.878m in 2021-22 compared to expenditure of £8.076m in 2020-21. Although there has been an overall increase in costs, expenditure in 2020-21 was a very low baseline because almost all normal activities had stopped. The increase in costs reflects some additional support for staff and stakeholders working remotely as well as a modest increase in face to face activity. For example, expenditure on Glow services increased to provide support for teachers and students who were working remotely. There were also additional costs for contractors who were engaged in providing support for delivery of digital services.

Accommodation costs increased and a large part of this increase was due to the cost of exiting the lease for Denholm House in Livingston. Education Scotland occupied two floors of the building up to 7 February 2022 but from that date only one floor was leased. As well as the costs of moving furniture and equipment and disposing of items no longer needed, there were dilapidation costs payable to the landlord. Going forward there will be savings in terms of rental costs.

There was an increase in Travel and Subsistence costs from the previous year as there were periods when some activities were resumed. However, overall costs were still under

budget as it had been expected that there would be normal levels of activity for a larger portion of the year.

Provisions

Provisions have been set up in year to set aside funds for expenditure in future periods. These include the dilapidations costs for Education Scotland's office space and a provision for potential VAT costs which is awaiting a ruling from HMRC.

Finance Strategy

Education Scotland's Corporate Finance Strategy covers three years from 2020-23. The total budget allocated to Education Scotland by Scottish Ministers is finite and the finance strategy is designed to ensure that Education Scotland is able to deliver its strategic objectives in ways that make the best use of the funding available. The key objective of the Education Scotland finance strategy is to deliver the Corporate Plan in a way which maximises outcomes from the available budget.

Looking forward to 2022-23

	2021-22 Budget £000	2022-23 Budget £000	Explanation of Variance
Cash Resource (RDEL)	30,284	27,384	Reduction of £2.9m. Education Scotland was given an additional £2.9m in 2021-22 for NeLO but this is not an on-going budget allocation.
Non-Cash Resource (RDEL)	300	1,350	Additional non cash budget to cover the depreciation charges on the Intangible digital asset coming in to use in 2022-23.
Capital	2,200	0	Capital budget was for two years only (2020-21 and 2021-22).
Total	32,784	28,734	

On 22 June 2021, the Cabinet Secretary for Education and Skills announced the intention to replace the Scottish Qualifications Authority (SQA) and to take forward reform of Education Scotland, including removing the function of inspection from the agency. Professor Ken Muir, University of West of Scotland, was appointed in August 2021 to act as an independent advisor on the reform and his report was published on 9 March 2022. The Cabinet Secretary has confirmed that there will be a new qualifications body, a new national agency for Scottish Education and an independent inspectorate body. These will replace the SQA and Education Scotland. The timeline for this reform is for operating models for the new organisations to be developed by winter 2022 and for the new organisations to be operational by 2024.

Education Scotland's business plans for 2022-23 will therefore continue to focus on business as usual activities but with some additional work to prepare for the reform.

As Covid restrictions have now been lifted there has been a return to pre Covid ways of delivering Education Scotland's objectives. Staff recruitment has resumed and there will be a gradual increase in non-staff costs. This will undoubtedly put pressure on a very tight budget. Detailed workforce plans for 2022-23 are already in place and these will be monitored closely over the year together will the non-staff budgets and expenditure.

Going concern

The results of the Statement of Comprehensive Net Expenditure and the financial statements have been prepared on a going concern basis. The services currently delivered by Education Scotland are expected to continue although future delivery of services will be via newly formed public bodies. Services will continue to be delivered using the existing assets and therefore the going concern concept continues to apply. The financial statements for the year ended 31 March 2022 show comprehensive net expenditure of £39.656m and a net assets position of £2.616m.

Auditors

The Public Finance and Accountability (Scotland) Act 2000 places personal responsibility on the Auditor General for Scotland to decide who is to undertake the audit of the agency. For the period 2016-17 to 2021-22, the Auditor General has appointed Audit Scotland to undertake our audit. The audit fee for 2021-2022 is £37,800. The general duties of the auditors, including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

 Auditors' remuneration is a notional charge, as notified to us by our auditors, in respect of audit work carried out during 2021-22. Internal audit is covered by a service level agreement with the Scottish Government Internal Audit Division.

Payment of suppliers

Education Scotland policy is to pay all invoices not in dispute within 30 days from receipt of the invoice or the agreed contractual terms if otherwise specified. The agency aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, on time in these terms. No payments were made during 2021-22 under the *Late Payments of Commercial Debts (interest) Act 1988*.

The agency has a target of paying all invoices within ten days which is above and beyond our contractual commitment. For the year ended 31 March 2022, Education Scotland paid 98.93% of invoices within ten days (2020-21 99.3%).

Sustainability Report

This report includes key information on how Education Scotland can demonstrate progress towards achieving the targets and actions as set out in the Climate Change (Scotland) Act 2009 and amended by The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. While Education Scotland will be replaced in 2024, we continue to work towards the targets set for Greenhouse gas reductions of at least 75% by 2030, 90% by 2040 and net zero by 2045.

In this sustainability report Education Scotland shows its performance against existing targets to reduce CO2 emissions, energy and water used in buildings, work-related transport, and waste collected from estate, amount of materials recycled and associated costs. For the purposes of emissions reporting, levels from 2014/15 are treated as baseline, in line with the Public Bodies Climate Change Duties Report. The full range of targets representing percentage reductions from the baseline, can be found here.

The majority of Education Scotland's emissions have historically been related to travel, which is directly linked to the way our business has, with the exception of during the pandemic, been carried out. We will therefore continue to explore possible solutions as part of our plan to use clean transport, including investigating the possibility of revising our travel policy to ensure that all rented cars are electric.

Summary of performance 2021/22

During the reporting year the Agency's overall sustainability performance has been influenced by the pandemic and its continued impact on our way of working.

Working from home has continued to present challenges in assessing the real impact of the Agency's emissions. There is no accurate mechanism to measure energy consummation, therefore the methodology which was described in the whitepaper produced by EcoAct in partnership with Lloyds Banking Group and NatWest Group, has been adopted by Education Scotland to assess our emissions associated with electricity use during homeworking.

In considering the table below, it is also important to note that with more staff returning the office, our carbon emissions have increased in 2021-22 relative to last year. However, we continue to exceed the targets set. Indeed, during 2021/22 Education Scotland has met the emissions reduction required by year 2026.

Detailed information on our sustainability performance can be found on our website, including the calculations that underpin the information presented below.

Performance table

Area	Target	Progress made	Status
Overall Greenhouse gas emissions	Year on year reduction of greenhouse gas emissions in line with the targets as set out in The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.	Carbon emissions have increased from the last reporting year. This year: Energy – 202.6 (t) Waste – 0.3 (t) Water – 0.2 (t) Travel – 73.5 (t) Total – 276.6 (t)	🟢
Energy	Year on year reduction of energy usage.	Energy consumption increased by 18% across Education Scotland from the previous year. Total emissions associated with use of electricity have increased from the previous year. This is due to homeworking, for which it is assumed that standard tariffs are used (not 100% renewable).	🟢
Waste	Year on year reduction of generated general waste.	The report shows these figures have remained the same as 2020/21.	🟢
Recycling	Year on year increase in waste recycled.	This was due to the reconfiguration and reduction of accommodation space in the offices.	🟢
Water	Year on year reduction in water usage.	Water consumption has increased slightly by 3% from the last reporting year. This is due to some staff returning to offices in the last half of the reporting year.	🟢
Travel	Year on year reduction in our level of travel per capita.	Travel is Education Scotland's main contributor to Carbon emissions. The overall level of travel has increased this year mainly due to the gradual return of external visits.	🟢

Carbon footprint table

Reference Year	Year	Scope1	Scope2	Scope3	Total	Units	target
Baseline carbon footprint	2014/15	18	432	458	908	tCO2e	908
Year 1 carbon footprint	2015/16	15	339	483	837	tCO2e	808.12
Year 2 carbon footprint	2016/17	3.65	325.46	327.45	657	tCO2e	708.24
Year 3 carbon footprint	2017/18	4.53	193.87	252.9	451	tCO2e	599.28
Year 4 carbon footprint	2018/19	1.36	127.19	366.27	495	tCO2e	499.4
Year 5 carbon footprint	2019/20	0.54	0	366.72	367.26	tCO2e	399.52
Year 6 carbon footprint	2020/21	0	93.0	10.9	103.9	tCO2e	382.3

Year 7 carbon footprint	2021/22	27.5	92.5	156.6	276.6	tCO2e	365.0

Public bodies Climate change duties reporting

A Statutory Order came into force on 23 November 2015 requiring public bodies to report annually to Scottish Ministers on their compliance with climate change duties. The Public Bodies Climate Change Duties Reporting provides a solid basis for tracking public sector action on climate change and driving continuous improvement.

Each year we therefore submit our climate change duties report to Scottish Ministers, detailing the climate change performance of our estate for that financial year.

Gayle Gorman

Gayle Gorman
Chief Executive
6 July 2022

Accountability Report

This has been another challenging year for Education Scotland. We have continued to support the education system of Scotland through the pandemic while the consultation on reform of the Scottish education system resulted in the recent announcement by the Cabinet Secretary for Skills and Education that as well as setting up an Independent Inspection function, Education Scotland will be replaced, in 2024, with a new National Agency for Scottish education.

Such systemic change has implications not only for the staff of Education Scotland but also for the children and young people of Scotland. The Agency's governance arrangements will therefore be kept under close review to ensure they continue to support our ongoing and unwavering focus on providing support for Scottish learners, with Scotland's educators.

Corporate Governance Report

Directors Report

Gayle Gorman is the Chief Executive and Accountable Officer for the Agency and she is supported by the Agency's Advisory Board. Full details of the governance structure and risk management arrangements in operation in the Agency are provided as part of the Governance Statement (page 51)

The Advisory Board is chaired by the Chief Executive and includes the Education Scotland Strategic Directors and 6 Non-Executive Board Members.

Chief Executive & Accountable Officer	Gayle Gorman
Depute Chief Executive & Strategic Director	Gillian Hamilton
Strategic Director	Alan Armstrong (retired 30 April 2021)
Strategic Director	Ollie Bray
Strategic Director	Craig Clement
Strategic Director	Janie McManus
Strategic Director (interim)	Gill Ritchie
Strategic Director (interim)	Patricia Watson
Non-Executive Board Members	John Fyffe
	Aileen Ponton
	Ray McCowan
	David Gemmell
	Kevin Kelman
	Lyndsey McRoberts

During 2021/22 our organisational structure continued to be based around 5 Directorates – Regional Improvement, National Improvement, Professional Learning and Leadership, Scrutiny and Corporate Services & Governance.

Company Directorships and other significant interests

None of the directors held any company directorships or other significant interests which conflicted with their management responsibilities. A register of the Non-Executive Board Members interests and their biographies are maintained and published on our website. Board members are also required to disclose any conflicts of interest at both Advisory Board and Audit and Risk Committee meetings.

Incidents reported to the Information Commissioners Office (ICO)

There no data breaches notified to the ICO during the reporting year.

Statement of Accountable Officer's Responsibilities

Under section 19 of the *Public Finance and Accountability (Scotland) Act 2000*, the Scottish Ministers have directed Education Scotland to prepare a statement of accounts for each financial year in conformity with the accounts direction included at the end of the notes to the accounts of these financial statements, detailing the resources required, held or disposed of during the year and the use of resources by the agency during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the agency's state of affairs at the year end and of its net resource outturn, recognised gains and losses, and cash flows for the financial year.

The Principal Accountable Officer of the Scottish Government appointed the Chief Executive of Education Scotland as the Accountable Officer. As Accountable Officer, the Chief Executive is responsible to the Scottish Ministers.

In preparing the accounts, the Accountable Officer is required to comply with the Government Financial Reporting Manual (FReM), and in particular to:

- observe the accounts direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the FReM, have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the agency will continue in operation.

The responsibilities of the Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the agency's assets, are set out in the Memorandum to Accountable Officers from the Principal Accountable Officer published in the Scottish Public Finance Manual.

Disclosure of relevant audit information

As Accountable Officer, I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I myself am aware of any relevant audit information and to establish that the auditors are also aware of this information.

Accounts Direction

The accounts have been prepared in accordance with a direction given by the Scottish Ministers in pursuance of the Public Finance and Accountability (Scotland) Act 2000. This

direction is shown as an appendix to the accounts. As the Accountable Officer, I confirm that the annual report and accounts as a whole is fair, balanced and understandable. I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Education Scotland Governance Statement 2021-22

This Governance Statement aims to provide a clear understanding of Education Scotland's internal control structure, detailing the Agency's governance and risk management framework in place during 2021-22 and up to the signing of the 2021-22 Annual Report and Accounts.

Scope of responsibility

As Accountable Officer for Education Scotland, I am responsible for maintaining a sound system of internal control that supports the achievement of the Agency's policies, aims and objectives set by the Scottish Ministers, while safeguarding the public funds and assets for which I am personally responsible in terms of section 15 of the Public Finance and Accountability (Scotland) Act 2000.

My accountability is subject to the respective overall responsibilities of the Permanent Secretary of the Scottish Government as the Principle Accountable Officer and the Director General for Education and Justice as Portfolio Accountable Officer.

In the discharge of my personal responsibilities, I ensure organisational compliance with the Scottish Public Finance Manual. This manual is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety.

Detailed information on the role and responsibilities of Accountable Officers is set out in the Accountability Chapter of the Scottish Public Finance Manual.

I confirm that, as far as I am aware, there is no relevant information of which our auditors are unaware, and that in my role as Accountable Officer I have taken all necessary steps to make myself aware of any relevant information and to ensure that our auditors are aware of that information.

Education Scotland Governance Framework

Education Scotland's Governance Framework comprises the systems, processes and values within which we operate. Our system of internal control and assurances are in line with the Scottish Public Finance Manual mentioned above and seek to identify the principal risks to the achievement of our policies, aims and objectives whilst providing clear lines of accountability, effective reporting and appropriate escalation routes.

The Governance Framework has been kept under review throughout 2021-22 with a number of improvements introduced in year, not least to ensure we were in a position to respond quickly and effectively to the challenges presented by education reform. Changes include the restructure of some roles and responsibilities among the Agency's Leadership Team and the introduction of both a Change Team and a Digital Governance Board. Information about these, and more changes, are provided below.

We also published our new five-year Corporate Plan in the current reporting period, setting out how we plan to work towards our vision of achieving excellence and equity for Scotland's learners, with Scotland's educators. Of course, we now know that a new Independent Inspection function will be set up and that Education Scotland will be replaced, in 2024, by a new National Agency for Scottish education and as we enter the ensuing period of significant system change and organisational reform, we remain committed to being a flexible, adaptable and more importantly, aspirational organisation. The new Corporate Plan therefore sets out our detailed priorities for the next year and the direction we envision existing and successor organisations will take over the next four years.

To support the delivery of our new Corporate Plan, we have reviewed and refocussed the remit of the Oversight Board to drive forward and oversee all Corporate Plan activity.

Leadership Team

I am supported in my role as Accountable Officer by my Leadership Team which comprises the Agency's Strategic Directors and myself. The Leadership team is responsible for shaping the systems and structures required to deliver our remit and overseeing the day to day strategic management of the organisation. The Leadership Team is the Agency's most senior formal decision making group.

For the duration of the reporting period, there have been 6 Strategic Directors within Education Scotland, two of which are temporary appointments. With the Depute Chief Executive assuming responsibility for leading the Agency's response to education reform, responsibility for the Professional Learning and Leadership Directorate transferred, in year, to the Strategic Director who leads the National Directorate.

The Leadership Team has met weekly throughout the year, with additional meetings called as and when required to discuss hot topic issues. Until recently, most meetings took place virtually but with the lifting of restrictions, face to face meetings have resumed.

Advisory Body

I am also supported by our Advisory Board, which I Chair and which includes six Non-Executive Members (shown in the Director's report) as well as my Leadership Team. The Advisory Board considers the overarching strategy, direction, performance and governance of Education Scotland, with non-executive members acting as critical friends and providing constructive challenge and guidance.

The Advisory Board met regularly throughout the year to progress the business of the Agency. There were four formal governance Board meetings and four strategic update and discussion sessions, with another such session scheduled to take place in May 2022. A key focus of the strategic discussion sessions has been education reform with the Non-Executive's formally responding to Professor Muir's educational reform consultation. They have also recently written to the Cabinet Secretary to signal clear commitment to ensuring that the reform changes occur as smoothly as possibly, and to share their thoughts and concerns about the governance issues and risks arising from the transition period.

During the year, the Director General for Education and Justice attended one Advisory Board meeting in his capacity as Portfolio Accountable Officer.

Audit and Risk Committee

Our Audit and Risk Committee (ARC) is chaired by John Fyffe, our lead Non-Executive Board Member. The membership of ARC also includes 2 other Non-Executive Board Members and one Independent Audit and Risk Committee Member who has relevant and recent public sector financial experience.

ARC provides independent scrutiny of our strategic approach to risk, control and governance, accounting policies and accounts, and audit plans and reports. This Committee met six times during the year, with four formal ARC meetings and two additional single issue meetings.

To ensure that all members of the Advisory Board are sighted on the work of ARC, a formal, written report continues to be tabled at every Advisory Board meeting following ARC. The chair of the Committee also submits an Annual Statement of Assurance to me as Accountable Officer.

As Accountable Officer I routinely attend the Audit and Risk Committee with other key personnel from across Education Scotland. Internal and external auditors also attend and their work helps inform the assessment of our risk management, control and governance processes. They also continue to regularly meet with ARC members without executives in attendance.

Transformation Board

The Transformation Programme has continued to meet monthly throughout 2021-22 to drive the transformation programme and to ensure outcomes and benefits are delivered. It is chaired by Craig Clement, one of the Agency's Strategic Directors, as the Programme's Senior Responsible Officer (SRO).

The programme's budget and the nature of delivery, primarily through digital services, means that has been subject to assurance by the Scottish Government's Digital Assurance Office. Primarily this assurance has been via the Technology Assurance Framework (TAF) and the Digital First Service Standard.

With the transformation programme ending, the Transformation Board will cease to operate from July 2022.

Other Boards and Committees

A number of additional boards formed part of the Agency's Governance Framework throughout the reporting year, namely:

- Oversight Board, which met eight times over the reporting year. The Oversight Board was initially set up in 2020-21 to oversee the recovery year work. During 2021-22, the remit of the Oversight Board was refocussed to also oversee progress against the new Corporate Plan.
- Directorate Boards, with meetings taking place monthly. Directorate Boards drive and oversee the delivery of all Directorate activity.
- Partnership Board, which has continued to meet formally on a bi-monthly basis with informal catch ups taking place in between every formal meeting. Ad-hoc meetings

have also taken place, as required, to discuss education reform. Membership includes representatives from the Agency and key Trade Unions officials.

- Health & Safety and Wellbeing Group which met formally six times during 2021-22, including one single item meeting to discuss the return to the office.

Change Team

A Change Team has been set up during the reporting year to manage the range of activity being undertaken in Education Scotland to support education reform. Meetings, which take place weekly, are chaired by Gillian Hamilton, Depute Chief Executive with membership drawn from across the Agency. It is anticipated that the membership will expand as the reform work progresses, depending on the specialist knowledge and skills needed.

To support the work of this team, we have also formed a staff engagement group, whose role it is to provide advice to the Change Team about how the Change Team can best engage with the staff of the Agency around education reform. Members of the staff engagement group act as ambassadors for reform communications and they have a key role in ensuring information is cascaded effectively to their colleagues.

Digital Governance

Building on the improvements made to the governance of our Digital function last year, **a** new Digital Governance Board has been set up, with the first meeting taking place on 13 December 2021. This is Chaired by Ollie Bray, Strategic Director and includes membership from across the Agency to provide a level of independent, peer led challenge.   The Board meets on a monthly basis.

Internal Audit

Internal Audit provides independent assurance on the adequacy and effectiveness of the systems of governance, controls and financial management. The work of Internal Audit is informed by the Agency's corporate risk register and by an audit needs assessment undertaken by the auditors.

An annual planning meeting was held with the Chair of ARC, the Accountable Officer and Senior Management to also support the development of the annual audit plan for 2021-22 before this was presented to the Audit and Risk Committee.

As documented within that audit plan, Internal Audit carried out 3 audits during 2021-22:

- Scottish Funding Council Arrangements – Substantial Assurance
- Internal Communications – Reasonable Assurance
- Cyber Security – Reasonable Assurance

And 3 follow up audits:

- Financial Management
- Workforce Planning
- Cyber Security

Internal Audit also undertook an advisory piece on Inspection.

Following their work above, Internal Audit have provided me, as Accountable Officer, with an overall assurance opinion of reasonable for 2021-22.

In arriving at their opinion, they relied primarily on the results of their direct work, informed by their cumulative audit knowledge and experience of Education Scotland, against the context of both the global pandemic and education reform. In line with the principles of integrated assurance, they also took account of the following when arriving at the overall assurance opinion:

- Competency, skill set and general approach of the Audit and Risk Assurance Committee in conducting its corporate governance role.

- Attitude towards and engagement of senior management in risk management, control and governance arrangements.

In addition to the factors above, they also took into account the fact that Education Scotland engaged with the Digital Assurance Office during the year and is taking action to address challenges and recommended actions for improvement in relation to the Digital Transformation and Customer Relationship Management Projects. Finally, they framed their overall assurance opinion in the context of their cumulative knowledge of Education Scotland's control and assurance environment.

External Audit

The Auditor General for Scotland is responsible for auditing the Agency's accounts. The appointed auditors are currently Audit Scotland. Their responsibilities under Audit Scotland's Code of Audit Practice require them to assess our system of internal control. In doing so, they seek to gain assurance that the agency:

- has systems for recording and processing transactions which provide a sound basis for the preparation of the financial statements

- has systems of internal control which provide an adequate means of preventing and detecting error, fraud or corruption

- complies with established policies, procedures, laws and regulations.

At the time of writing, Audit Scotland has completed their interim work for their 2021-22 audit, with a focus on income and expenditure verification testing. No significant issues from this testing have been reported.

Risk Management

Effective risk management is at the heart of the Agency's governance and assurance framework. Our Risk Management Approach is published on our website and is consistent with the principles highlighted in the Scottish Public Finance Manual. It is also consistent with the UK Government's Orange Book.

Our Risk Management Approach provides a straightforward methodology to help manage risk effectively. At an organisational wide level this includes the maintenance of an Education Scotland risk register which records the highest level internal and external risks we are exposed to and identifies mitigating actions to reduce the threat of these risks occurring, minimising their impact should they materialise. Each risk is categorised, described and allocated a responsible owner who is empowered to make informed decisions on how risks are managed and/or mitigated. Information about the key issues and risks they Agency has faced over the reporting year can be found in the Performance Report at page 9.

In addition, each Directorate maintains a Directorate risk register, reporting up, or escalating to, Oversight Board and/or Leadership Team as required. The new Change Team also has a risk register to capture those risks arising specifically from education reform while programmes and projects also continue to have dedicated governance arrangements in place to allow for upward reporting.

The Audit and Risk Committee reviews the Education Scotland risk register at each of its meetings and provides comments or advice on the overall risk profile of the organisation. It also reviews Directorate risk registers, the Change risk register and Digital's overall risk register at least once per year. The Chair of the ARC formally reports to the Advisory Board after each meeting, advising on whether the risks arrangements are working as intended. The Advisory Board itself reviewed the full Education Scotland risk register twice during the year.

Recognising the importance of making connections between risks in one area and how they impact on the organisation as a whole, the Governance Team and the Business Partners who support the individual Directorates meet quarterly to collectively review Directorate and ES risk registers. These meetings are intended to support shared learning and to identify collective risks that require escalation.

During the reporting year we have undertaken a short review of our Risk Management Approach, seeking feedback from across the Agency, including LT and Non-Executive Board Members. Overall, the feedback was positive, with everyone questioned understanding the importance of risk management and having an awareness of the Agency's risk management strategy. It was also evident that risk discussions are taking place at all levels - a key objective of our strategy.

At the same time, a small number of improvements were identified, including the need to continue to provide opportunities for staff to attend formal risk training sessions (two such sessions therefore took place in the summer of 2021); the continued development of our risk management section of the Agency's intranet; and in the context of the ongoing pandemic, an increase in the frequency in which the organisational risk register is shared with, and reviewed by the Leadership Team, moving from quarterly to monthly.

We now intend to offer group training sessions at least annually and we will also actively promote and monitor uptake of the new, mandatory, online risk training modules offered by the Scottish Government.

As indicated in the Foreword, the next step in our risk management journey will be the development of an integrated assurance map as a further tool to manage risk. This will

help us to better coordinate and direct all assurance related activities and resources, providing a well-structured, and evidence based, analysis of risk and assurance. This will be especially important as we move towards the creation of the new National Agency for Scottish education.

Information Governance and Data Protection

Following the organisational wide evaluation in 2020 of the Agency's information governance maturity level, we have continued to focus on strengthening our information management and data protection arrangements in 2021-22. This has included reviewing the roles and responsibilities of those involved in managing the Agency's information governance arrangements, resulting in the appointment of a Data Protection Officer at Strategic Director level to signify the importance of protecting, managing and valuing our information appropriately. This role is supported by the Governance and Information team.

We have also carried out an audit of all our information assets, identifying owners and deputy owners for each asset, and registering this information on the Scottish Government's Information Asset Register, along with clear review dates. All Asset Owners across Education Scotland have also been provided with detailed information about their role and responsibilities and we have arranged access to training courses which are held on a bi-monthly basis with every asset owner encouraged to attend.

It is however, important that everyone in education Scotland understands their responsibilities to protect the organisation's systems and data. All employees are therefore required to complete mandatory annual online training covering both data protection and information management.

Education Scotland participates in the SCOTS shared service as well as managing a number of devices and technologies ourselves and so we have a Security Incident Response Plan in place. However, in response to new and emerging threats we have recently updated this plan to simplify how staff can report any incidents or concerns for both SCOTS supported systems and ES managed systems.

We have also actively promoted the benefits of our Electronic Record Document Management system (eRDM) across the Agency, refreshing the Information Management Support Officer group in the process. This has included running Connect with Colleague sessions and the creation of a centralised process for responding to all requests for eRDM help and support. New guidance for staff on how to handle Subject Access Requests has been published and we have reviewed and updated our Freedom of Information publication scheme to ensure that as much information as possible is available to the public without the need to make specific requests.

There were 3 minor data issues during the year. In each case action was taken to ensure that the impact of any beach was minimised and where required, appropriate procedures were put in place to minimise the likelihood of any future recurrence. None of the incidents constituted a significant lapse in data security so escalation to the Information Commissioner's Office was not warranted.

Equality and Diversity

We have been developing a new Equality Strategy. This strategy demonstrates our continued commitment to embedding an ethos and practice of equality, diversity and inclusion in everything we do and it outlines the equality outcomes we aim to deliver over the coming years. Not only do we want Education Scotland to be a great place to work, we continue to aspire to be an organisation that embraces our differences, acknowledges our strengths and is representative of all sections of society. The Strategy is at the final approval stage and will shortly be rolled out across the Agency.

In developing this Strategy we have been mindful of the complexity of the issues we are attempting to address and the system within which we are operating. The issues are significant and long-standing and we recognise that it won't be possible to affect our desired level of systemic change in the timeframe of the Strategy.

At the same time, the recent announcement by the Cabinet Secretary for Skills and Education that Education Scotland will be replaced with a new National Agency for Scottish education means this Strategy is naturally focussed on our short and medium terms outcomes but the longer term outcomes identified during the development of the Strategy will continue to fully inform all that we do as we move through the upcoming period of change.

To support everyone to develop and maintain a foundational level of knowledge about diversity and inclusion mandatory, annual Inclusive Culture training has been introduced. Everyone is required to complete this training, including new and existing staff on permanent, temporary or fixed term appointments.

At the same time, we have also carried out a range of activity over the last year to promote and improve the Agency's performance in relation to Equality Impact Assessments (EQIAs). This has included organising training opportunities with the Scottish Government's Equality Unit, presenting information about the EQIA process at all Directorate Boards, production of new guidance and templates and the compilation of a range of statistics and data to better inform new impact assessments.

Assessment of Corporate Governance Arrangements

I am fully committed to the continuous improvement of our corporate governance arrangements and we therefore keep our governance arrangements under ongoing review, building on our strengths and addressing areas identified for improvement throughout the reporting period.

Many of these improvements are detailed in the sections above, including the need to strengthen oversight of our Digital function which as indicated above, has been addressed by the introduction of a new Digital Governance Board, Chaired by a Strategic Director and comprising membership from across the Agency. Not only has this delivered an element of peer review but it has also helped deliver better cross agency working and understanding.

The creation of the new Change Team chaired by the Depute Chief Executive (and the underpinning staff engagement group) has been another key development this year, driving and overseeing all the Agency's education reform activity. And while the overall governance arrangements for education reform are yet to be fully agreed, Education Scotland will play a key role in developing proposals for both the new Independent Inspectorate and the new National Agency for Scottish education. We have therefore agreed to set up two internal

work streams to prepare for the planning of these new bodies while the membership of the Change Team will be expanded to include Trade Union and digital and transformation programme representation.

We have also refocused our Oversight Board to drive forward delivery of our Corporate Plan.

Other changes and improvements in 2021-22 have included, but are not limited to:

- The roll out of our new Complaints Handling Process and accompanying mandatory training for all staff to support this.
- The launch of the Agency's Information Governance improvement plan, including a full audit of our key information assets to ensure that these are being effectively managed and stored.
- Review of the Agency's risk management arrangements and implementation of identified improvements;
- Review of the Agency's Business Continuity Plan with the small number of identified improvements to be implemented in 2022-23 reporting year;
- Development of a new Equality Strategy. This is currently progressing through the approval process.
- Working with Young Scot to ensure that the views of children and young people are reflected in our practice and systems.

2021-22 has also seen us continue to develop further our approaches to corporate performance measurement, including the development of new Key Performance Targets to monitor progress in relation to the new strategic objectives set out in our Corporate Plan.

As stated above, as an organisation we are committed to a process of continuous development and improvement. As part of that we will continue to develop our governance arrangements in 2022-23, including implementing the following planned actions and improvements:

- A continuing focus on improving and embedding our own information governance arrangements, including the development of a number of data sharing agreements with key partners and an ongoing internal promotion to support use of our eRDM system. We will also be reviewing and strengthening our information risk assessment procedures.
- A continuing need to focus on embedding equality considerations and equality impact assessments into the work of the Agency.
- Review and develop the assurance processes surrounding mandatory and induction training completion rates.
- Development of an organisation wide Assurance Map to provide a well-structured, and evidence based, analysis of risk and assurance and delivery of more formal risk management training for staff across the Agency.
- Provision of training and support to the Community Learning and Development Standards Council to help develop and strengthen their risk management and information management arrangements and to embed equality considerations into all their work.

Review of the Effectiveness of Internal control

As Accountable Officer, I have responsibility for reviewing the effectiveness Education Scotland's governance framework, including the system of internal control. My review is informed by:

- Formal, written assurances from all the Strategic Directors about the operation and effectiveness of internal controls in the areas for which they are responsible

- Through the regular and frequent meetings of the Leadership Team and systematic business review meetings with each individual Strategic Director

- Regular review of and discussion of internal controls at Leadership Team, Advisory Board, and Audit and Risk Committee and Oversight Board

- Updates and assurances provided by the Chair of the Audit and Risk Committee; coupled with the views of all the Audit and Risk Committee on the Agency's assurance arrangements;

- The opinions of internal and external audit on the quality of the systems of governance, management and risk control

- Regular formal monitoring of management information reports

- Regular formal budget monitoring

- Periodic staff surveys

- Independent assurance provided by Scottish Government's Digital Assurance Office in relation to our Transformation Programme

- Assurances from the Scottish Government's Director General Corporate in respect of the Scottish Government's human resources, payroll and financial systems which are used by the Agency

The Agency's risk and control framework is based on an on-going process designed to identify the principal risks to the achievement of the Agency's polices, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. While it can only provide reasonable and not absolute assurance of effectiveness, the wide range, and differing levels, of assurances available have not identified any significant weaknesses. I am therefore satisfied that we are meeting the expected standards for good governance, risk management and control.

Remuneration and Staff Report for the year ended 31 March 2022

Remuneration Policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits; and
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at www.ome.uk.com.

The remuneration of staff below senior civil service level is determined by the Scottish Government. In determining policy, account is taken of the need for pay to be set at a level which will ensure the recruitment, retention and motivation of staff. Also taken into account is the Government's policy on the Civil Service and public sector pay and the need to observe public spending controls.

Education Scotland sets the remuneration of Non-Executive Board Members taking into account their roles and responsibilities and remuneration levels for comparable public appointments.

Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at
https://civilservicecommission.independent.gov.uk/

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of Advisory Board of Education Scotland. The information in this section of the Remuneration Report covering salary and pension entitlements is subject to audit.

Total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Board remuneration

Officials	Salary (£'000)		Pension benefits (to nearest £1000)[1]		Total (£'000)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Gayle Gorman Chief Executive	120-125	120-125	47	47	165-170	165-170
Alan Armstrong Strategic Director	5-10 FTE 80-85	80-85	2	45	5-10 FTE 85-90	125-130
Gillian Hamilton Strategic Director	90-95	90-95	37	36	125-130	125-130
Janie McManus Strategic Director	80-85	80-85	18	60	100-105	140-145
Maria Walker Strategic Director	-	45-50 FTE 75-80	-	17	-	60-65
Ollie Bray Strategic Director	80-85	10-15 FTE 80-85	32	5	110-115	15-20
Craig Clement Strategic Director	90-95	20-25 FTE 85-90	-	-	90-95	20-25

Gill Ritchie Interim Strategic Director	75-80	05-10 FTE 75-80	31	3	105-110	05-10
Patricia Watson Interim Strategic Director	75-80	05-10 FTE 75-80	29	9	105-110	15-20
John Fyffe Non Exec Board Member	10-15	10-15	-	-	10-15	10-15
David Gemmell Non Exec Board Member	5-10	5-10	-	-	5-10	5-10
Raymond McCowan Non Exec Board Member	0-5	0-5	-	-	0-5	0-5
Aileen Ponton Non Exec Board Member	0-5	0-5	-	-	0-5	0-5
Lyndsay McRoberts Non Exec Board Member	0-5	0-5	-	-	0-5	0-5
Kevin Kelman Non Exec Board Member	-	-	-	-	-	-

1 The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

2 The full cost for the year to Education Scotland in relation to Craig Clement was £160-£165k. This is a secondment from Aberdeenshire Council and as such, Education Scotland are liable for all on-costs , salary increments and VAT.

3 Maria Walker left Education Scotland on 16 October 2020. Alan Armstrong left Education Scotland on 30 April 2021.

Non-Executive Board member positions are fixed term appointments and are non-pensionable.

The actual figures for salaries and performance related pay fall within the bandings quoted above.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. It does not include amounts which are a reimbursement of expenses directly incurred in the performance of an individual's

duties. This report is based on accrued payments made by Education Scotland and thus recorded in these accounts.

Benefits in Kind

No benefits in kind were paid in 2021-22.

Bonuses

The Scottish Government suspended non-consolidated bonus payments from 2011-12. No bonus payments were made in 2021-22.

Pension Benefits

Officials	Accrued pension at pension age as at 31/3/22	Real increase in pension and related lump sum at pension age	Cash equivalent transfer value (CETV) at 31/3/22	Cash equivalent transfer value (CETV) at 31/3/21	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Gayle Gorman Chief Executive	10–15	2.5–5	150	113	25
Alan Armstrong Strategic Director	20–25	0–2.5	412	410	2
Gillian Hamilton Strategic Director	5-10	0-2.5	111	80	21
Janie McManus Strategic Director	45-50	0-2.5	784	736	6
Maria Walker Strategic Director	-	-	-	54	-
Ollie Bray Strategic Director	0-5	0-2.5	22	3	13
Craig Clement Strategic Director	-	-	-	-	-
Gill Ritchie Interim Strategic Director	10-15	0-2.5	192	164	18
Patricia Watson Interim Strategic Director	45-50	0-2.5	942	868	19

No Board members had partnership pension accounts.

Non-Executive Board member positions are non-pensionable.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic, premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is

uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate in 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including

the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for Loss of Office

No employees left under compulsory early retirement terms in the year 2021-22 (2020-21 Nil). No employees left under voluntary exit terms in the year 2021-22 (2020-21 Nil).

Settlement Agreements

There was one settlement agreement in 2021-22 (2020-21 Nil)

Fair Pay Disclosures

Education Scotland staff are Scottish Government employees and are paid in accordance with the Scottish Government Pay Policy 2021-22. The key features of this policy are:

- continuing the requirement for employers to pay staff the real Living Wage, now set at £9.50 per hour;
- providing a guaranteed cash underpin of £800 for public sector workers who earn £25,000 or less;
- providing a guaranteed basic pay increase of 2 per cent for public sector workers who earn more than £25,000 and up to £40,000;
- a guaranteed basic pay increase of 1 per cent for those public sector workers earning more than £40,000 and up to £80,000;
- limiting to £800 the maximum basic pay increase for those earning £80,000 or more.

The highest paid director was the Chief Executive and banded remuneration was £120–125,000 (2020-21, £120-125,000). This was 2.1 times (2020-2021, 2.0) the median remuneration of the workforce overall. The equivalent remuneration in the Scottish Government was £185-£190,000 (2020-21 £180-£185,000) which was 4.7 times (2020-21 4.9) the median remuneration of £39,659 (2020-21 £38,541).

In 2021-22, no employees (2020-21, 0) received remuneration in excess of the highest paid director. Remuneration ranged from £21,045 to banded remuneration of £120–125,000. (2020-21, £20,006 to banded remuneration of £120-125,000). Average remuneration for all staff, excluding the Chief Executive's salary, was £54,633 which is an increase of 1% from the previous year (2020-21 £53,962).

In 2021-22 the median remuneration of the workforce was £57,190 (2020-21, £61,006). The fall in the median salary is due to an increase in the number of new staff at 'C1' level who started at the bottom of the pay band. In 2020-21 the median salary was at the maximum of the 'C1' band pay scale and in 2021-22 the median salary was at the bottom of the 'C1' band.

The salary at the 25 percentile in 2021-22 is the maximum of the 'B3' band pay scale and this is the same as it was in 2020-21 and therefore the increase reflects an annual pay increase.

The salary at the 75 percentile in 2021-22 is at the maximum of the 'C2' pay band compared to 2020-21 when the 75 percentile was at a lower 'C2' band. The increase in 2021-22 therefore represents both the pay increase as well as a movement to the higher pay band.

	FY21/22	FY20/21	Movement
Range of Staff Remuneration	21,045 to 120k-125k	20,064 to 120k-125k	n/a
Highest Earning Directors Remuneration	120-125k	120-125k	0%
Average Remuneration	54,633	53,962	1%

	FY21/22	FY20/21	Movement
Median Salary	57,190	61,006	-6%
Ratio to highest paid Director	2.1	2.0	
25 percentile	39,659	38,541	3%
Ratio to highest paid Director	3.1	3.2	
75 percentile	75,341	69,163	9%
Ratio to highest paid Director	1.6	1.8	

Staff Report

Staff Resources

The average number of whole-time equivalent persons employed by gender is shown in the table below:

2021-22

	All	Male	Female	Other
Senior Civil Servants	7	2	5	0
Other permanent staff	330	88	242	0
Other staff	51	18	20	13
Total	**388**	**108**	**267**	**13**

2020-21

	All	Male	Female	Other
Senior Civil Servants	8	3	5	0
Other permanent staff	312	80	232	0
Other staff	49	19	19	11
Total	**369**	**102**	**256**	**11**

Staff costs	2021-22 £'000			2020-21 £'000
	Permanent Staff	Others	Total	Total
Wages and salaries	17,776	2,787	20,563	19,465
Social security costs	2,048	-	2,048	1,961
Other pension costs	5,012	-	5,012	4,751
Total Net Costs	**24,836**	**2,787**	**27,623**	**26,177**
Other staff costs				
Subscriptions and Memberships	31	-	31	28
Early severance costs	-	-	-	0
Holiday pay accrual	10	-	10	203
Total staff costs	**24,877**	**2,787**	**27,664**	**26,408**

For 2021-22, employer's contributions of £4,880,706 (2020-21 £4,641,741) were payable to the PCSPS at one of four rates in the range 26.6% to 30.3% (2020-21 – 26.6% to 30.3%) of pensionable pay, based on salary bands. The scheme's Government Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and they reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer's contributions of £21,172 (2020-21 £23,212) were paid to one or more of an appointed panel of stakeholder pension providers.

As an Agency of the Scottish Government, all Education Scotland Staff are Scottish Government employees and any existing pension liabilities will be met by the Scottish Government.

In addition to the exit packages below all the above information disclosed in the Remuneration Report has been audited by Education Scotland auditors. The remaining sections below were reviewed by the auditors to ensure they were consistent with the financial statements.

Sickness absence

Staff absences due to sickness are managed using Scottish Government guidance. For the 12 month period from 1 April 2021 to 31 March 2022, 2,378 working days were lost as a result of sickness absence which equates to 3.42% (2020-21 2,083 days, which equates to 3.08%).

Employees with disabilities

Education Scotland is committed to equality of opportunity for all employees. All disabled applicants who meet the minimum advertised criteria for a job vacancy will be invited to interview. Disabled candidates are guaranteed the chance to be assessed on their abilities in the same way as all applicants. Opportunities are made available equally to disabled members of staff to assist in their career development. Every effort will be made to retain people who become disabled. This may be done through supplying appropriate equipment or offering different work patterns. Education Scotland currently employ 11 members of staff who consider themselves disabled.

Equal opportunities and diversity

As an Agency of the Scottish Government, Education Scotland adheres to the Scottish Government policy on equal opportunities. All staff are treated equally regardless of sex, marital status, age race, ethnic origin, sexual orientation, disability or religion. Education Scotland is committed to increasing the diversity of staff within the organisation to reflect the people of Scotland, and to valuing positively the different perspectives and skills of all staff and making full use of these in its work.

Employee involvement/consultation and wellbeing

Employees are kept informed about the organisation, its people and business through a range of activities, which includes a staff newsletter, regular face to face briefings with managers and attending events such as all staff conferences.

There is a partnership agreement and regular consultation with representatives of trade unions recognised by the Scottish Government. Staff take part in the Scottish Government Employee Survey and participate in task groups and project teams which contribute to the delivery of corporate initiatives.

Education Scotland is committed to ensuring equality of opportunity in respect of access to, and selection for learning and development activities in accordance with individual and team development needs, and our core purpose and strategic priorities. All full and part-

time staff, including those on non-standard contracts, have access to learning and development as appropriate for successful performance in their respective roles.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 place a requirement on public sector employers to publish information relating to facility time taken by union representatives before 31 July each year.   There are no separate arrangements in place for Education Scotland to publish information relating to facilities time and the requirements will be covered within the main Scottish Government Annual Report and Accounts. However, the agency is committed to supporting strong partnership working.

Consultancy

Education Scotland had no expenditure on consultancy services during 2021-22 (2020-21 nil).

Exit Packages

No staff left on voluntary exits terms in 2021-22 (2020-21 nil). The current policy is for no compulsory redundancies.

Redundancy and other departure costs will be paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the Scottish Government, in conjunction with Education Scotland, has agreed early retirements, the additional costs are met by the agency and not the Civil Service pension scheme. Ill health retirement costs are met by the pension scheme and are not included in this section.

Apprenticeship Levy

The apprenticeship levy, introduced in April 2017, is calculated as 0.5% of the organisation's pay bill minus a levy allowance, and is paid directly by the Scottish Government.   Education Scotland has been charged £90,403 as its share of the levy.

Parliamentary Accountability Report

Fees and charges

Education Scotland follows the guidance outlined in the Scottish Public Finance Manual. Services provided to other bodies are charged at full cost.

Organisation	Service provided	Cost of service	Charge for service
Scottish Funding Council	College review services	£1,088k	£1,088k

The Scottish Funding Council pays Education Scotland for college reviews and reviews of specific subject areas within Scotland's colleges. The charge is set at a level to recover the full costs of providing the service.

Losses and special payments

During 2020-21, work was started on building an intangible IT asset to provide additional safeguarding support to users of Glow. At the start of the project the total planned cost was £3.5m. Following an independent digital assurance review in 2021 it was decided to end this work because the digital landscape at that time indicated that safeguarding measures could be provided more effectively and economically in a different way. The cost of work already capitalised in 2021-22 was written off (£210k) and further expenditure of £49k in 2021-22 was expensed. A termination payment of £75k was made to the contractor in order to end the contract and this was classed as a fruitless payment.

Regularity of Expenditure

Expenditure and income reported in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year, and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000.

Gifts

No gifts were awarded or received during the year.

Contingent Liabilities

There were no contingent liabilities at 31 March 2022.

Accounts Direction

The accounts have been prepared in accordance with a direction given by Scottish Ministers in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000. The direction is provided at page 95.

Gayle Gorman

Chief Executive 6 July 2022

Independent auditor's report to Education Scotland, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of Education Scotland for the year ended 31 March 2022 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 7 June 2021. The period of total uninterrupted appointment is 1 year. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;

- identifying which laws and regulations are significant in the context of the body;

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- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and

- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and

- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or

- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or

- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Andrew Kerr

Andrew Kerr
Senior Audit Manager
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

6 July 2022

Annual Accounts

Financial Statements

Statement of Comprehensive Net Expenditure for year ended 31 March 2022

	Notes	2021-22 £'000	2020-21 £'000
Operating Income	4	(1,337)	(1,211)
Other Income	4	(313)	(250)
Total Income		**(1,650)**	**(1,461)**
Staff costs	2	27,664	26,408
Purchase of goods and services	3.1	9,878	8,076
Depreciation and impairment charges	5 & 6	322	140
Loss on disposal of assets	5	8	0
Grant payments	3.2	2,927	2,121
Provisions	3.2	469	1,120
Other Operating expenditure	3.2	38	37
Total Expenditure		**41,306**	**37,902**
Comprehensive net expenditure for the year ended 31 March 2022		**39,656**	**36,441**

The notes on pages 83-96 form part of these accounts.

Statement of Financial Position as at 31 March 2022

	Notes	2021-22 £'000	2020-21 £'000
Non-Current Assets			
Property plant & equipment	5	223	276
Intangible assets	6	0	0
Assets under development	6	8,298	3,532
Total non-current assets		**8,521**	**3,808**
Current Assets			
Trade receivables	7	96	11
Prepayments	7	417	697
Grant Debtors	7	72	538
Accrued income	7	0	8
Other receivables	7	138	0
Total current assets		**723**	**1,254**
Total assets		**9,244**	**5,062**
Current liabilities			
Trade and other payables	8	(392)	(378)
Accruals and deferred income	8	(3,721)	(2,997)
Provisions	9	(1,417)	(564)
Total current liabilities		**(5,530)**	**(3,939)**
Non-Current liabilities			
Provisions	9	(1,089)	(869)
Other creditors		(9)	0
Total noncurrent liabilities		**(1,098)**	**(869)**
Total assets less total liabilities		**2,616**	**254**
Taxpayer equity and other reserves			
General Fund		2,616	254
Total taxpayers equity		**2,616**	**254**

Gayle Gorman

Gayle Gorman Chief Executive   6 July 2022

The notes on pages 83-96 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2021-22 £'000	2020-21 £'000
Cash flows from operating activities			
Comprehensive net expenditure for the year		(39,656)	(36,441)
Adjustment for non-cash transactions:			
Depreciation	5,6	112	140
Audit fee	3.2	38	37
Loss on disposal of assets	5	8	0
Impairment	6	210	0
Movements in working capital:			
(Increase)/Decrease/ in trade and other receivables	7	531	(614)
Increase/ (Decrease) in trade and other payables	8	166	(479)
Increase/(Decrease) in provisions	9	1,073	1,433
Net cash outflow from operating activities		**(37,518)**	**(35,924)**
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(67)	(242)
Purchase of intangible assets	6	(4,395)	(3,162)
Net cash outflow from investing activities		**(4,462)**	**(3,404)**
Cash flows from financing activities			
Funding from Scottish Government		41,980	39,329
Net increase/(decrease) in cash and cash equivalents in the period		0	0

The notes on pages 83-96 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	Notes	General Fund £'000
Balance as at 31 March 2021		254
Net funding		41,980
Non-cash charges - auditors remuneration		38
Comprehensive net expenditure for the year		(39,656)
Balance as at 31 March 2022		**2,616**

	Notes	General fund £'000
Balance as at 31 March 2020		(2,671)
Net funding		39,329
Non-cash charges - auditors remuneration	3	37
Comprehensive net expenditure for the year		(36,441)
Balance as at 31 March 2021		**254**

The notes on pages 83-96 form part of these accounts.

Notes to the Financial Statements

1. Accounting policies

In accordance with the Accounts Direction issued by Scottish Ministers under section *19(4) of the Public Finance and Accountability (Scotland) Act 2000*, (reproduced at the end of the notes to the accounts), these financial statements have been prepared in accordance with the 2021-22 Government Financial Reporting Manual (FReM) issued by the Scottish Government. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Education Scotland for the purpose of giving a true and fair view has been selected. The particular policies adopted by Education Scotland are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The accounts are prepared using accounting policies and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles set out in International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of non-current assets to fair value as determined by the relevant accounting standard and in accordance with the IFRS based Government Financial Reporting Manual (FReM).

1.2 Going concern

The results of the Statement of Comprehensive Net Expenditure derive from operating activities all of which are continuing albeit that future delivery will be via new public bodies and therefore the financial statements have been prepared in a going concern basis.

On 9 March 2022 the Cabinet Secretary for Education and Skills announced that three national organisations are to be created. These are:

- A new public body which will replace the Scottish Qualifications Authority (SQA) and will be responsible for developing and awarding qualifications.

- A national agency for education which will replace Education Scotland and will provide improved support and professional learning to teachers and schools, and provide advice and guidance on curriculum, assessment, learning and teaching.

- A new and independent inspectorate body.

ES and SQA will continue to deliver their functions while the new bodies are being developed, ensuring continuity for learners, including those sitting exams.

1.3 Property, plant and equipment

All property, plant and equipment (PPE) assets which have a useful life of more than one year are accounted for as non-current assets, unless they are deemed to be held for sale. PPE assets comprise leasehold improvements, IT Systems, Plant and Equipment, and Vehicles. They are capitalised at their cost of acquisition and installation. Plant and equipment assets that have short useful lives or low values or both are reported at depreciated historic cost as a proxy for fair value.

The minimum level of capitalisation of a PPE asset is £1,000. Computer equipment includes individual assets whose costs fall below the threshold, but as they are of a similar nature, are grouped together and capitalised.

Education Scotland does not own any land or buildings. Charges for the rental of accommodation are included in the statement of comprehensive net expenditure.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Education Scotland and the cost can be measured reliably. The carrying amount of any replaced parts is derecognised. All other repairs and maintenance are charged to the statement of comprehensive net expenditure during the financial period in which they are incurred.

1.4 Intangible Assets

Intangible Assets, such as ICT Software Licences and ICT Software, which have a useful life of more than one year are accounted for as non–current assets. They are valued at cost of acquisition and installation and are amortised on a straight line basis over the useful life of the asset. Intangible assets are reviewed annually to ensure that the value of the asset is not impaired and that the carrying amount equals the value in use (IAS36).

Intangible assets under development are capitalised at cost of acquisition and installation. An asset under development is classed as operational at the point at which the asset is capable of operating in the manner intended. Amortisation does not begin until the asset comes into use. Future economic benefit has been used as the criteria to assess whether an intangible asset meets the definition and recognition criteria of IAS 38 where assets do not generate income. IAS 38 defines future economic benefit as 'revenue from the sale of products or services, cost savings, or other benefits resulting from the use of the asset by the entity'.

The minimum level of capitalisation for intangible assets is £1,000. Software includes individual assets whose costs fall below the threshold, but as they are of a similar nature, are grouped together and capitalised.

1.5 Depreciation and Amortisation

Depreciation is provided at rates calculated to write off the valuation of non-current assets by equal instalments over the expected useful lives of the assets concerned. The expected useful lives are as follows:

Leasehold improvements	The shorter of the asset life or remaining lease term
Furniture and fittings	10 years
Vehicles	5 years
Plant and equipment	5 years
Photocopiers	3 years
IT equipment	3 years

Intangible assets are amortised over the useful economic life.

Software licences are amortised over the shorter of the term of the licence and the useful economic life.

Depreciation is not charged in the month of acquisition but is charged over the useful economic life and in the month of disposal. Depreciation/ amortisation on assets under development does not begin until the asset comes into use.

1.6   Value added tax (VAT)

Education Scotland receives funding from the Scottish Government Education and Skills Portfolio to meet expenditure incurred, inclusive of VAT. However, in order to comply with Government Accounting Regulations and normal commercial practice, operating costs are stated net of VAT where VAT is recoverable by the agency.

Education Scotland is registered for VAT as part of the Scottish Government, which is responsible for recovering VAT from HM Revenue and Customs on behalf of the agency.

1.7   Short Term Employee benefits

International Accounting Standard (IAS) 19 requires that organisations recognise a liability when employees provide a service in exchange for a benefit which will be paid at a future date. Education Scotland recognises the cost of annual leave and flexible working time which has been earned but not taken by employees at the end of the year. The cost for the year is based on the annual leave and flexi balances which are carried forward as at 31 March 2022.

1.8   Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme. The defined benefit schemes are unfunded and are non-contributory except in respect of dependents benefits. The agency recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. Relevant disclosures are reported in the Staff Report.

1.9　Operating income

The main source of operating income is the income received in respect of the service level agreement held with the Scottish Further and Higher Education Funding Council (SFC). Income is recognised when the amounts can be reliably measured and services have been rendered and/or goods dispatched. Where income is received in advance and services have not yet been performed, income is deferred.

1.10　Leases

Education Scotland leases its office accommodation. All leases are treated as operating leases and the rentals are charged to the operating cost statement on a straight-line basis over the term of the lease. This accounting treatment of leases is due to change with the introduction of IFRS 16. (See note 1.15)

1.11 Provisions and Contingent Liabilities

IAS 37 Provisions, Contingent Liabilities and Contingent Assets applies in full, and in these accounts provisions are made for legal or constructive obligations which are of uncertain timing or amount at the statement of financial position date.

Provisions are made where an event has taken place which gives the agency a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Statement of Comprehensive Net Expenditure in the year that the agency becomes aware of the obligation, and are measured at the best estimate at the 31 March 2022 of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position. Estimated settlements are reviewed at the end of each financial year. Where it becomes less probable that a transfer of economic benefits is required, the provision is reversed and credited back to the relevant service line.

A contingent liability arises where an event has taken place that gives the agency a possible obligation whose existence will only by confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the agency. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either is not probably that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed as a note to the accounts.

1.12　Critical Accounting Estimates and Judgements

The preparation of the accounts requires that judgements, estimates and assumptions are made which affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Information about critical judgements in applying accounting policies that have the most significant effects on the amounts recognised in the accounts is as follows:

Dilapidations

A provision has been created for dilapidations for the office space leased by Education Scotland. Dilapidation costs are payable when exiting leased accommodation in order to bring the property back to the original state. The provision for the Optima building is based on the estimate provided by the landlord. The dilapidation provisions for Endeavour House and Denholm House are based on estimates provided by Scottish Government Property Division. The provision for Denholm House has been increased in line with the Consumer Price Index (CPI) inflation forecast. Actual costs may differ from these estimates.

Employee benefit accrual

Calculation of the employee benefits is based on applying similar pay points within pay bands for each grade of staff. However, individual staff will be at different points on the pay scales and therefore the estimated costs is likely to differ from the cost if calculated at the level of specific staff in post.

1.13   Trade payables/receivables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for any impairment. A provision for impairment of trade receivables is made where there is objective evidence Education Scotland will not be able to collect all amounts due under the original terms of the contract.

1.14   Financial instruments

As the cash requirements of Education Scotland are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with Education Scotland's expected purchase and usage requirements and Education Scotland is therefore exposed to little credit, liquidity or market risk.

1.15   New accounting standards

All new standards issued and amendments made to existing standards are reviewed by Financial Reporting and Advisory Board (FRAB) for subsequent inclusion in the FReM which is in force for the year in which the changes become applicable. The standard which is considered relevant to Education Scotland and the anticipated impact on the annual accounts is as follows:

IFRS 16 – Leases

This standard has been created to harmonise the rules regarding leases between the IASB and the FASB in the United States. It will supersede the existing IAS 17 and will come into effect in April 2022. The effect of IFRS 16 will be to reclassify leases which were previously

treated as operating leases, requiring capitalisation of the underlying assets. This will impact on Education Scotland's annual accounts. All future lease payments would require to be recognised as a Right of Use (RoU) Asset together with a corresponding lease liability in the Statement of Financial Position. Lease payments will no longer be made through the Statement of Comprehensive Net Expenditure (SoCNE) and instead will be accounted for by charging depreciation on the RoU asset and interest on the liability.

The estimated resource budget required in 2022-23 based on current operating leases is £0.927m

2. Staff

Total staff costs for the year were £27.664m (2020-21 £26.408m)

Details of staff numbers and costs are provided in the staff report at page 69.

3. Purchase of Goods and Services	2021-22	2020-21
3.1 Costs	**£'000**	**£'000**
SWAN	1,221	1,197
Glow	3,254	2,832
Practitioner events	4	(6)
External advice	89	32
Contractors	1,699	1,192
FE Associate members costs	2	1
Lay member costs	0	1
Travel and Subsistence	147	31
Training costs	109	89
Reports and publications	35	110
Rent, rates, utilities and maintenance	2,410	1,866
Advertising costs (including recruitment)	83	35
IT support	578	421
IT maintenance & consumables	174	206
Legal costs	8	(32)
Telecoms	4	16
Postage	15	15
Stationery	4	2
Copier Rental	6	7
Catering	2	0
Health & Safety	8	29
Books and periodicals	0	6
Other office Expenditure	26	26
	9,878	**8,076**

3.2 Other Operating Expenditure and Non-cash charges

	2021-22 £'000	2020-21 £'000
Grants	2,927	2,121
Audit fee	38	37
Provision created in the year	818	1,120
Provision utilised in year	(329)	0
Provision written back	(20)	0
	3,434	3,278
Total (3.1 and 3.2)	13,312	11,354

4. Income

	2021-22 £'000	2020-21 £'000
SFC Income	1,088	951
SWAN reimbursements for additional services	249	260
Total Operating Income	**1,337**	**1,211**
Creative Scotland	74	49
The Wood Foundation	156	134
Other income	83	19
VAT refund	0	48
Total Other Income	**313**	**250**
Total Income	**1,650**	**1,461**

The largest source of income received is from the Scottish Funding Council for services provided under a Service Level Agreement. The SLA sets out Education Scotland's responsibilities for undertaking external review of colleges, reporting on specific areas and themes, as well as professional support and improvement activities. The aim is to recover the full cost of carrying out these activities. Costs are recovered by charging the full cost for each day spent carrying out SLA work.

Education Scotland arranges for additional services to be provided under the SWAN contract at the request of Local Authorities and the costs of the additional services are recharged.

5. Property plant and equipment

Cost	Leasehold Improvements £000	Plant and Equipment £000	IT systems £000	Total £000
At 1 April 2021	2170	371	565	3,107
Additions		3	64	67
Disposals	(826)	(31)	(143)	(1,000)
At 31 March 2022	1,344	343	486	2,173
Depreciation				
At 1 April 2021	2,156	358	316	2,831
Charge for year	6	2	104	112
Disposals	(826)	(30)	(136)	(992)
Adjustment				
At 31 March 2022	1,336	330	284	1,950
Net Book Value				
At 31 March 2022	8	13	202	223
At 31 March 2021	14	13	249	276

	Leasehold Improvements £000	Plant and Equipment £000	IT systems £000	Total £000
Cost				
At 1 April 2020	2,170	371	323	2,864
Additions	0	0	243	**243**
Disposals	0	0	0	**0**
At 31 March 2021	2,170	371	565	3,107
Depreciation				
At 1 April 2020	2,154	292	247	2,693
Charge for year	3	66	70	**139**
Disposals	0	0	0	**0**
Adjustment	(1)	0	0	**(1)**
At 31 March 2021	2,156	358	316	2,831
Net Book Value				
At 31 March 2021	14	13	249	276
At 31 March 2020	16	79	76	172

6. Intangible Assets

	Software Licences £,000	Other Software £,000	Assets Under Development £,000	Total £,000
Cost				
At 1 April 2021	153	12	3,532	3,697
Additions			4,976	**4,976**
Disposals	(74)	(12)		**(86)**
Impairment			(210)	**(210)**
At 31 March 2022	79	0	8,298	8,377
Amortisation	153	12	0	165
At 1 April 2021				
Charge for year				
Disposals	(74)	(12)		**(86)**
At 31 March 2022	79	0	0	79
Net Book Value				
At 31 March 2022	0	0	8,298	8,298
At 31 March 2021	0	0	3,532	3,532

	Software Licences £'000	Other Software £'000	Assets Under Development £'000	Total £'000
Cost				
At 1 April 2020	**153**	**12**	**0**	**165**
Additions	0	0	3,532	**3,532**
Disposals	0	0	0	**0**
At 31 March 2021	**153**	**12**	**3,532**	**3,697**
Amortisation				
At 1 April 2020	**152**	**12**	**0**	**164**
Charge for year	1	0	0	**1**
Disposals	0	0	0	**0**
At 31 March 2021	**153**	**12**	**0**	**165**
Net Book Value				
At 31 March 2021	0	0	3,532	3,532
At 31 March 2020	1	0	0	1

Assets Under Development

Education Scotland was allocated capital budget over two years (2020-21 and 2021-22) to implement an organisational transformation project. Part of this work involved the creation of a digital asset to provide support in the following areas:

- Customer Relationship Management (CRM) system;
- Catalogue of professional learning resources;
- Digital tool for event management;
- Web channels.

The CRM system went live on the 28 March 2022 and catalogue of professional learning is due to go live in July. The other areas are nearing completion and are due to come into use in autumn of 2022.

7. Trade receivables, financial and other assets

	2021-22 £'000	2020-21 £'000
Amounts falling due within one year		
Trade receivables	96	11
Prepayments	417	697
Grant Debtors	72	538
Accrued income	0	8
Other receivables	138	0
	723	**1,254**
Central government debtors	138	0
Local government debtors (including schools)	72	538
Other debtors	513	716
	723	**1,254**

8. Trade payables and other liabilities

	2021-22 £'000	2020-21 £'000
Amounts falling due within one year		
Trade payables	392	378
Accruals	3,644	2,804
Deferred income	77	193
	4,113	**3,375**
Central government creditors	119	0
Local government creditors (including schools)	989	459
Other creditors	3,005	2,916
	4,113	**3,375**

9. Provision for liabilities and charges

	VAT (Capital) £'000	Other £'000	Total £'000
Balance as at 1 April 2021	**313**	**1,120**	**1,433**
Provisions created in year	604	818	1,422
Provisions utilised in year	-	(329)	(329)
Provisions written back	-	(20)	(20)
Balance as at 31 March 2022	**917**	**1,589**	**2,506**

	VAT (Capital) £'000	Other £'000	Total £'000
Balance as at 1 April 2020	**0**	**0**	**0**
Provisions created in year	313	1,120	1,433
Provisions utilised in year	0	0	0
Balance as at 31 March 2021	**313**	**1,120**	**1,433**

Analysis of timings of provisions

	2021-22 £'000	2020-21 £'000
Payable in one year	1,417	564
Payable between 2-5 years	1,089	362
Payable between 6-10 years		507
Total	**2,506**	**1,433**

VAT Provision

During the year Education Scotland recovered VAT on the supply of some IT services. Advice has been sought as to whether that is the correct treatment and until a final ruling has been received a provision has been created for the VAT element of the IT services.

Other Provisions

A provision has been created for the dilapidation costs which are due at the end of the accommodation leases to cover the costs of returning the accommodation to the landlord in the condition set out in the terms of the lease.

10. Leasing commitments

At 31 March 2022, Education Scotland was committed to making the following payments in respect of building leases at Denholm House (Livingston), Endeavour House (Dundee), Huntly Street (Aberdeen) and Optima Building (Glasgow). During 2021-22, a new lease for Denholm House was put in place.

	2021-22 £'000	2020-21 £'000
Buildings		
Not later than one year	927	1,045
Later than one and not later than five years	3,352	2,911
Later than five years	-	636
Total Present Value of obligations	**4,279**	**4,592**

11. Related party transactions

Education Scotland is an Executive Agency of the Scottish Government Education and Skills Portfolio, which is therefore regarded as a related party. During the year, Education Scotland had a number of material transactions with the Scottish Government. In addition, Education Scotland has had a small number of various material transactions with other Government Departments and other central Government bodies, such as the Scottish Funding Council. Further information on the agreement with the Scottish Funding Council is at the Parliamentary Accountability Report.

Education Scotland hosts the Community Learning and Development Standards Council. The CLD Standards Council aims to govern itself and manage its own business as a professional body, on the basis of a Framework Agreement with Education Scotland, and carry out the remit set for it by Scottish Ministers.

No board member, key manager or other related parties has undertaken any material transactions with Education Scotland during the year. A Register of Interests for Non-Executive Board Members is published on Education Scotland's website.

Total remuneration paid to senior management is shown in the remuneration report (page 62)

12. Capital commitments

There were no capital commitments as at 31 March 2022 (31 March 2021: nil).

13. Contingent Liabilities

There were no contingent liabilities existing at 31 March 2022 (31 March 2021: one).

14. Losses and special payments

Work on an intangible asset was terminated during the year following an independent digital assurance review. The cost of work already capitalised in 2021-22 was impaired (£210k) and further expenditure of £49k in 2021-22 was expensed. A termination payment of £75k was made to the contractor in order to end the contract and this was classed as a fruitless payment. Further information is available at the Parliamentary Accountability Report

15. Post balance sheet events

There are no material post balance sheet events that require to be adjusted in the accounts or to be disclosed.

The Accountable Officer authorised these financial statements for issue 6 July 2022

Education Scotland

Direction by the Scottish Ministers

1. The Scottish Ministers, in accordance with section *19(4) of the Public Finance and Accountability (Scotland) Act 2000* hereby give the following direction.

2. The statement of accounts for the financial year ended 31 March 2012, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.

3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.

4. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers

Dated 10 January 2012

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Transforming lives through learning