

Annual Report and Accounts 2019-20



An Executive Agency of the Scottish Government

Laid before the Scottish Parliament by the Scottish Ministers

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Any enquiries regarding this publication should be sent to us at:

Education Scotland
Denholm House
Almondvale Business Park
Almondvale Way
Livingston
EH54 6GA

Tel: 0131 244 3000

e-mail: enquiries@educationscotland.gov.scot

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CHIEF EXECUTIVE'S STATEMENT

Welcome to our Annual Report and Accounts for 2019-20. This has been a busy year for Education Scotland, one which has required our people and teams to embrace change and develop new ways of working to support and deliver our enhanced remit. This report highlights the range of work we have undertaken and summarises our performance for the year.



◀ **Gayle Gorman**
HM Chief Inspector of Education and
Chief Executive of Education Scotland

Chief Executive's statement

We launched our [Corporate Plan](#) early in 2019-20, setting out our vision about how we would deliver our enhanced remit. We also implemented a full organisational restructure in April 2019 to best support the significant change to our remit, including the move to regional working. We have since delivered our commitment to review the effectiveness of this new structure 6 months after implementation.

I am particularly pleased to report that we have successfully and fully embedded our new regional approach which is a totally new way of working for Education Scotland. Our regional structure sees us working directly within the education system to achieve improvement built on an empowering and collaborative approach, bringing our national knowledge and expertise as near to practice as possible. At the same time, we continue to have our national improvement role, making a strong contribution to national priorities and policies through provision of evidence and expert professional advice.

We have also continued to develop our scrutiny activities across a range of sectors, using the evidence gathered by HM Inspectors to promote improvement locally and nationally. In February 2020, we introduced a new [Her Majesty's Chief Inspector's Report](#) area on our [website](#), bringing together a range of information and messages based on the evidence gathered by HM Inspectors.

2019-20 has also seen us continue to expand the range of professional leadership and learning opportunities we offer the sector, working in partnership with the wide range of professional disciplines throughout Scottish education.

Of course, our commitment to professional learning and development also includes supporting our own people. In response to staff feedback and to help embed our new structure, in April 2019 we launched an ambitious Organisational Development Strategy focused on our organisational values with the clear aim of making Education Scotland a truly great place to work.

We published our first Digital Strategy in July 2019 setting out how we plan to use our digital services to deliver our strategic priorities, and to develop and maintain our external facing digital services. We also piloted, and subsequently rolled out, [our new online Note of Visit tool](#) which provides a mechanism to capture and report on all of our interactions with the education system. The data can be organised in a variety of ways and will allow us to report on this from a variety of perspectives.

Sadly, towards the end of the reporting year the Coronavirus Pandemic saw the country head into lockdown to minimise the risk to people's health and to prevent the health service from being overwhelmed. The impact of the closure of schools has been felt across the country and in order to ease the pressure on the education sector we have taken the

“Our people are truly our richest asset and I am tremendously proud of everyone.”



difficult decision to temporarily pause our inspection and direct face to face professional learning activity. However, at the time of writing we continue to work constructively with local authorities and all partners to continuously monitor and review the support in place, and ensure that children and young people's wellbeing and learning is prioritised in these challenging times. In March we launched an extended [website with resources in every curriculum area](#) and on key aspects such as creativity, Developing the Young Workforce and family learning. Engagement with our online materials, including [YouTube](#) and [Webinars](#) to support remote learning, has been high.

In a very short space of time, we have also worked alongside every Local Authority to assist in the design and delivery of local models of learning and we have recently launched [Scotland Learns - a range of resources and activities to support learning at home for parents and carers](#) and an additional weekly set of resources to support at home learning plans for teachers/practitioners. ES are also providing a national platform and safe space where different groups of educators can connect online to discuss issues they are working through and, where relevant, to share resources or to highlight interesting practice. These "Big Blether"

events cover a range of themes. As we move forward, we will continue to build and rely upon these partnership approaches to ensure we maintain focus on providing the required support at the right time.

The effort and commitment from all our staff in responding to the asks of the Agency at this difficult time continues to be nothing short of inspirational. Everyone has gone above and beyond in their respective roles, adapting and being flexible in how they work and the roles they undertake. Our people are truly our richest asset and I am tremendously proud of everyone. I know they will carry on showing this dedication as we continue to develop our ways of working.



Gayle Gorman

HM Chief Inspector of Education and
Chief Executive of Education Scotland

PERFORMANCE REPORT 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 2019-20.



OVERVIEW

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 Ministers 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. To achieve these aims, we work in the following ways across education sectors, and at national, regional, local and establishment levels.

- ▶ Providing professional learning and leadership programmes.
- ▶ Providing improvement support, 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, which provides a safe environment for educators, learners and parents to communicate, and collaborate.
- ▶ 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.

Improvements in the education sector impact on the wider community. We actively engage with health, social services and other partners to provide integrated services to improve learners' wellbeing and opportunities.

Education Scotland employed 385 staff (369 Full Time Equivalent) as of 31 March 2020.

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.



Strategy and business model

In April 2019, we published our Corporate Plan, which sets what we aim to achieve up until 2022. The Plan is focused around 5 strategic priorities.

- ▶ A strong focus on learning, teaching and leadership.
- ▶ National collaborative professional learning networks.
- ▶ Getting it right for every child.
- ▶ Best use of high quality evidence.
- ▶ Effective partnerships.

During 2019-20, we fully implemented our new structure to support a significant change to our remit, including a move to regional working. Our 5 directorates are as follows.

- ▶ Corporate Services and Governance.
- ▶ National Improvement.
- ▶ Professional Learning and Leadership.
- ▶ Regional Improvement.
- ▶ Scrutiny.

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.

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

Key issues and risks

Education Scotland operates in a complex and evolving environment and it is important that we understand this changing context if we are to effectively manage and mitigate any risks and issues that threaten delivery of our strategic priorities. Our approach to risk management is determined by our own risk environment and the internal and external factors that shape or influence our risk environment. The Education Scotland Risk Register is therefore a living document which is updated on an ongoing basis. Throughout 2019-20, the key challenges and risk areas facing Education Scotland and our risk appetite¹ for each were as follows.

Reputational

We were **averse** to any behaviours that would risk our ability to build credibility, trust, integrity, openness and transparency with our stakeholders, recognising that **if** Education Scotland is unable to demonstrate its positive impact across education **then** it will negatively affect relationships with key stakeholders and partners **resulting** in reputational damage and a loss of credibility.

To minimise this risk, we have undertaken a broad range of work to strengthen and deepen relationships with all stakeholders, with each member of the Leadership Team in particular assuming responsibility for developing and maintaining close, collaborative relationships with key, named stakeholders. We have also successfully embedded our regional structure, which is now working within the education system and bringing our national understanding, knowledge and expertise as near to practice as possible at the same time as baselining our new Key Performance Indicators. Our Communications Team continues to support all our stakeholder engagement plans and delivery.

¹ Risk appetite' indicates the amount of risk Education Scotland is willing to tolerate in pursuit of its objectives. "Averse" means the avoidance of risk and uncertainty of achievement of key deliverables or initiatives is paramount. "Minimalist" means a preference to undertake activities considered to be very safe in the achievement of key deliverables and initiatives. "Cautious" means willing to accept or tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives. "Open" means undertaking activities by seeking to achieve a balance between a high likelihood of successful delivery, reward and value for money.

Digital

We were **open** to being innovative and creative with our use of digital tools, enabling us to support and improve education in Scotland, recognising that **if** Education Scotland fails to invest properly in its digital estate **then** there is a risk to the organisation's ability to deliver its objectives or meet its statutory functions work **resulting in** reputational damage.

To mitigate this risk we have been identifying how best to use our digital services to deliver our strategic priorities, and to develop and maintain our external facing digital services. Our plans are designed to put our users at the centre of everything we do and to harness the benefits that enhanced digital approaches can offer in order to improve how we operate, and also how we can maximise our contribution to the education system. This work has been captured in the Agency's first Digital Strategy and we have secured Capital funding to invest in corporate digital assets. The associated transformation programme is in the planning stages with a gateway review and go/no-go decision to be taken this month.

People

We were **open** to developing our people and to creating a culture where they are valued and empowered recognising that **if** staff engagement is not sufficient or focused enough to support change **then** the morale and work-related health and wellbeing of staff could be affected **resulting in** low productivity and increased absenteeism.

Following disappointing People survey results in previous years, this has been an area of key focus for Education Scotland with a significant amount of work undertaken to address the risk of poor staff engagement, centred primarily around health and wellbeing of staff and connectedness. Mitigating actions have included the launch of an Organisational Development (OD) strategy, combining People Survey results, anecdotal feedback and insight gathered through staff forums/conferences, to identify and address concerns and areas for improvement across 5 key areas, with the principle aim of making Education Scotland a great place to work.

These 5 areas became the following work streams:

- ▶ Culture.
- ▶ Leadership.
- ▶ Learning.
- ▶ Structures & Support.
- ▶ Communications & Engagement.

This work has been supported by volunteers from across Education Scotland with key developments during the year including:

- ▶ Inclusive Leadership programme which were trialled with the Extended Leadership team and which will now be rolled out to all staff.
- ▶ Introduction of Leadership blogs.
- ▶ New Coaching programme across ES.
- ▶ Informal Networking Approach.
- ▶ The introduction of Learning lunches.
- ▶ New induction programme.
- ▶ Learning weeks introduced, supplemented with publicised dates for ES, regional and national dates, enabling staff to meet regularly in specialist and regional teams.

Sustainability

We were **open** to embedding a sustainable approach to all aspects of our work. This applies to developing sustainable financial management approaches because **if** effective financial management is not embedded throughout the organisation then ES may be unable to ensure credibility with stakeholders, support informed decision making or enable accurate reporting **resulting in** possible delivery failures.

We have applied 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 reports reflecting latest forecasts while all recruitment proposals need to be reviewed and authorised by the Leadership Team. We have also sought to improve the financial capability across the organisation through continued finance training at all levels and importantly, the Finance Team structure has been improved with the appointment of permanent staff in to all roles.

We have also reviewed our financial processes and embedded controls within our financial systems (SEAS, PECOS) including the creation of new PECOS groups to better align with our new Directorate structure.

“We have applied a wide range of mitigating actions and controls in order to ensure effective and sustainable financial management.”

Delivery

We were **open** in our approach to the delivery of the organisation's Strategic Objectives while recognising that **if** current budget constraints continue **then** the lack of capacity and capability across the agency may **result in** the Agency not being able to deliver its enhanced remit.

With staffing costs accounting for over 90% of our budget it has been vitally important to ensure that we take effective action to mitigate the impact of budget restrictions on capacity and capability across the Agency. Actions have included the restructuring of our finite resources into our current Directorate organisational structure and reviewing this new structure 6 months after implementation to ensure its effectiveness in supporting delivery of our objectives. In addition, Leadership Team approval has been required for all recruitment during 2019-20 to ensure that appointments address capacity and capability shortages. A Working Group has also been established with the aim of putting processes in place which will provide improved information on staffing levels and associated costs. Going forward this will further support recruitment decision making and forecasting of staff costs and will be used to form the basis of an ES workforce plan. At the same time, it has been really important to submit monthly financial reporting on staff cost projections to the Leadership Team as part of the budget monitoring process.

We have also sought to develop and increase capability through the actions arising from the Organisational Development Strategy mentioned above. The launch of a professional learning funding process to support staff to undertake external professional development also has the aim of developing capacity and capability across the Agency.

Finally, as is to be expected, the current pandemic has had a significant impact on all the risks above and indeed has resulted in a number of new and emerging issues. At the time of writing, the risks around our digital solutions have increased significantly, not least the need to ensure the continued management and delivery of the national Glow Platform to ensure that teachers and learners across Scotland are able support learning at home. This has seen us reviewing and updating our IT Continuity Plans. We are working closely with suppliers and Glow Key Contacts to ensure we can continue to meet the demands of the increased usage and continue to provide a stable user experience. We are also providing greater provision of technical support to Glow users and enhancing Glow Connect to provide guidance on Glow services and how they can be used.

Moreover, the impact of the pandemic and the closure of schools has required us to take mitigating action and radically change the way we work to provide more tailored support to local authorities, schools, children and young people in response to the closure of schools. This includes taking the decision to postpone all inspection and professional learning activity in order to reduce pressure in the sector. We have since gathered and analysed feedback from our stakeholders about what support they need from us at this time and we have reorganised our teams and redeployed staff from across Education Scotland to provide support to local authorities and other key stakeholders in a variety of ways each designed to suit and meet local needs. Our approach, drawing on the wide-ranging skills and expertise available in the agency, has allowed us to continue to provide support and advice locally, regionally and nationally.

We are, of course, mindful of the need to support the continued wellbeing of our staff given the increased ask and pressure on Education Scotland, coupled with the isolation some might feel from working at home. A wide range of resources are being made available to staff to support their health and wellbeing and new ways of working. This includes newsletters, webinars and virtual Drop in Sessions, covering topics such as mental health, learning at home, working in a virtual team, managing remotely etc. – all with a particular focus on connectedness.

Going concern

The results of the Statement of Comprehensive Net Expenditure derive from operating activities, all of which are continuing. The financial statements for the year ended 31 March 2020 show comprehensive net expenditure of £37,772m and a net liabilities position of £2.671m. The position of net liabilities has arisen as a result of the requirement to account for activities on an accruals basis, whilst recording funding from the Scottish Government on a cash basis. Net current liabilities will be funded by the Scottish Government as they arise. As a consequence, the financial statements have been prepared on a going concern basis.

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 2020-21, the Auditor General has appointed Audit Scotland to undertake our audit. The audit fee for 2019-2020 is £37,840. 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 2019-20. No other services were supplied by Audit Scotland during the period ended 31 March 2020. Internal audit is covered by a service level agreement with the Scottish Government Internal Audit Division.

PERFORMANCE SUMMARY - OUR YEAR IN REVIEW 2019-20

These are some of the highlights of our work in 2019-20. More detailed information is included in our Performance Analysis which follows.



Professional Learning and Leadership

1,200 participants	88% of surveyed participants increased confidence	4,852 people attended the Scottish Learning Festival
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We continued to deliver our suite of professional learning and leadership programmes. In 2019-20, we had **over 1,200 participants** in these programmes from across Scotland. **88%** of surveyed participants from a selection of programmes told us they had increased their confidence, and **96%** that they were likely to implement their learning in practice.

4,852 people attended the Scottish Learning Festival in September 2019. **78%** of surveyed attendees told us it had increased their knowledge of innovative practice.

Regional Improvement

5,000 professional practice engagements	32 permanent Attainment Advisors	8 professional learning events
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Our Regional Improvement Teams had recorded **over 5,000** professional practice engagements with Regional Improvement Collaboratives, local authorities, establishments, practitioners and other stakeholders between August and March 2019.

We have **32 permanent** Attainment Advisors in place, ensuring every local authority has a dedicated link to the Scottish Attainment Challenge. Attainment Advisors also provide a link and support to schools and centres.

To support improvement and collaboration using an evidence-based approach, we produced **32 local authority data packs**, bringing together a range of data to help inform discussions with local authorities on joint targeted support.

We have delivered **8 professional learning events** on quality assurance and moderation, **4 Assessment Co-ordinator events** and **20 national moderation events** since September 2019. **80%** of surveyed attendees at quality assurance and moderation events told us they felt more confident in moderating assessment evidence.

National Improvement

Scrutiny

162 projects supported	720 establishments	415 Early Learning and Childcare settings	6 published national thematic inspection reports	30 sketchnotes published
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We refreshed the [national practice guidance](#) for Early Learning and Childcare in February 2020.

We have repurposed the [National Developing the Young Workforce \(DYW\) Leads Network](#) to ensure greater balance and connectivity between education and employer representatives.

In the last complete academic year (2018/19) we delivered our annual programme of scrutiny, including inspecting [415 Early Learning and Childcare settings](#) and schools.

In the last complete academic year (2018/19) we [published 6 national thematic inspection reports](#), including readiness for empowerment.

We have now [published more than 30 sketchnotes](#) to showcase highly effective practice identified through inspection.

We launched the [Chief Inspector’s report area](#) on our website on February 2020 and will continue to update this content.

Corporate Services and Governance

54,000 unique subscribers	17,000 Facebook engagements	52,000 Twitter followers
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We reviewed the effectiveness of our **new structure** in October 2019 and are working on addressing identified actions.

We published our first **Digital Strategy** in July 2019.

We held a successful **Evaluation Week** for Education Scotland staff in February 2020.

We now have **over 54,000 unique subscribers** to our newsletters, **over 17,000 Facebook Engagements**, and **over 52,000 Twitter followers**.



PERFORMANCE ANALYSIS

In this part of the report, we provide a more detailed analysis of our performance in financial year 2019-20. We first outline how we measure and report on performance, and then provide an overview of our achievements in 2019-20 for each directorate.



How we measure our performance

In financial year 2019-20, Education Scotland has been developing our approaches to corporate performance measurement. As we reported last year, in 2018/19 we developed a set of corporate Key Performance Indicators (KPIs). During 2019-20, we began to collect data against these measures. We report on these KPIs below. We have continued to develop our work on directorate-level performance measures this financial year. In 2020/21, we intend to review and expand our current set of KPIs to reflect some of these directorate-level measures and to set appropriate targets.

Performance analysis



Corporate KPI

Reach of our leadership development opportunities

This is an important 'lead' indicator of participants in our leadership programmes achieving other outcomes.

Leadership Programme	Academic Year (No. of participants)		
	2017/18 (Baseline)	2018/19	2019-20*
Teacher Leadership	152	146	190
Supporting Teacher Leadership	-	20	49
Leadership of Early Learning	-	41	59
Towards Headship	30	10	15
Into Headship	126	134	166
In Headship	34	15	37
Excellence in Headship	128 (Cohort 1)	137 (Cohort 3)	105 (Cohort 5)
	117 (Cohort 2)	87 (Cohort 4)	48 (Cohort 6)
Leading Systems Change	29	32	-
Evolving Systems Thinking	21 (Cohort 1)	33 (Cohort 2)	30 (Cohort 3)
			164 (1 Cohort per RIC)
Middle Leaders Leading Change	-	-	245
Aspiring to Middle Leadership (Glasgow, Edinburgh and Aberdeen cohorts only)	-	-	111
	No. of schools		
Collaborative Middle Leadership	-	9	10

Source: Management Information

* From 16 March 2020, we paused delivery of our leadership programmes due to COVID-19.

The 2019-20 figure includes participants registered for a programme in the 2019-20 academic year prior to 13 March 2020. Where possible, the data reflects any participant withdrawals or deferrals recorded prior to 13 March 2020. We will publish a complete figure for the 2019-20 academic year in next year's performance analysis.



Corporate KPI

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.

Professional learning programme participants reporting...	Academic Year 2019-20* (Baseline) % of respondents
Increases in confidence	88
Increases in knowledge	91
Increases in skills	91
That they are likely to share what they have learned	99
That they are likely to implement their learning in practice	96

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

* From 16 March 2020, we paused delivery of our leadership programmes due to COVID-19. This impacted on most of our programmes. The data above reflects those programmes that have completed delivery up to that point in the academic year and where the post-programme survey had been delivered. The data in the table above includes the Excellence in Headship, Aspiring to Middle Leadership and Evolving Systems Thinking programmes only. This data will change as delivery of programmes for 2019-20 cohorts is concluded and surveys are delivered. We will publish a complete figure for the 2019-20 academic year in next year's performance analysis.



Corporate KPI

Views of our people

These indicators are important in tracking how our people feel about significant aspects of their working lives.

Education Scotland staff members reporting...	Academic Year (% of participants)		
	2017/18 (Baseline)	2018/19	2019-20
That they are able to access the right learning and development opportunities when they need to	36	42	50
That learning and development activities completed at ES have been helpful for career development	26	27	44
That they have the tools to do their jobs effectively	49	58	68
That they have the information they need to do their jobs well	48	53	64

Source: Civil Service People Survey

Corporate KPI

Number of planned inspections completed

This indicator tracks the number of planned inspections we complete based on our annual published programme of scrutiny activity.

Scrutiny Programme	Academic Year 2018/19 (Baseline) No. of planned inspections completed
Early learning and childcare	163
Schools	252
Schools and Early Learning and Childcare – Further inspection	54
Community Learning and Development services	8
Colleges (Evaluative Report and Enhancement Plans)	27
Private Colleges and English Language Schools	1
Careers Information and Guidance (CIAG) services	6
Modern Apprenticeship reviews	2
Prison education	4
National Thematic inspections*	4

Source: Management Information

*The thematic inspections completed and published are: readiness for empowerment; curriculum leadership; parent and pupil participation. The report for the mathematics and numeracy thematic was published in December 2019.

Corporate KPI

Communications and engagement

It is important to track our engagement with stakeholders using a range of channels.

Communications Channel	Financial Year 2018/19 (Baseline) No. of subscribers
Newsletter Unique Subscribers	54,456
Facebook Engagements	17,546
Twitter	52,802
YouTube	1,905

Source: Analytics



Corporate KPI

Impact of inspections

It is important for us to track whether our inspection activity is contributing to improving short-term outcomes for establishments.

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

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

* We send the survey 6-9 months after we publish the inspection report. Data collection for the 2018/19 academic year is still underway. We will publish a complete figure for the 2018/19 academic year in next year's performance analysis.



Corporate KPI

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.

Education Scotland staff members reporting...	Financial Year (No.)		
	2017/18 (Baseline)	2018/19	2019-20*
Number of Glow login sessions	21,883,316	28,074,338	40,651,845

Source: Analytics

* Glow usage in 2019-20 was significantly impacted due to schools closures in March 2020 as a result of COVID-19. In the period from April 2019 until February 2020 before the start of school closures, there had already been a 22% increase in the number of Glow login sessions. The figures for 2019-20 include March 2020 which was the start of school closures and, due to the move to learning at home, the number of Glow login sessions saw a 200% increase on March 2019.

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. Our Leadership Team also receive quarterly reports around our Corporate KPIs and a range of other management information.

Our performance in 2019-20

Over the following pages, we present the main areas of our performance in financial year 2019-20. We have structured the Performance Analysis around our 5 directorates. We draw on a wide range of evidence which exemplifies our contribution and impact during financial year 2019-20. We have included a case study for each of our directorates

to highlight their impact. Our Regional Improvement directorate is the largest within Education Scotland. To reflect the size and range of work of this directorate, we have included 2 case studies. 1 focuses on the impact of a developed piece of work and the other highlights a new area of work under development.



PROFESSIONAL LEARNING AND LEADERSHIP

This directorate has a focus on professional learning and leadership, providing strategic vision and direction at all levels, and working in partnership with the wide range of professional disciplines throughout Scottish education.



HIGHLIGHTS

Expanding our leadership development opportunities

We continued to provide our suite of professional learning and leadership programmes in 2019-20. We also expanded both the Teacher Leadership Programme (TLP) and Excellence in Headship Programme (EiH). Our TLP Lead Specialists developed an enhanced version of the programme, which built on feedback from previous participants and responded to the teacher empowerment agenda. This expansion was part of the non-pay elements of the recent teacher pay agreement. We worked to widen access, facilitate continued professional learning beyond the programme and further develop the support offered. We included an additional (regional) contact day for all participants and introduced a series of twilight workshop sessions in each Regional Improvement Collaborative.

For EiH, we reviewed the Learn Sessions (previously known as Masterclasses) to reflect system developments. These are an ongoing series of professional learning workshops offered to participants. For example, we included content on the revised Devolved School Management guidelines within our workshop on organisational development. We developed additional sessions focusing on personal influence and impact, collaboration, speaking with purpose, coaching, digital learning and developing curriculum rationale. We have also further enhanced the international dimension of EiH through Education Scotland's international contacts and facilitating access to international research.

Impact of our leadership development opportunities

We evaluate all our programmes regularly and we have gathered considerable evidence demonstrating their impact on participants. In November 2019, we produced a report which looked across the data gathered and allowed us to see the impact we have had across our programmes. For example, all our programmes have had an immediate impact on participants' knowledge, confidence and skills. Importantly, participants have noted that their confidence has grown, not only in terms of the theme or topic of the programme being delivered, but also in terms of their own talents and abilities. They have been reassured that they do have the necessary skills to be effective in their role. Additionally, they have been motivated to share the learning with colleagues and implement learning in their practice. As a result of taking part in the programmes, participants have increasingly understood that prioritising their professional learning, and that of others, is important. Moving forward, we will be undertaking additional research to explore in greater detail the longer-term impact of our programmes.

Scottish Learning Festival (SLF)

In September 2019, 4,852 people attended the SLF – an increase of 267 from the previous year. The theme was health and wellbeing and included Health and Wellbeing Live, an interactive session with demonstrations, workshops and inspiring speakers. Of the 287 responses to the post-event evaluation, 78% felt attending had increased their knowledge of innovative practice, 68% indicated their knowledge of national policy/guidance had increased and 82% stated they were likely to implement their learning in practice. In addition, a small group of Education Scotland staff, from different areas across the organisation, volunteered to gather feedback at the event itself. The volunteers received training in interviewing and analysis as part of our work to provide a range of professional learning opportunities for our staff.

Education Scotland Professional Learning Audit

Our staff provide a significant range of high-quality professional learning to our various stakeholders. In 2019, to help inform the future development of this offering, and to ensure that we continue to meet the learning needs of our stakeholders effectively, we conducted a review of the professional learning designed and delivered by staff across the organisation. We will be taking forward actions from the audit over the coming year. These include developing further resources to embed the national model of professional learning and supporting colleagues across Education Scotland with programme endorsement.

Developing our people

Our commitment to professional learning and development includes supporting our own people as well as our external stakeholders. We held a number of staff events, including an all staff conference focused on wellbeing and work/life balance, and Learning Week – a series of sessions delivered by staff, for staff which illustrated the wide range of work undertaken right across the organisation. In February 2020, we launched our first ever Evaluation Week where staff had the opportunity to attend learning sessions focused on various aspects of the evaluation process. We also run a regular, informal staff evaluation group. This provides staff with the opportunity to discuss various evaluation topics, receive professional learning on evaluation approaches and share their evaluation experiences with colleagues.

Professional Learning and Leadership Online Resource

As of 31 March 2020, there were 12,635 registrations for the professional learning and leadership online resource from across the Scottish education sector. 3,203 members signed up during 2019-20 (an increase on 2018/19 when the figure was 2,618). 6 new learning activities were added in 2019-20, bringing the total number of professional learning activities available on the online resource to 53.

Endorsement

A programme that has been endorsed by Education Scotland demonstrates that it is informed by the national model of professional learning and links effectively to the relevant professional standards and current policy context. Endorsement provides those who commission programmes (i.e. local authorities or universities), as well as those engaging in professional learning, assurance that they offer relevant, significant and sustained quality learning. Such experiences develop depth of professional learning, knowledge, skills and understanding which ultimately impacts on the quality of learning experience for all learners. To date 46 programmes have been endorsed.

What's next

“We have delivered a wide range of high-quality professional learning over the last year both for our external stakeholders and for our own colleagues in Education Scotland. We will continue to support the education system through our professional learning and leadership programmes, and are committed to developing our colleagues further to ensure that everyone, at all levels in Education Scotland, has the support and resources they need to develop and thrive.”

Gillian Hamilton,

Director of Professional Learning and Leadership

Background

The Teacher Leadership Programme (TLP) aims to place professional learning at the heart of learning and teaching by supporting participants to explore their professional identity and practice. Whilst being supported online and regionally by programme leads and peers, participants consider what teacher leadership means, and looks like, in action, by planning and implementing an enquiring approach to developing an aspect of their classroom practice. Participants then celebrate and share their learning from the programme at the National Sharing the Learning Summit.

“There is no full-stop to learning, even as a teacher.”

What happened?

Furzana Ahmed, a secondary school teacher, participated from April 2018 to June 2019. The activities she took part in included considering what teacher leadership meant, reflecting on her practice and undertaking a practitioner enquiry. Her enquiry looked at the impact of mentoring programmes which supported Black and Minority Ethnic (BME) pupils to raise their aspirations and achievement, particularly pupils from the Scottish Index of Multiple Deprivation (SIMD) deciles 1 and 2. A crucial aspect of the enquiry involved scrutinising school data about pupils' perceptions of themselves and of school.



▲ **Furzana Ahmed**
Secondary school teacher

What was the impact?

Furzana valued and enjoyed TLP. It helped her to understand that teacher leadership is about 'taking an active approach to your own learning' and that 'there is no full-stop to learning, even as a teacher'. The recommended reading allowed her to keep up-to-date with educational developments. She feels that participating in TLP helped her to more effectively review her own practice and has encouraged discussion both with colleagues in her school and more widely.

Some school colleagues have been encouraged to explore this route as part of their continuing professional development and Professional Update. Additionally, Furzana is a member of the Scottish Association of Minority Ethnic Educators board and she has shared her learning with this group to encourage other BME educators.

"I believe I have empowered myself to be a voice and encourage fellow BME educators to seek opportunities like I did and enhance my professional learning. [...] I feel confident and enabled to share my journey and promote all the positive aspects of taking on a professional enquiry."

Her enquiry confirmed that mentoring programmes which are community-led make an impact on pupils' views about themselves and can be a successful tool to enhance pupil aspiration and self-belief. She has been able to use her learning when delivering the mentoring programme which has proven to be 'an invaluable experience for the 19/20 cohort of S3 pupils.'

What's next?

Furzana has been looking for opportunities to help collate school data and to have discussions with colleagues around raising attainment. She will lead her department, with her principal teacher, to assess aspects of Reading, Writing and Numeracy with S3 pupils using Scottish National Standardised Assessment data. She says: 'From the confidence I've gained in myself from last year, I believe I can step forward and take the initiative to see through projects [...] to tackle issues related to attainment, and learning and teaching as a whole'. She is participating in the Glasgow City Council Programme, 'Thinking about Middle Leadership'. As part of this she will undertake another task with a focus on equity and Glasgow's improvement challenge, which is linked to her school's improvement plan.

REGIONAL IMPROVEMENT

We have successfully embedded our regional structure, which aims to work within the education system to achieve improvement built on an empowering and collaborative approach. This structure brings our national understanding, knowledge and expertise as near to practice as possible.



HIGHLIGHTS

Support for regional improvement planning

In autumn 2019, our Senior Regional Advisors (SRAs) conducted a peer review of the Regional Improvement Collaborative (RIC) plans. SRAs worked with all RIC Leads to provide discussion and challenge around the plans and produced a report outlining their feedback. We then shared the report with the RIC Leads and Scottish Government to inform funding allocations. Our wider regional teams have also been working alongside the RICs to deliver aspects of their plans. This is leading to closer working and an increased understanding of what both can offer to improve outcomes for learners. In 2020/21, we will be working to build on these relationships.

Regional engagements

Since August 2019, we have been tracking all our engagements with the RICs, local authorities and individual establishments using the new online Note of Visit Tool. In the 2019-20 academic year, up to 31 March 2020, members of our regional teams had recorded over 5,000 engagements² including professional dialogue visits, professional learning and planning engagements. More than half of our engagements have been collaborative work with local authorities' staff and draw on the aim to support an empowered system which collaborates for improvement. There have also been notable levels of engagement with primary and secondary schools as well as with the RICs. The highest number of engagements related to the Scottish Attainment Challenge. We have also engaged around topics including Science, Technology, Engineering and Mathematics (STEM), communities and families, inclusion, wellbeing and equality, and digital learning and teaching.

² Some of these engagements involved more than 1 member of Education Scotland staff.

Support to close the poverty-related attainment gap

We now have 32 permanent Attainment Advisors, ensuring that every local authority has a dedicated link to the Scottish Attainment Challenge. Local authorities who have not previously had the opportunity to benefit from this additional resource have already reported a stronger understanding of imperative for closing the poverty-related attainment gap. Local authorities have highlighted the value of the Attainment Advisor role in terms of challenging their use of data and showcasing best practice in improving leadership, learning and teaching, as well as working with families and communities. By December 2019, Attainment Advisors had undertaken targeted work with more than 100 schools across almost all local authorities, with the majority being in Challenge Programme Authorities and Schools Programme Authorities. Attainment Advisors have also been working collaboratively within and across our regional teams to help add capacity. For example, Advisors in the South West Regional Team helped to co-create a “Deep Dive Data” programme to support consistent delivery around data use across all local authorities in the region. This type of collaborative approach will feature strongly in future plans.

Support for the National Improvement Framework

SRAs have worked closely with our analytical teams and scrutiny colleagues to develop a new Local Authority Data Pack. Our National Improvement Framework (NIF) Officers have taken significant responsibility for these packs. They bring together data from inspections, Achievement of Curriculum for Excellence Levels provided by schools, Insight data, and local authority self-evaluation returns. We will review and update the packs regularly, share them with Directors of Education and use them to help identify establishments requiring targeted support.

We have also been engaging in professional dialogue with Directors of Education around the support required for areas of inconsistency in performance and, where appropriate, the areas Education Scotland can add to targeted support. This has been working well. For example, numeracy and mathematics specialists from our Northern Regional Improvement Team have been undertaking regular visits to a secondary school in the North East of Scotland to provide support and guidance on improving learning, teaching, and curriculum.

We have delivered 8 professional learning events on quality assurance and moderation (QAMSO) for practitioners from all local authorities since September 2019. These events support practitioners who lead and promote assessment and moderation within their authorities

to ensure moderation practice is more consistent. Evaluations of QAMSO training events delivered in January 2020 show that 80% of those who responded (24) improved their levels of confidence in moderating evidence when comparing scores before and after the event. 97% of evaluation respondents (29) stated they were likely or very likely to share what they had learned at the event and 87% (26) said they were likely to change their practice. We have also delivered 4 Assessment Co-ordinator events since August and 20 national moderation events between October and December 2019. The evidence suggests that these events have also had a positive impact on practitioner confidence and understanding. For example, evaluation of the national moderation events indicate that 66% of respondents (69) reported they were confident in planning, learning, teaching and assessment before the event but after the event this had risen to 94% (99).

We also delivered 2 national assessment and moderation events focusing on Gaelic Medium Education. Participants represented 9 local authorities, early learning and childcare settings and primary schools. All attendees stated the events were helpful in supporting their professional judgements in submitting Curriculum for Excellence levels to Scottish Government.

Supporting parents and carers

We delivered a range of events and engagements around parental involvement/ engagement, family learning, involving parents in improvement planning and learning at home. These included conversation days which focused on family learning, involving parents in improvement planning and Science, Technology, Engineering and Mathematics (STEM), continuous learning, professional learning and workshops. Evaluation findings from a May 2019 conversation day highlighted that 87% of the respondents stated they were likely to use what they had learned in practice and 96% stated they were likely to share what they had learned.

What's next

“ Our new regional structure is already allowing us to build closer relationships with colleagues across the Regional Collaboratives and to understand better how we can work effectively with individual local authorities across Scotland. We are looking forward to developing our practice further over the coming year and being part of the empowered and collaborative system we all want to see in place.”

Maria Walker,

Director of Regional Improvement

Background

An Attainment Advisor and the East Ayrshire Council Scottish Attainment Challenge (EAC SAC) team established a SAC headteacher network in March 2019. It explores professional learning needs identified through consultation with headteachers. Initially, they developed the network for SAC focus schools to facilitate professional dialogue, share learning and to mobilise knowledge within the local authority, as well as increasing regular contact with headteachers and improving governance of the programme. The network meets monthly and meetings are planned, and delivered in partnership between the EAC SAC team, EAC Strategic Education Manager and our Attainment Advisor.

What happened?

Our Attainment Advisor provided professional learning inputs on self-evaluation, data analysis and use, improvement planning, evaluative writing and the Maximising Progress themes and areas from Scottish Government. Meetings focused on areas including leadership, learning and teaching, self-evaluation, improvement planning, and data. Other Education Scotland colleagues also provided inputs. For example, 1 of our Community Learning and Development Officers provided inputs on data and family learning, and our Senior Education Officer for Early Learning and Childcare provided an overview of the Realising the Ambition resource launched in February 2020, which is the refreshed early years national practice guidance for Scotland, sharing information about the characteristics of child development based on research and evidence.



What was the impact?

The network provides leaders across all EAC schools with opportunities to collaborate whilst developing capacities directly linked to school improvement and leadership of change. We have provided a safe space for headteachers to share practice and work together with a range of external speakers on a wide variety of areas. 1 network member spoke of how the meetings have increased their knowledge of different teaching approaches and commented on how they had used their learning to facilitate discussions with their staff:

“[The meetings] provided me with enough knowledge on pedagogical initiatives like Active Literacy, to go back to my establishment and conduct some Quality Assurance and challenge and support my staff. I expect that my staff are the experts in certain areas but I need overall knowledge”.

The meetings have also had a wider impact on staff within their schools. Feedback from another network member highlights the impact on capacity building through the cascading of learning to colleagues and opportunities for other staff to present at meetings.

“SAC headteacher events have allowed for building capacity within our staff teams. They have provided staff in various roles to share their experiences in a variety of ways and at different levels of engagement. This has allowed for the development of teacher empowerment through leadership.”

What's next?

The network has been scaled up to include all primary headteachers and specialist provision headteachers, moving from the original premise of only SAC focus schools. There are also links with early years establishments and secondary schools, which will be further developed. The programme of professional learning is under review and we will consult headteachers and depute headteachers to further refine and improve it for session 2020/21.

“We have provided a safe space for headteachers to share practice and work together with a range of external speakers.”

Background

During the summer of 2019, our Northern Regional Improvement Team (RIT) came together to plan and design a suite of 3 professional learning workshops aimed at primary and secondary practitioners, with a core focus on improving pedagogy in mathematics. After discussion, which pooled a wide range of expertise within the RIT, including our colleagues working in creativity, inclusion and Improving Gender Balance, we developed and agreed a structure and content. The series of workshops became known as “The 3 Cs” and were then fully developed by the Numeracy and Mathematics Education Officers within the RIT.

What will happen?

In order to encourage colleagues from different sectors to collaborate, we have designed the workshops to be delivered to secondary mathematics teachers and primary teachers working in associated school groups. They have also been delivered as part of the professional learning programme for newly qualified teachers within the Northern Alliance. Ideally, the workshops are delivered as 3 twilight sessions, each separated by 6-8 weeks of teaching time so attendees can try out and evaluate new approaches between sessions. Individual workshops have also been delivered as part of bespoke in-service day inputs and conferences within the Northern Alliance. So far, workshop material has been delivered to over 250 practitioners across 3 local authorities.

“Many positive relationships have been formed.”



What will the impact be?

The main aim is to improve learning and teaching in numeracy and mathematics by using a greater variety of approaches to learning and teaching, and making use of signposted high quality resources and pedagogies. They facilitate a higher level of focus on numeracy and mathematics and encourage colleagues from different sectors to collaborate. Practitioners have been encouraged to share and reflect on changes made to their practice during follow-up sessions, network meetings and Teachmeets which are informal gatherings of teachers where short presentations are shared with colleagues. New partnerships have been formed within and between clusters. Follow-up support has been given in developing whole school numeracy and mathematics strategies. Many positive relationships have been formed between the Numeracy and Mathematics Education Officers and classroom teachers, middle leaders and senior leaders across the Northern Alliance.

The impact on learners has been immediate with many practitioners implementing new ideas almost instantly. Retrieval practice (planned activities which allow learners to recall and use previous knowledge) has been a common focus for primary practitioners and there has been increased interest in concrete materials, and pictorial approaches from secondary staff. Practitioners have found the sessions very helpful in giving them a range of ideas for their own classroom practice. For example, one participant stated that workshops had:

“A range of inspiring ideas. Stand out: retrieval practice, practice around developing creativity and problem-solving skills.”

Another participant highlighted the useful resources they had discovered through the workshops:

“Fantastic resources and ideas for open ended tasks for differentiation.”

What's next?

Positive feedback has spread across authorities, with new requests for engagement being received after almost every event. New engagements have been scheduled well into 2021.

NATIONAL IMPROVEMENT

Our work on national improvement includes contributing to a number of national priorities and policies. We provide evidence and expert professional advice to add value to this work.



HIGHLIGHTS

Supporting the Curriculum Narrative Strategic Engagement Group

We chair a new sub-group of the Scottish Government's Curriculum and Assessment Board – the Curriculum Narrative Strategic Engagement Group. The group focuses on communicating and engaging with stakeholders around the refreshed narrative for Curriculum for Excellence.

Supporting Curriculum Design and Innovation

In January 2020 we began delivering 2 new work streams to help support practitioners, and to consider the systemic challenges which may be inhibiting sustainable progress. Learner Pathways focuses on the learner journey for children and young people from 3-18 and beyond, including developing learning pathways and tracking profiles that demonstrate their strengths, skills, development needs and career aspirations. Interdisciplinary Learning concentrates on strengthening current approaches and building new thinking and capacity, particularly with new partnership groups such as employers. Each workstream develops over 3 different sessions, drawing on the experience and expertise of delegates from different local authorities and national partners.

Provision of Science, Technology, Engineering and Maths (STEM) grants

In partnership with Scottish Government, we have supported practitioners through the Enhancing Professional Learning in STEM grant programme. In 2019-2020, we have distributed over £1.9 million across 162 projects, 720 establishments and to over 13,500 practitioners. All sectors have been involved. For example, Early Learning and Childcare centres have delivered STEM outdoors, Gaelic science professional learning resources have been produced for primary teachers and secondary schools have collaborated on developing approaches to mathematics and numeracy.

Supporting Early Learning and Childcare

We published refreshed national practice guidance for Early Learning and Childcare (ELC) (from birth to the end of the early level) in February 2020. The guidance was developed in partnership with the Scottish Government and had received almost 50,000 page views by the end of March 2020 and had been downloaded over 23,000 times in the same period. In November 2019, we hosted a successful Consortium of Institutions for Development and Research in Education in Europe (CIDREE) expert meeting on the early years curriculum with 9 European countries.

National Developing the Young Workforce (DYW) Leads Network

Working with Scottish Government, we have repurposed the National DYW Leads Network to ensure greater balance and connectivity between education and employer representatives. This is reflected in a number of new joint milestones taken forward by Education Scotland and Scottish Government through the DYW Regional Groups. As a result there has been an increasing effort to collectively tackle challenges, to share practice and to jointly plan strategic interventions.

Registrar for Independent Schools

The Registrar registers independent schools and provides advice to Ministers. In 2019-20, they registered 3 primary schools and 1 age-specific school (bringing the total to 94 independent schools). They also collaborated with the General Teaching Council for Scotland (GTCS), the Scottish Council for Independent Schools and Scottish Government to ensure teachers in the sector are registered with the GTCS in advance of an October 2020 registration deadline.

Digital Learning and Teaching

The Digital Skills team continued to work with all local authorities to deliver tailored support including delivering 243 sessions to 4,349 individuals between April 2019 and February 2020.

Our Digital Schools Awards programme, which promotes, recognises and encourages a whole-school approach to the use of digital technology, continues to be popular with Early Learning and Childcare (ELC) settings, primaries and secondary schools. Since September 2018, registrations have increased from 612 to 1,069 in ELC and primary, and from 109 to 218 in secondary. We have now given the Award to 197 ELC settings and primary schools, and 31 secondary schools.

The annual National Digital Learning Week (NDLW) took place in May 2019 and presented schools with curriculum-focused challenges around literacy, numeracy, STEM, Expressive Arts and Social Studies. Challenges were housed on the NDLW blog on Glow and included support materials, videos and additional information. The blog received over 19,500 views in comparison to the 5,600 blog views in 2018.

Equality, Inclusion and Diversity

We continued to deliver the Mentors in Violence Prevention peer education programme, which aims to reduce gender-based violence and bullying, in secondary schools in 28 local authorities, with 4 more at the early stages of implementation. Surveys before and after professional learning highlight that staff report increased confidence in exploring gender-based violence with young people. Our Improving Gender Balance and Equalities (IGBE) Officers provided professional learning and highlighted approaches to address gender bias and inequity in learning. By December 2019, they had engaged with 50 school clusters and over 2,200 practitioners.

We continued to increase our suite of free online professional learning modules within the Open University's OpenLearn Create website. We published a new module in August 2019 which brought the total number to 6. There have been a total of 16,123 registered users across all 6 professional learning modules. In November 2019, we published the refreshed [Autism Toolbox](#), which provides practitioners with accessible, current guidance and information to support autistic learners within the Scottish context. The website has had 36,000 visitor sessions. In January 2020, the [Making Sense: Dyslexia and Inclusive Practice Programme Final Report](#) was launched. Through partnership with Dyslexia Scotland, the General Teaching Council for Scotland (GTCS), local authorities and practitioners, we developed a range of resources including a refreshed version of the [Addressing Dyslexia Toolkit](#). The Toolkit has had 48,000 visitor sessions.

What's next

“Through our new structure we have been able to make a strong contribution to national programmes and priorities through our unique evidence base. We are in a strong position to continue to build on this and provide high-quality advice in 2020/21.”

Alan Armstrong,

Director of National Improvement

Background

In March 2018, we published 'Milestones to support learners with complex additional support needs (ASN)' on our National Improvement Hub. They were designed to support the tracking of progression for learners with complex ASNs working at a pre-early level and covered some basic foundation skills, Literacy/English and Numeracy/Mathematics. To produce the Milestones, Education Scotland worked with practitioners and allied health professionals. Feedback exposed a need for further guidance and similar milestones covering aspects of Health and Wellbeing. A second co-development phase began in October 2018 and we piloted the refreshed Milestones in 12 special schools (mostly 3-18 all through schools) from April to June 2019.

What happened?

We gathered feedback from practitioners during the pilot and used it to ensure the refreshed Milestones were more accessible and the supporting guidance more comprehensive, to allow all practitioners, including those from the non-special school sector, to use them. We formed a final working group of practitioners to develop implementation tools, such as practical exemplars, resources, and workshops around areas identified as requiring further support. In November 2019, we held an event to launch the refreshed Milestones, which was attended by 90 practitioners. Although we co-ordinated the event, practitioners co-designed and delivered all the presentations and workshops. Concurrently, we updated the National Improvement Hub with the refreshed Milestones, guidance, and supporting resources.

“The Hub page was viewed over 14,000 times.”



What was the impact?

The Hub page was viewed over 14,000 times between April 2019 and the end of March 2020. Practitioners attending the implementation event also reported that collaborating with other colleagues within the complex ASN community to develop the Milestones allowed them to share practice and provided them with much-needed support:

“Since attending the event, we have implemented a Working Group - exploring the Milestones within our locality across our primary and secondary school environments. We have also contacted 1 of the schools which presented a Workshop [...] and the working group are going out to visit the school and see [their work] in practice.” (Participant 1)

Others have commented on how they have used the Milestones in their schools and the positive impact this has had on practice. 1 practitioner reported that the Milestones had helped staff in their school to communicate more effectively:

“In school we are now using the engagement language with all staff, teaching staff now feel that the milestones provide a clear framework for our most complex learners. Professional dialogue has become richer.” (Participant 2)

Additionally, the Zero Project recognised our work around the Milestones as internationally innovative practice in Inclusive Education.

What's next?

Feedback from the event identified a need for a national collaborative network specifically focusing on complex ASN, and for guidance in specific areas such as ‘Relationships, Sexual Health and Parenthood’. 1 tool, which identifies very small progressive steps learners may make when working towards a milestone, has been recognised as potentially useful for any group of learners whose progress is unconventional or slow. The wider use of this tool will be explored further.

SCRUTINY

We provide independent evaluation of the quality of provision across education sectors and use this information to promote improvement, provide advice and provide assurance to our stakeholders about standards, quality and improvement. We deliver inspections across a range of sectors.



HIGHLIGHTS

Delivering our Scrutiny programme

We continued to carry out scrutiny activity across different education sectors from early learning and childcare to adult learning. We published our [annual programme of scrutiny](#) which sets out the range of scrutiny activity we will carry out over the academic year. In the last complete academic year, 2018/19³, we engaged with 415 Early Learning and Childcare settings⁴, and primary, secondary and special schools⁵. In addition, we carried out 54 further inspections of Early Learning and Childcare settings and schools, following their initial inspection, in order to ensure improvements in the quality of education. We also carried out 8 inspections of Community Learning and Development Services and had continuing engagement with 5 local authorities' Community Learning and Development services. We were on track to deliver on our range of scrutiny activity as set out in the annual programme for the academic year 2019-20 however, to relieve pressure on the education system as a consequence of COVID-19, we took the decision to pause our scrutiny activities from 16 March 2020.

National Thematic Inspections

In the last complete academic year, 2018/19, we published 6 national [thematic inspection reports](#). These included Readiness for Empowerment (December 2018) and how well Scottish Attainment Challenge authorities are improving learning, raising attainment and closing the poverty-related attainment gap (June 2019). So far in the academic year 2019-20 we have published 2 thematic inspection reports, which focus on numeracy and mathematics (December 2019) and assessment within Broad General Education (March 2020), and have 1 ongoing which focuses on family learning.

³ We are presenting inspection figures based on the number of completed inspections over the last full academic year – 2018/19. Completed inspections refer to those where the on-site activity has been completed.

⁴ Includes all local authority, independent, independent-in-partnership, independent-not-in-partnership and grant-aided establishments. It includes nursery classes inspected as part of a primary inspection, all-through or special school and early learning and childcare settings, including private, voluntary, local authority nursery schools.

⁵ Includes local authority, grant aided, independent, special (day special, residential and secure accommodation services) and all-through schools.

Work with colleges

We worked with the Scottish Funding Council (SFC) to update and enhance the arrangements for assuring and improving the quality of provision delivered in Scotland's colleges. We published the updated [quality arrangements document](#) in September 2019 and introduced Progress Visits (PVs). These visits are carried out annually and we plan these collaboratively with the college and SFC. Colleges are asked to demonstrate how well they are delivering on the targets identified in their Evaluative Reports and Enhancement Plans (EREPs). Following a PV, HM Inspectors produce a summary report for the college including commentary on the progress a college has made towards delivery of the EP. On completion of the programme of PVs a national report will summarise strengths, aspects for improvement and examples of highly effective practice.

Sharing highly effective practice

During our scrutiny activity across Scotland, HM Inspectors gather evidence of highly effective and improving practice across all sectors. Evidence and illustration of highly effective practice is used by schools, services and local authorities across Scotland to inform their own self-evaluation and improvement. In addition, this information supports schools inspected to celebrate their work and share success with their stakeholders. We have improved our approaches to ensure examples of highly effective practice are accessible and readily available. Over the past year we produced more than 30 sketchnotes, sharing highly effective practice. Our National Improvement Hub page, has received more than 13,000 views and over 4,000 downloads of sketchnotes and related materials. Settings, schools and services featured in sketchnotes have been contacted by others to support improvement. For example, staff at Crossgates Primary School in Fife Council shared their sketchnote and practice with colleagues across the South East Improvement Collaborative.

Using evidence from Scrutiny

In February 2020, we introduced a new Her Majesty's Chief Inspector's Report area on our [website](#). This area brings together a range of information and messages based on evidence gathered by our HM Inspectors. Rather than publishing a report every 3 to 4 years we are publishing a series of briefings and reports on scrutiny findings on an ongoing basis. This takes the format of an online web based resource designed to provide a range of professional learning materials which can be used by schools and local authorities to support continuous improvement.

Our pre-inspection questionnaires contributed to the Scottish Government's [National Improvement Framework Evidence Dashboard](#). A total of 7,744 parents/carers and 20,876 children and young people in primary, secondary, all-through and special schools completed the questionnaires issued to the 122 establishments which were part of the annual sample. Additionally,

2,242 parents/carers of children in early learning and childcare settings completed the questionnaires. All colleges have been asked to comment on the impact of their PV.

Community Learning and Development

Over the past year, we continued our programme of scrutiny of community learning and development services. We published the 'Improving life chances and empowering communities' national report (January 2020). This summary of findings from inspection evidence 2016-19 highlights some examples of outstanding practice which is making a difference for learners and communities. We identified community capacity building as excellent practice in East Ayrshire, for example, the Vibrant Communities initiative is empowering communities and transforming how services are delivered. We also identified good practice in family learning and parental engagement in Inverclyde Council, where Kings Oak Primary School Family Hub is offering a high quality range of learning opportunities for children and their families.

What's next

“Over the past year we have continued to develop our scrutiny activities across a range of sectors and have been making the best use of evidence gathered by HM Inspectors to share key findings locally and nationally to support continuous improvement in practice. We will continue to enhance our approaches and provide assurance to our stakeholders around standards, quality and improvement in 2020/21.”

Janie McManus,
Director of Scrutiny

Background

Cunningsburgh Primary School and Early Years, in the Shetland Islands Council, was inspected in May 2018. This was part of our national programme of school inspections to evaluate the overall quality of education within the setting. Following the inspection, it was agreed that HMI, having an in-depth knowledge of the Cunningsburgh Primary School and Early Years and the wider Shetland context, would provide support by facilitating professional learning. This involved practitioners from Cunningsburgh and a wider reach of practitioners and senior leaders from across the Shetland Islands Council. Additionally, the findings for the early years department in Cunningsburgh Primary School and Early Years resulted in a further inspection which took place in November 2019. Areas for development identified included the need to strengthen the use of self-evaluation to support planning for future improvement in a strategic way.

What happened?

HMI delivered bespoke professional learning opportunities for senior leaders and practitioners from across the Shetland Islands Council in March 2019. They worked with Shetland Islands Council central quality improvement team to ensure content was relevant and would secure the best possible impact. During the further inspection, we undertook observations, met with parents, engaged in professional dialogue with practitioners and teaching staff, and spent time with children in their play. This allowed us to determine the significant progress since the initial inspection.



What was the impact?

The headteacher highlighted that following the initial inspection, they recognised there was a need to re-evaluate every aspect of their pedagogy and practice. This thinking formed the basis of a comprehensive response to the identified areas for improvement from the initial inspection. These included the development of self-evaluation to monitor the impact of their work. To support this, all staff participated in our professional learning which enabled them to develop highly reflective practice and to underpin developments with evidence-based thinking. The impact of this learning was stressed by the headteacher:

“The past 17 months have been a huge learning journey for every person in the ELC team. Each of us have gained a great deal in taking on such rich and rewarding personal and professional development.”

Responding to the areas for development, practitioners developed the use of focused self-evaluation. As part of their work to review pedagogy and to offer increased challenge, they have encouraged children to be more independent, to develop their curiosity and their creativity. Innovative resources and new spaces for learning such as an ‘outdoor room’ have supported this process. They made a positive start to developing a continuum of play-based learning across the early level.

“I was determined to create a better fit between the ELC curriculum and Primary 1 and move away from children experiencing an environment filled with desks and chairs where learning looked very different to what they had experienced before. It has been very rewarding to see the high level learning which has come out of the children’s play”.

What’s next?

Cunningsburgh Early Years began providing 1140 hours of early learning and childcare from October 2019. Extended hours mean children will have increased opportunities to benefit from the significant developments, introduced. Play-based learning will continue to be a key improvement priority across the school and the headteacher is optimistic they will continue to improve.

“The past 17 months have been a huge learning journey.”

CORPORATE SERVICE AND GOVERNANCE

Our Corporate Services and Governance directorate provides high quality support around service delivery, finance, facilities, analysis and governance for our organisation. It underpins our externally facing offer to the Scottish education system and is at the heart of everything we do.



HIGHLIGHTS

Finance, Infrastructure and Analysis

We recently completed our Estate Strategy for 2019-2029. This sets out the short, medium and long-term options for our existing accommodation and other requirements in order to support our remit. The strategy also considers the implementation of smarter working practices in our offices, sharing accommodation with other government bodies and reviewing home-working arrangements. It sets out timescales by which decisions require to be made and will allow us to ensure our accommodation is fit for purpose, that we are making best use of the space and will provide flexibility for a range of working methods e.g. hot desking, quiet areas and team working.

In a climate of limited public funding, good financial management ensures that Education Scotland is able to maximise the benefits from the budget allocated to it by the Scottish Government. Effective budget monitoring is a cornerstone of good financial management, and therefore during 2019-20 we undertook a detailed review of Education Scotland's budget monitoring process. Areas of good practice and for improvement were highlighted as part of the review. As a result, we have implemented new and improved budget monitoring processes and ways of working. All of this work was supported by training in financial awareness and budgeting.

Our analytical teams continue to provide a wide range of evaluation and statistical support to the organisation. The teams provide educational data to support the inspection process and contribute to the Scottish Government's reporting for the National Improvement Framework. Since late 2019 the Improvement and Evaluation Team has also been working with a number of the directorates to help them develop performance measures and has also delivered a range of professional learning sessions to help build evaluation capacity across Education Scotland.

Organisational Development

We implemented our new structure from April 2019 and 6 months later we began a review of its effectiveness. We held engagement sessions with each directorate in October and staff also had the option to provide written feedback through a dedicated mailbox. Feedback from staff was carefully considered by the Leadership Team and shared with all staff, along with a proposed action plan in December 2019. We will be working to take forward the identified actions over the course of 2020. Further information around this work is provided in the case study for this directorate.

Digital Services

We published our first Digital Strategy in July 2019. This sets out how we will use our digital services to deliver our strategic priorities, and to develop and maintain our external facing digital services. It includes a clear focus on putting our users at the centre of everything we do, and how we will be responsive to the changing needs of Scottish education. It also outlines how we will harness the benefits that enhanced digital approaches can offer in order to improve how we operate, and also how we can maximise our contribution to the education system.

Additionally we piloted our new online Note of Visit tool from April 2019, with the system operating fully by August 2019. This tool provides a mechanism for us to capture and report on all of our interactions with the education system. The data can be organised in a variety of ways and will allow us to report on this from many perspectives.

Operations

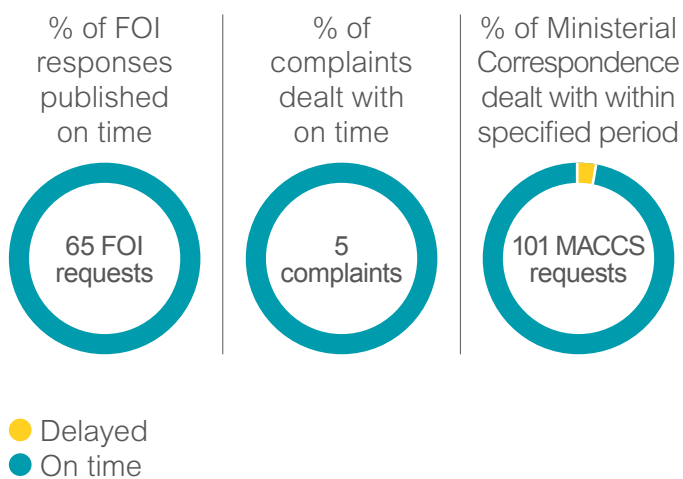
With the considerable increase in headcount (51 new starts since April 2019), our HR team has taken steps to evaluate and refresh the induction process. Quarterly corporate inductions now take place and these are a blend of information sessions from across teams, awareness sessions with our Senior Leadership Team and broader involvement from partners across Scottish Government. There is also informal networking as participants are given dedicated time throughout the 3 day event to get to know each other and are encouraged to “buddy up”. Feedback on these events has been positive and colleagues have welcomed the opportunity for a full bespoke induction.

Our Communications Team continued to effectively manage and lead on our range of communication channels. 2019-20 saw our newsletter subscribers reach over 54,000, our Facebook Engagements reach over 17,000 and our Twitter followers reach over 52,000.

The Strategic Business Unit is a comprehensive support function that has been contributing effectively to the achievement of Education Scotland’s corporate objectives and to the delivery of our Corporate Plan. This team works with the front facing directorates to develop the organisation’s business plan and budget, and provides clear and consistent guidance, advice, support and challenge in business activities.

Governance

Our Official Correspondence Unit responds to the range of Freedom of Information (FOI) requests, Ministerial and Ministerial Correspondence and handles any complaints we receive. Throughout 2019-20, we received a number of such requests and complaints, and as the charts below show, we responded to the vast majority of these within agreed targets.



What's next

“Corporate services teams have provided high-quality support to all directorates across the organisation in 2019-20. Moving forwards we will explore new ways of working which would enable us to continue to provide this level of support and to put our strategic priorities into practice.”

Gillian Hamilton,
Director of Corporate Services

Background

In response to staff feedback and to support us to embed our new structure, we created an ambitious Organisational Development strategy. At the centre was a commitment to make Education Scotland a great place to work by focusing on its people and aligning with organisational values. We launched the strategy in April 2019 through engagement sessions across our 3 main sites in Glasgow, Livingston and Dundee. Digital information was available for colleagues working remotely.

What happened?

A Steering Group was developed and work streams were formed to focus on areas which staff highlighted as important - Leadership, Learning, Culture, Communications and Engagement, Structures and Support. A series of launches showcased the work streams and invited staff to participate. There was positive uptake with 81 colleagues from different parts of the organisation, across different job grades and with varying degrees of experience, volunteering to participate and working together to develop action plans for each workstream.

“At the centre was a commitment to make Education Scotland a great place to work by focusing on its people and aligning with organisational values.”



What was the impact?

Notable successes include the introduction of a range of informal networking opportunities such as a weekly 'Ten Thir-Tea' session in each office, which encourage staff to take time out and get to know each other. Feedback suggests that staff find these "a great way to catch up with colleagues and also to meet new ones. It's good to have some down time".

We also introduced learning lunches focusing on topics from Self-Care to Professional Development. Participants attending the session on self-care said it had highlighted that 'switching off' is important, and had helped them to keep things in perspective.

"1 point I took away from the session was that sometimes we get too focused on the immediate, urgent task instead of the bigger picture and that the 'urgent' task isn't life or death really."

Additionally we launched a professional learning funding process to support staff to undertake external professional development. A small number have already taken this forward.

Improving communications has been a focus and we launched weekly Leadership Team blogs in summer 2019. They have provided an effective means for our Strategic Directors to communicate with staff about work within their directorates. We also have an 'OD Supplement' to showcase the progress of work streams and seek feedback.

What's next?

Recommendations from a recent internal audit will inform further revisions to the strategy. 1 recommendation was focused on streamlining the OD strategy and approach. We have therefore engaged the expertise of an external provider who will work through a Logic Model approach (already successfully utilised across other areas of the business) with the OD team, to agree the priority areas of focus, key actions and realistic timescales to achieve this and streamline the current work stream model accordingly. Stakeholder analysis will form a crucial part of this exercise.

FINANCIAL REVIEW

Education Scotland is funded by the Scottish Government through the Education and Skills Portfolio. The financial results for 2019-20 are reported in the financial statements.



Financial Review

The total budget allocated at the start of the year was £22.943m and a further £15.438m of budget was transferred from the Scottish Government during the year to fund additional costs arising from Education Scotland's enhanced remit and also for other work which was outwith the core remit. The final budget for 2019-20 was £38.381m.

2019-20	Original Budget £	Updated Budget £	Outturn £	Variance £
Cash Resource Expenditure (RDEL)	22,503	37,831	37,434	(397)
Non-Cash Resource Expenditure (RDEL)	420	420	252	(168)
Annually managed Expenditure (AME)	0	110	86	(24)
Total Expenditure scoring against Resource Budgets	22,923	38,361	37,772	(589)
Capital Expenditure	20	20	32	12
Total	22,943	38,381	37,804	(577)

Overall expenditure for the year was **£37.804m**, resulting in an underspend of **£0.577m**.

Cash resource variances – underspend of £0.397m

The underspend relates to the following key areas:

- ▶ During 2019-20, a significant number of grants were issued to external organisations, including Local Authorities. However, a number of pieces of work scheduled for March 2019 were cancelled and the terms of the grant specify that unspent funds must be returned. In all, a total of £0.131m is due to be returned and although this is presented as an underspend by Education Scotland, these funds will be used by the Scottish Government to contribute to the additional cost of responding to the COVID 19 crisis.
- ▶ Education Scotland halted some planned work, such as inspections, at the start of March and from 18 March onwards staff were working from home to comply with the Scottish Government rules on physical distancing. Travel and subsistence costs are therefore under budget.
- ▶ Events scheduled in March to support Professional Learning and Leadership did not go ahead.
- ▶ Planned spend by the Digital Team which had not been contractually committed was not taken forward because of the uncertainties around contractors being able to work remotely without access to the Scottish Government IT platform.

Non Cash resource variance – underspend of £0.168m

The non cash budget covers depreciation charges and also the notional audit fee. In recent years there has been limited capital investment and therefore there is a corresponding decrease in the charge for depreciation.

Annually Managed Expenditure – underspend of £0.024m

This budget is for pension liabilities which are due to the Strathclyde Pension Fund in relation to continuing commitments from Education Scotland's predecessor bodies.

Capital Expenditure – overspend of £0.012m

The overspend on capital related to the purchase of VC equipment and the additional costs of sourcing laptops as supplies became limited at the outbreak of COVID-19.



Other Significant Variances

Staff costs

Permanent staff costs for 2019-20 are £23.371m which is an increase of £5.5m from 2018-19 (£17.864m). Education Scotland's organisational remit was enhanced at the start of the year and additional staff were recruited to fill senior educational roles. Permanent staff numbers increased by 60 over the course of the year and total staff numbers now stand at 369.

Operating income

Education Scotland receives payments from the Scottish Funding Council for undertaking reviews of the college sector. The timing of these payments has altered to align with the academic year and therefore there is a fall in income for 2019-20.

Accrued Income

Following final agreement with HMRC on the correct VAT treatment for educational secondees, expected receipts for the return of VAT were recorded in the financial statements. The majority of these payments have now been received and the accrued income balance has fallen accordingly.

Accruals and deferred income

In order to ensure prompt payment, suppliers were contacted directly before the end of the financial year and reminded to invoice as soon as goods and services are delivered. This approach has resulted in a reduction in the overall level of accruals.

Finance Strategy

Education Scotland has now published its Corporate Finance Strategy which cover 3 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 2020-21

As a result of the COVID-19 pandemic, 2020-21 is set to be a very challenging year for the UK and Scottish Governments and all Government bodies will need to look at new ways of working in order to deliver objectives. Additionally, given the limitations on public funds, public bodies will need to deliver these objectives in a cost effective way which maximises the benefits to the public purse. Education Scotland will play its part in this and has already modified its plans for 2020-21 in order to deliver effective support to Scotland's learners and educators. Careful management of resources and close monitoring of budgets will be key to delivering Education Scotland's strategic priorities within the budget allocated.

Payment of suppliers

Education Scotland's 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. The agency has not paid any interest under the Late Payments of Commercial Debts (interest) Act 1988.

However, the agency has a target of paying all invoices within ten days. This is above and beyond our contractual commitment. For the year ended 31 March 2020, Education Scotland paid 97.7% of invoices within ten days (2018-19 99.6%).

	2019-20 Budget £	2020-21 Budget £	Variance £
Cash Resource (RDEL)	22,503	23,384	Uplift for additional statutory pension commitments
Non-Cash Resource (RDEL)	420	420	
Capital	20	2,800	Additional capital budget to create digital systems and processes which will support Scottish Learners
Total	22,943	26,604	

SUSTAINABILITY REPORT



Summary of Performance

The overall performance is on target to satisfy the emissions reduction in line with The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 figures.

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 decreased from the last reporting year. This year (367.26): Energy – 0 (t) Waste – 0.41 (t) Water – 0.81 (t) Travel – 366.04 (t) Last year - 494.82	●
Energy	Year on year reduction of energy usage.	Although our energy consumption has increased in line with staffing numbers, all energy supply across the estate is based on 100% renewable energy therefore net emissions are zero.	●
Waste	Year on year reduction of waste generated.	Waste generated has decreased by 13.6% from the last reporting year.	●
Recycling	Year on year increase in waste recycled.	The majority of all waste continues to be recycled. Reporting in this area will be reviewed in order to provide more accurate data.	●
Water	Year on year reduction in water usage.	Water consumption has increased by 18.5% from the last reporting year.	●
Travel	Year on year reduction in our level of travel per capita.	The overall level of travel has increased by 5.4% from the last reporting year. Train travel has seen an increase, however, other modes have decreased.	●

COVID-19

Our staff are currently following the government's rules on isolation and physical distancing and this will have an impact on the emission figures during the year 2020/21. This will also present a difficulty in capturing accurate figures as there is no mechanism in place to capture those from staff who are working from home.

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	899
Year 2 carbon footprint	2016-17	3.65	325.46	327.45	657	tCO2e	890
Year 3 carbon footprint	2017-18	4.53	193.87	252.9	451	tCO2e	881
Year 4 carbon footprint	2018-19	1.36	127.19	366.27	495	tCO2e	872
Year 5 carbon footprint	2019-20	0.54	0	366.72	367.26	tCO2e	863

Green House Gas Emissions		2018-19	2019-20
Non-financial indicators (tonnes CO2e)	Total emissions	137	0
Related energy consumption (mWh)	Electricity non renewable	0	0
	Electricity renewable	449	551
Financial indicators (£k)	Expenditure on energy	88	74

GREENHOUSE GAS EMISSIONS AND ENERGY

Performance, targets and commentary

COVID-19 – Education Scotland anticipates that our office energy use will decrease due to the pandemic as all staff are working from home. The true energy usage figure for home working cannot be estimated with certainty, but based on typical laptop consumption figures there is likely to be a negative effect on emission figures as it is unlikely that all staff to have 100% renewable household electricity tariff.

Note: The figures used to work out CO2 emissions in 2018/19 were as recommended by the Carbon Reduction Commission (CRC). Electricity is kwh multiplied by 0.30482 (2017-18 0.00348). Source: [CRC Energy Efficiency Scheme Order: Table of Conversion Factors Version 6: Published June 2016](#).

In the Budget on 16 March 2016, the Chancellor of the Exchequer announced that the government has decided to close the CRC scheme following the 2018-19 compliance year.

Education Scotland has increased its electricity usage during the reporting year and this can be attributed to the increased headcount which has gone up from 309 in 2018-19 to 348 in 2019-20. Education Scotland currently uses the SG appointed supplier of energy and the current tariff is 100% renewable. The landlord for our Glasgow office has also confirmed that the elected supplier provides energy from renewable sources. Consequently net emissions are zero.

Waste and Recycling		2018-19	2019-20
Non-financial indicators (tonnes)	Total volume of waste (not inc. construction)	22	19
	Non-hazardous waste	22	19
	Hazardous waste	0	
Financial indicators (£k)	Total waste disposal cost	5	5
Greenhouse gas emissions (tonnes)	Emission factor – 21.3842 – kg CO2e/tonne	0.47	0.41

WASTE AND RECYCLING

Performance, targets and commentary

Education Scotland has decreased the overall waste generated by 13.6% compared to the previous year. All of the information Education Scotland receives for waste management confirms waste is recycled. Contractors sort general waste to recover any recyclables, and the residue which can't be recycled is made into refuse derived fuel for energy from waste plants to produce heat and power.

COVID-19 – We expect that our office waste generation figures will be lower during the year 2020/21 due to staff currently working from home. The pandemic will also have an effect on the amount of waste going to landfill as the disposal route will be dictated by the local authority rules. The information regarding specific figures relating to waste generated during home working cannot be captured by Education Scotland.

Water		2018-19	2019-20
Non-financial indicators (m3)	Consumption	1,998*	2,368*
Financial indicators (£k)	Water supply costs	28*	26*
Greenhouse gas emissions (tonnes)	Emission factor - 0.344 - kg CO2e/m3	0.69	0.81

Note: Non-financial indicators include water supplied and waste management.

* includes full year estimates for Optima.

WATER

Performance, targets and commentary

Education Scotland's increase in water consumption is directly linked to the headcount increase during the reporting year.

COVID-19 – Figures relating to water usage in our offices are expected to reduce in 2020/21 due to requirement of staff to work from home. Estimation of consumption for staff working from home will not be possible and 2020-21 figures will relate only to office usage only.

TRAVEL

Performance, targets and commentary

Travel is necessary in carrying out Education Scotland's role in supporting quality and improvement in Scottish education. In carrying out our enhanced remit our level of travel has increased by 5.4% from the last reporting year and is expected to continue as our organisation expands. However, see paragraph below on impact of COVID-19 pandemic.

The overall emission levels resulting from transport have slightly decreased despite the level of travel being higher than previous year. Air, motor and fleet travel have all decreased while rail travel has increased by 25% but since rail travel is the most effective way of travelling in terms of reducing carbon emissions this is a positive development.

Travel (Emissions in Tonnes)	2018-19	2019-20
Rail (miles)	410,938	513,954
Rail Greenhouse gas emissions (factor 0.0712 kg CO ₂ e/passenger mile)	29.3	36.6
Air (passenger mile)	183,690	181,492
Air Greenhouse gas emissions (factor 0.4801 kg CO ₂ e/passenger mile)	88.2	87.1
Motor (miles)	850,696	831,787
Motor Greenhouse gas emissions (factor 0.29072 kg CO ₂ e/mile)	247.7	241.8
Fleet (miles)	5,821	2,291
Fleet (diesel) Greenhouse gas emissions (factor 0.23389 kg CO ₂ e/mile)	1.36	0.54
Financial indicators (£k)	666	561

Education Scotland continues to participate in the Scottish Government Carbon Emissions Scheme whereby a mandatory £1 levy is charged when a hire car is booked for official business.

The levy is returned to the Scottish Government's carbon levy pot for donation to environmental causes. Travel will remain an area of focus for the organisation in the year ahead, as we continue to highlight improved technologies such as Skype and video conference equipment to help reduce the level of unnecessary travel.

COVID-19 – Due to current rules on physical distancing and isolation, overall travel figures are expected to reduce during 2020/21. School inspections are a major contributor to Education Scotland's business travel levels and this activity is currently on hold. There is also likely to be a major shift in the type of travel as car travel may be chosen as preferred method of transport, reducing the overall rail travel. The equivalent (mile for mile) emissions resulting from rail travel are about 25% (75% lower) of the car travel emissions. Change in transport mode from rail to car may therefore have a negative effect on future overall emission figures.

OTHER: PROCUREMENT

Performance, targets and commentary

Education Scotland follows the Scottish Government's principles of procurement and our procurement policy includes a requirement to ensure that contract specifications reflect the Scottish Ministers approach to sustainability and where appropriate form part of the evaluation of tenders and conditions of contract.

Education Scotland recognises the importance of a good procurement service in helping us deliver our objectives.

Education Scotland have and will continue to enforce a minimum order value for stationery to reduce the number of deliveries.

Education Scotland monitor paper usage through our stationery suppliers. Our paper consumption has decreased by 69 reams from the previous year. We will continue to promote technology as a method to reduce paper consumption.

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 submit our climate change duties report, detailing the climate change performance of our estate for that financial year, to the Scottish Sustainable Network. [Reports and analysis are publicly available](#), increasing accountability and transparency.

Gayle Gorman

Chief Executive
30 June 2020

ACCOUNTABILITY REPORT – CORPORATE GOVERNANCE REPORT



Directors' Report

The Chief Executive is the Accountable Officer of the Agency and is supported by the 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 79).

Education Scotland Advisory Board

The Advisory Board is chaired by the Chief Executive and currently includes the Education Scotland Strategic Directors and 6 non-executive board members.

Chief Executive & Accountable Officer	Gayle Gorman
Strategic Director	Alan Armstrong
Strategic Director	Gillian Hamilton
Strategic Director	Janie McManus
Strategic Director	Maria Walker
Non-executive board members	John Fyffe (appointed 1 November 2017) Aileen Ponton (appointed 1 July 2019) Ray McCowan (appointed 1 July 2019) David Gemmell (appointed 1 July 2019) Kevin Kelman (appointed 11 November 2019) Lyndsey McRoberts (appointed 11 November 2019)
Members who left during the 2019-20 reporting year and their departure date	
Strategic Director	Brian Taylor (3 November 2019)
Non-executive board members	Moi Ali (31 July 2019) Mike Ewart (31 July 2019) Linn Phipps (11 August 2019) Stephen Ross (14 June 2019)

Company Directorships and other significant interests

None of the directors held any company directorships or other significant interests which conflicted with their management responsibilities.

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.
- ▶ 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.

GOVERNANCE STATEMENT

This Governance Statement aims to provide a clear understanding of Education Scotland’s internal control structure and the management of our resources.



Scope of responsibility

As Accountable Officer for Education Scotland, I have responsibility for maintaining a sound system of risk management and internal control. This system 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.

In the discharge of these 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.

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 establish that the 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.

The Governance Framework has been kept under review throughout 2019-20 in light of our organisational restructure into 5 Directorates, each 1 headed by a member of the Leadership Team. The governance structure has also been reviewed in light of the current pandemic, to best support our need to be agile and flexible in our response and support for the education sector. The temporary arrangements include the Leadership Team now meeting on a daily rather than weekly basis, a revision of the terms of reference for the Directorate Management Boards to ensure a focus on recovery activity and creation of standardised templates to support this activity. The new arrangements also include the setup of a number of work streams to take forward the Agency's recovery activity and support for the sector, each headed by a member of the Leadership team and involving staff from across the Agency rather than being restricted to specific directorates. We have also reviewed the first year of our Corporate Plan and are currently mapping our new work streams to the existing 5 priorities contained therein.

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, developing strategies and plans plus the day to day strategic management of the organisation.

For the first part of the year there were 5 Strategic Directors within Education Scotland, however, following the departure of the Corporate Services and Governance Strategic Director in October, the Strategic Director for Professional Learning and Leadership agreed to also assume responsibility for the Corporate Services and Governance Directorate on an interim basis. I am happy to report that since then, this arrangement has been made permanent.

Until recently the Leadership Team normally met fortnightly as a formal decision making group, responding to strategic and corporate issues. In addition, additional Twilight sessions and Away Days took place at points across the year. However, as indicated above, the significant challenges resulting from the Coronavirus pandemic has required us to move to daily or twice daily Leadership Team meetings, all delivered remotely as our offices are closed in line with the current restrictions.

Advisory Body

I am also supported by our Advisory Board, which I Chair and which includes 6 non-executive board 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 board members acting as critical friends and providing constructive challenge and guidance. 5 of the non-executive board members were appointed during 2019-20.

The Advisory Board met a number of times throughout the year to progress the business of the Agency. There were 3 formal Board meetings and 1 strategic session. 2 induction meetings were also held in August and in November. These provided an opportunity for the newly appointed non-executive board members to meet with the executive members of the Board to freely discuss the key priorities and challenges facing the Agency.

The last formal Board meeting of 2019-20 had to be cancelled as it fell due just as the country went into lockdown in response to the Coronavirus pandemic. It was subsequently replaced with a teleconference between the non-executive board members, myself as Chief Executive, and the Strategic Director for Corporate Services and Governance. The board papers that would have been considered at the cancelled meeting were also issued electronically to members with comments collated and responses fed back.

During the year, the Director General for Education, Communities and Justice attended 1 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, 1 of our non-executive board members, who assumed the position of Chair when the previous Chair's appointment came to an end in August 2019. John Fyffe was already a member of ARC and therefore his appointment as Chair provided a level of continuity to the Committee. The membership of ARC also includes 2 other non-executive board members, both of whom were appointed during 2019-20 and 1 Independent Audit and Risk Committee Member who has relevant and recent 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 4 times during the year. To ensure that all members of the Advisory Board are sighted on the work of ARC, a formal, written report is 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 regularly meet with ARC members without executives in attendance.

Sub Boards

A number of additional boards formed part of the Governance Framework in operation during the year, namely:

- ▶ Directorate Management Boards, the frequency of meetings varying across Directorates but generally each Directorate held formal board meetings monthly with regular more informal meetings in between.
- ▶ Organisational Development Steering Group which met 4 times over the year, membership of which included John Fyffe, 1 of our non-executive board members.
- ▶ Partnership Board which met 6 times over the year. Membership included representatives from the Agency and key Trade Unions officials.
- ▶ Health & Safety and Sustainability Group which met 4 times during 2019-20.



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.

Internal Audit carried out 2 audits in 2019-20:

- ▶ Organisational Development – Reasonable Assurance.
- ▶ Risk Management – Substantial Assurance.

And 3 follow up audits:

- ▶ Procurement and Contract Management.
- ▶ Change Management.
- ▶ Financial Management.

The key risks identified in the Organisational Development audit centre around insufficient planning, monitoring and reporting arrangements leading to the possibility of poor direction, control and progress. To address this we plan to streamline our existing strategy and develop a focused action plan to target activity in areas where most impact is evident. We will also work with Improvement and Evaluation colleagues to review KPIs in accordance with OD methodology.

The key risk identified within the Risk Management Audit is the possible lack of understanding and awareness of risk leading to a failure to adequately embed our new processes across the Agency. To mitigate against this we plan to organise and deliver further formal risk-specific training to key individuals including the Agency's Business partners. In the meantime 1 to 1 awareness sessions are being delivered by the Governance Manager.

Following their work above, Internal Audit have provided me, as Accountable Officer, with an overall assurance opinion of "Reasonable" for 2019-20.

In arriving at their opinion, they relied primarily on the results of their direct work and 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 Committee in conducting its corporate governance role.
- ▶ Attitude towards and engagement of senior management in risk management, control and governance arrangements.
- ▶ Corporate governance documents.
- ▶ Outcomes from other assurance reviews and management responses to these.
- ▶ Approach to prevention, detection and management of fraud.

Finally, they framed their overall assurance opinion in the context of their cumulative knowledge of Education Scotland's control 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 2019-20 audit which has included testing the key controls within our financial systems and verifying significant income and expenditure transactions up to December 2019. No issues were identified from their testing of income and expenditure transactions. They have also concluded that, generally controls are operating satisfactorily, although they have identified 2 areas where improvements could be made. As a result, we are taking action to strengthen our controls in these areas as follows:

Systems user access - we are implementing monthly access checks with formal reviews by our Assistant Accountant each quarter.

Overtime claims – we have issued reminders, where appropriate, about the need for timely submission of claims and we will be publicising the overtime policy to all staff via the weekly staff newsletter.

As well as the work above, auditors have also reviewed our equality and diversity arrangements, website accessibility and followed up on the 2017-18 IT overview report as part of their wider audit responsibilities. No issues were identified from this wider scope work.

Risk

In 2019, we developed a new Risk Management Strategy which we launched in November 2019. The Chair of our Audit and Risk Committee was heavily involved in supporting our Governance Team with this piece of development work. In addition, both the Advisory Board and Audit and Risk Committee provided additional advice and challenge on this.

The new Education Scotland Risk Management Strategy provides a straightforward methodology to help manage risk effectively and incorporates guidelines issued from the Scottish Government.

The new arrangements formalise strategic and directorate reporting. Business areas now report up, or escalate to, directorate level and/or Leadership Team. Programmes and projects continue to have dedicated governance arrangements in place to allow for upward reporting. The Governance Manager and Business Partners also meet regularly to review the Directorate Risk Registers looking for areas of commonality and to collectively review risk scoring. A report is submitted to LT on a quarterly basis.

The Education Scotland Risk Register (ESRR) holds risks at the highest level. The ESRR is shared and discussed at LT, Directorate Boards, Advisory Board and Audit and Risk Committee meetings. Risks are continually evaluated and assessed in respect of their severity and how these can be mitigated and managed going forward.

Data Protection

We recognise the need for information to be protected, managed and valued appropriately. We therefore have a designated Data Protection Officer, Senior Information Risk Owner and an Information Security Manager. We have also recently appointed, currently on an interim basis, a Head of Information Governance. All employees are required to complete mandatory online training covering both data protection and information management on an annual basis.

There were 6 minor data issues during the year. In each case action was taken to ensure that the impact of any breach 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 and all were reported to the Audit and Risk Committee even though escalation to the Information Commissioner's Office was not warranted.

Significant Issues

During 2017/18 there was a significant issue with a project related to the agency's National Improvement Hub. A procurement matter was identified that was not in line with normal business practice and was contrary to Scottish Public Finance Manual requirements. Effective action was taken at the time to address the issues highlighted and an investigation was undertaken to establish the circumstances surrounding these issues. This investigation concluded in 2019-20 and steps have been taken to revise governance procedures in respect of procurement.

Assessment of Corporate Governance Arrangements

I am fully committed to the continued improvement of our corporate governance arrangements. Changes in 2019-20 included, but were not limited to:

- ▶ New directorate structure implemented (and reviewed 6 months after implementation) to support better assurance and accountability).
- ▶ Accompanying creation of Directorate Management Boards, each chaired by a member of the Leadership team, to oversee the work of each business area.
- ▶ Recruitment of 5 new non-executive board members to provide strategic expertise across a range of skills.



- ▶ Development of a new Risk Management Strategy for the Agency, to better support improved identification and mitigation of risks.
- ▶ Development of the Agency's first Digital Strategy to govern the delivery of all our digital services.
- ▶ Review of the role and purpose of our Health & Safety and Sustainability Group – sustainability will be stripped out for 2020-21 to ensure a sharper focus on staff safety and wellbeing.
- ▶ Temporary refinement of our governance arrangements to ensure a sharper focus on the risks and issues arising from the COVID-19 pandemic.
- ▶ Development of a new Business Continuity Plan to ensure Education Scotland has a system for responding to incidents, and returning to business as usual, in a coherent and sensible fashion.
- ▶ The roll out of financial awareness training for key staff and budget holders.

2019-20 has also seen us begin to baseline our new Key Performance Targets. At the same time, we have a suite of additional management information to support and inform better decision making and accountability.

Given my commitment to ongoing improvement, we will continue to develop and improve our governance arrangements in 2020-21. Planned actions include:

- ▶ The development of a new Complaints Handling Process in line with the SPSO Model Complaints Handling Procedure.
- ▶ Development of Unacceptable Actions guidance for Education Scotland, linked to the new Complaints Process.
- ▶ Development of a delegated approvals process and accompanying guidance for Ministerial and Official correspondence.
- ▶ A review and refresh of our Core Briefs.
- ▶ A review of the agency's information governance arrangements and the development of an improvement plan.
- ▶ A full audit of our key information assets to ensure that these are being effectively managed and stored.

Review of the Effectiveness of Internal control

As Accountable Officer, I have responsibility for reviewing the effectiveness of Education Scotland's governance framework, including the system of internal control. The system is designed to manage rather than eliminate the risk of failure to achieve our policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. My review is informed by:

- ▶ Regular review of and discussion of internal controls at Advisory Board and Audit and Risk Committee.
- ▶ Formal assurances from the Strategic Directors following a review of the governance arrangements within their specific areas of responsibility.
- ▶ Through the regular and frequent meetings of the Leadership Team and systematic business review meetings with each individual Strategic Director.
- ▶ The opinions of internal and external audit on the quality of the systems of governance, management and risk control.
- ▶ Updates and assurances provided by the Chair of the Audit and Risk Committee.
- ▶ Regular formal monitoring of management information reports.
- ▶ Regular formal budget monitoring.
- ▶ Periodic staff surveys.

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 policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. It can, however, only provide reasonable and not absolute assurance of effectiveness. My organisation is committed to a process of continuous development and improvement and as part of that commitment, I have identified a need to focus on improving the following areas over the coming year:

- ▶ While the audit on our new risk management arrangements was very positive, work is still needed to fully embed risk management across the Agency. In particular, there is a need to extend knowledge about risk management more widely across the Agency. We will therefore be organising formal risk management training for those who need it. We will also be running more general awareness sessions which will be open to all.

► Quick access to accurate and up-to-date information is crucial to the way we work and in assessing our current information management arrangements, I am of the view that there is a requirement to review and strengthen our processes in this area. We will therefore be devising a plan for improvement and we have appointed an interim Head of Information Governance to support this work. This improvement activity will include a review of all our information assets and we will be arranging training for all Information Asset owners and other key personnel across the Agency to support the maintenance of these assets going forward.

No other significant weaknesses or issues have arisen and I am therefore satisfied that we are meeting the expected standards for good governance, risk management and control.



ACCOUNTABILITY REPORT – REMUNERATION AND STAFF



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.
- ▶ 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 civilservicecommission.independent.gov.uk

Remuneration (including salary) and pension entitlements

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

Education Scotland is required to disclose the relationship between the remuneration of the highest paid director in the organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid Director in Education Scotland in the financial year 2019-20 was £115-120,000 (2018-19, £115-120,000). This was 1.9 times (2018-19, 2.0) the median remuneration of the workforce which was £62,191 (2018-19, £57,503). The equivalent remuneration in the Scottish Government was £185-180,000 (2018-19 £165-£170,000) which was 4.9 times (2018-19 4.6) the median remuneration of £37,418 (2018-19 £36,328).

In 2019-20, no employees (2018-19, 0) received remuneration in excess of the highest paid director. Remuneration ranged from £19,314 to banded remuneration of £115-120,000. (2018-19, £19,562 to banded remuneration of £115-120,000).

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

BOARD REMUNERATION



Board Remuneration

Officials	Salary (£'000)		Pension benefits (to nearest £1000) ¹		Total (£'000)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Gayle Gorman Chief Executive	115-120	115-120	46	46	165-170	160-165
Alan Armstrong Strategic Director	75-80	75-80	33	29	110-115	105-110
Gillian Hamilton Strategic Director	90-95	85-90	35	35	125-130	120-125
Janie McManus Strategic Director	75-80	75-80	43	41	120-125	115-120
Elizabeth Morrison Interim Strategic Director	-	25-30 FTE 75-80	-	16	-	45-50
Brian Taylor Strategic Director (to 3 Nov 2019)	40-45 FTE 70-75	75-80	17	50	61-65	125-130
Maria Walker Strategic Director	55-60 FTE 70-75	25-30 FTE 70-75	23	12	80-85	40-45
Moi Ali Non-Exec Board Member (to 31 Jul 2019)	0-5	0-5	-	-	0-5	0-5
Michael Ewart Non-Exec Board Member (to 31 Jul 2019)	0-5	0-5	-	-	0-5	0-5
John Fyffe Non-Exec Board Member	15-20	5-10	-	-	15-20	5-10
Linn Phipps Non-Exec Board Member (to 11 Aug 2019)	0-5	0-5	-	-	0-5	0-5
Stephen Ross Non-Exec Board Member (to 14 Jun 2019)	-	0-5	-	-	-	0-5
David Gemmell Non-Exec Board Member (from 1 Jul 2019)	0-5	-	-	-	0-5	-
Raymond McCowan Non-Exec Board Member (from 1 Jul 2019)	0-5	-	-	-	0-5	-
Aileen Ponton Non-Exec Board Member (from 1 Jul 2019)	0-5	-	-	-	0-5	-
Lyndsay McRoberts Non-Exec Board Member (from 11 Nov 2019)	-	-	-	-	-	-
Kevin Kelman Non-Exec Board Member (from 11 Nov 2019)	-	-	-	-	-	-

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.

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. All the above information disclosed in the Remuneration Report has been audited by Education Scotland auditors. The other sections of the Remuneration Report were reviewed by the auditors to ensure they were consistent with the financial statements.

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 2019-20.

Bonuses

The Scottish Government suspended non-consolidated bonus payments from 2011-12. No bonus payments were made in 2019-20.

Pension Benefits

Officials	Accrued pension at pension age as at 31/3/20	Real increase in pension and related lump sum at pension age	Cash equivalent transfer value (CETV) at 31/3/20	Cash equivalent transfer value (CETV) at 31/3/19	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Gayle Gorman Chief Executive	5-10	2.5-5	76	42	24
Alan Armstrong Strategic Director	15-20	0-2.5	370	339	26
Gillian Hamilton Strategic Director	0-5	0-2.5	51	25	19
Janie McManus Strategic Director	40-45	0-2.5	667	607	28
Brian Taylor Strategic Director (to 3 Nov 2019)	20-25	0-2.5	291	281	6
Maria Walker Strategic Director	0-5	0-2.5	36	12	20

**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 4 sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and 1 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 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in 1 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 2 schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder 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 3 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 is 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 a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from the appointed provider - Legal & General. 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 2 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 worked out 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 2019-20 (2018-19 Nil). No employees left under voluntary exit terms in the year 2019-20 (2018-19 Nil).

Settlement Agreements

No settlement agreements took place in 2019-20 (2018-19 £0.057m)

STAFF REPORT



Staff report

Staff Resources

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

2019-20	All	Male	Female	Other
Senior Civil Servants	6	2	4	0
Other permanent staff	305	72	233	0
Other staff	58	18	30	10
Total	369	92	267	10
2018-19	All	Male	Female	Other
Senior Civil Servants	6	2	4	0
Other permanent staff	235	63	172	0
Other staff	68	19	46	3
Total	309	84	222	3

Staff costs	2019-20 £'000			2018-19 £'000
	Permanent Staff	Others	Total	Total
Wages and salaries	16,596	3,174	19,770	16,073
Social security costs	1,890	-	1,890	1,469
Other pension costs	4,593	-	4,593	2,890
Total Net Costs	23,079	-	26,253	20,432
Other staff costs				
Subscriptions and Memberships	15	-	15	27
Early severance costs	6	-	6	2
Actuarial Advice	-	-	-	29
Holiday pay accrual	271	-	271	376
Total staff costs	23,371	3,174	26,545	20,866

For 2019-20, employer's contributions of £4,474,078 (2018-19 £2,757,324) were payable to the PCSPS at 1 of 4 rates in the range 26.6% to 30.3% (2018-19 - 20% to 24.5%) of pensionable pay, based on salary bands. The scheme's Government Actuary reviews employer contributions every 4 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 £32,253 (2018-19 £24,996) were paid to 1 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.

Sickness absence

Staff absences due to sickness are managed using Scottish Government guidance. For the 12 month period from 1 April 2019 to 31 March 2020, 2,063 working days were lost as a result of sickness absence which equates to 3.03% (2018-19 1,342 days which equates to 2.47%).

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 judged along with everyone else on their abilities. 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 12 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 us to publish information relating to facilities time and the requirements will be covered within the main Scottish Government Annual Report and Accounts. However, we are committed to supporting strong partnership working.

Consultancy

The Agency spent £816 on consultancy services during 2019-20 (2018-19 £21,060).

Exit Packages

No staff left on voluntary exits terms in 2019-20. There were no early exit terms during 2018-19. 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 £81,151 as its share of the levy.

ACCOUNTABILITY REPORT



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	£993,115	£844,147

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. The difference between the cost of service and charge for service during 2019-20 reflects a timing difference due to a change from quarterly to monthly payments. In future payments from the SFC will be more closely aligned with the activity associated with providing the service.

Losses and special payments

Following a review of outstanding debt in 2019-20, a total of £56,717 was written off. This figure relates to VAT charged on the invoices of staff seconded from Local Authorities who provided educational services. Following agreement with HMRC about the treatment of VAT, Education Scotland was able to successfully recover VAT already paid from all but 2 Local Authorities.

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 is 1 contingent liability which arose during the year. Further work is underway to determine the likelihood of the liability occurring and if there will be an associated payment.

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 113.

Gayle Gorman

Chief Executive
30 June 2020

INDEPENDENT AUDITORS REPORT

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



REPORT 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 2020 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2019-20 Government Financial Reporting Manual (the 2019-20 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 Education Scotland's affairs as at 31 March 2020 and of its net expenditure for the year then ended.
- ▶ Have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2019-20 FReM.
- ▶ 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 18 July 2016. The period of total uninterrupted appointment is 4 years. I am independent of Education Scotland 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 Standards, 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 Education Scotland. 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 nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- ▶ The use of the going concern basis of accounting in the preparation of the financial statements is not appropriate.
- ▶ Education Scotland has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about its ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the Audit Scotland website, the most significant assessed risks of material misstatement that I identified and my conclusions 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 deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to achieve 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 economic decisions of users taken on the basis of these financial statements.

The risk of not detecting a material misstatement resulting from fraud is higher than for 1 resulting 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. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

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.

Other information in the annual report and accounts

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration and Staff Report, and my auditor's report thereon. 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 matters prescribed by the Auditor General for Scotland to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual report and accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT 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.
- ▶ 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. 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.

REPORT ON OTHER REQUIREMENTS

Opinions on matters prescribed by the Auditor General for Scotland

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. 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.
- ▶ 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.

- ▶ The financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records.
- ▶ 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.

Dave Richardson

Senior Audit Manager
30 June 2020

Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

ANNUAL ACCOUNTS



FINANCIAL STATEMENTS

Statement of Comprehensive Net Expenditure for year ended 31 March 2020

	Notes	2019-20 £'000	2018-19 £'000
Operating Income	4	(1,093)	(1,464)
Other Income	4	(410)	(429)
Total Income		(1,503)	(1,893)
Staff costs	2	26,545	20,866
Purchase of goods and services	3.1	9,798	9,955
Depreciation and impairment charges	5 & 6	214	405
Loss on disposal of assets		1	1
Grant payments	3.2	2,685	2,643
Other Operating expenditure	3.2	32	38
Total Expenditure		39,275	33,908
Comprehensive net expenditure for the year ended 31 March 2020		37,772	32,015

The notes on pages 118-129 form part of these accounts.

Statement of Financial Position as at 31 March 2020

	Notes	2019-20 £'000	2018-19 £'000
Non Current Assets			
Property plant & equipment	5	172	350
Intangible assets	6	1	6
Total non current assets		173	356
Current Assets			
Trade receivables	8	95	101
Prepayments	8	536	402
Accrued income	8	3	566
Other receivables	8	6	0
Total current assets		640	1,069
Total assets		813	1,425
Current liabilities			
Trade and other payables	9	(489)	(274)
Other Payables	9	0	(7)
Accruals and deferred income	9	(2,995)	(3,455)
Provisions	10	0	(6)
Total current liabilities		(3,484)	(3,742)
Total assets less total liabilities		(2,671)	(2,317)
Taxpayer equity and other reserves			
General Fund		(2,671)	(2,317)
Total taxpayers equity		(2,671)	(2,317)

Gayle Gorman Chief Executive 30 June 2020

The notes on pages 118-129 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2020

	Notes	2019-20 £'000	2018-19 £'000
Cash flows from operating activities			
Comprehensive net expenditure for the year		(37,772)	(32,015)
Adjustment for non cash transactions:			
Depreciation	5,6	214	405
Audit fee	3	38	38
Loss on disposal of assets	5	1	1
Movements in working capital:			
(Increase)/decrease in trade and other receivables	8	429	525
Increase/(decrease) in trade and other payables	9	(252)	281
Increase/(decrease) in provisions	10	(6)	(45)
Net cash outflow from operating activities		(37,348)	(30,810)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(32)	(85)
Purchase of intangible assets	6	0	(3)
Net cash outflow from investing activities		(32)	(88)
Cash flows from financing activities			
Funding from Scottish Government		37,380	30,898
Net increase/(decrease) in cash and cash equivalents in the period		0	0

The notes on pages 118-129 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2020

	Notes	General Fund £'000
Balance as at 31 March 2019		(2,317)
Net funding		37,380
Non-cash charges - auditors remuneration		38
Comprehensive net expenditure for the year		(37,772)
Balance as at 31 March 2020		(2,671)

	Notes	General Fund £'000
Balance as at 31 March 2018		(1,238)
Net funding		30,898
Non-cash charges - auditors remuneration	3	38
Comprehensive net expenditure for the year		(32,015)
Balance as at 31 March 2019		(2,317)

The notes on pages 118-129 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 2019-20 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 financial statements for the year ended 31 March 2020 show a net liabilities position. This has arisen as a result of the requirement to account for the activities of Education Scotland on an accruals basis, whilst recording funding from the Scottish Government on a cash basis. Net current liabilities will be funded by the Scottish Government as they arise. As a consequence, it has been considered appropriate to prepare these financial statements on a going concern basis.

1.3 Property, plant and equipment

All property, plant and equipment (PPE) assets which have a useful life of more than 1 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 Licence and ICT Software, which have a useful life of more than 1 year are accounted for as non-current assets. 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. They are capitalised at their cost of acquisition and installation.

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

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.

1.6 Value added tax (VAT)

Education Scotland receives funding from the Scottish Government Education and Lifelong Learning 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 2020.

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 dependent's 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 sources of operating income are 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 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 1.13)

1.11 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.

1.12 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.

1.13 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 was due to come into effect in the public sector on 1 April 2020 but this has now been deferred until April 2021. 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 2021-22 based on current operating leases is £1.214m.



2. Staff

Total staff costs for the year were £26,545m (2018-19 £20.866m)

Details of staff numbers and costs are provided in the staff report at page 101.

3. Purchase of Goods and Services

3.1 Costs	2019-20 £'000	2018-19 £'000
Cost of software sales	24	0
SWAN	1,179	1,207
Glow	2,473	2,398
Practitioner events	439	572
External advice	178	233
Contractors	1,008	1,180
FE Associate members costs	27	38
Lay member costs	14	12
Travel and Subsistence	1,289	1,221
Training costs	73	116
Reports and publications	92	98
Rent, rates, utilities and maintenance	2,072	1,902
Advertising costs (including recruitment)	36	132
IT support	488	500
IT maintenance & consumables	128	98
Legal costs	28	0
Telecoms	39	68
Postage	21	16
Stationery	27	21
Copier Rental	21	30
Catering	40	29
Health & Safety	14	7
Books and periodicals	4	4
Consultancy	0	21
Other office Expenditure	84	52
Total	9,798	9,955

3.2 Other Operating Expenditure and Non-cash charges	2019-20 £'000	2018-19 £'000
Grants	2,685	2,643
Audit fee	38	38
Provision utilised in year	(6)	0
Total	2,717	2,681
Total (3.1 and 3.2)	12,515	12,636

4. Income	2019-20 £'000	2018-19 £'000
SFC Income	844	993
Local authority and other grants	0	81
Conferences	35	44
SWAN reimbursements for additional services	187	163
Skills Development Scotland	0	110
State of Guernsey strategic inspection work	0	50
International Income	27	23
Total Operating Income	1,093	1,464
Creative Scotland	185	176
The Wood Foundation	109	196
Other income	116	57
Total Other Income	410	429
Total Income	1,503	1,893

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.

5. Property plant and equipment

Cost	Leasehold Improvements £'000	Plant and Equipment £'000	Vehicles £'000	IT Systems £'000	Total £'000
At 1 April 2019	2,170	16	16	321	2,864
Additions	0	0	0	18	32
Disposals	0	(16)	(16)	(16)	(32)
At 31 March 2020	2,170	0	0	323	2,864
Depreciation					
At 1 April 2018	2,072	16	16	198	2,514
Charge for year	82	0	0	63	209
Disposals	0	(16)	(16)	(14)	(30)
At 31 March 2020	2,154	0	0	247	2,693
Net Book Value					
At 31 March 2020	16	0	0	76	172
At 31 March 2019	98	0	0	123	350

Cost	Leasehold Improvements £'000	Plant and Equipment £'000	Vehicles £'000	IT Systems £'000	Total £'000
At 1 April 2018	2,176	368	16	796	3,356
Additions	0	0	0	85	85
Disposals	(6)	(11)	0	(560)	(577)
At 31 March 2019	2,170	357	16	321	2,864
Depreciation					
At 1 April 2018	1,865	174	16	672	2,727
Charge for year	213	65	0	85	363
Disposals	(6)	(11)	0	(559)	(576)
At 31 March 2019	2,072	228	16	198	2,514
Net Book Value					
At 31 March 2019	98	129	0	123	350
At 31 March 2018	311	194	0	124	629

6. Intangible Assets

Cost	Software Licences £'000	Other Software £'000	Total £'000
At 1 April 2019	153	12	165
Additions	0	0	0
Disposals	0	0	0
At 31 March 2020	153	12	165
Depreciation			
At 1 April 2018	147	12	159
Charge for year	5	0	5
Disposals	0	0	0
At 31 March 2020	152	12	164
Net Book Value			
At 31 March 2020	1	0	1
At 31 March 2019	6	0	6

Cost	Software Licences £'000	Other Software £'000	Total £'000
At 1 April 2018	150	12	162
Additions	3	0	3
Disposals	0	0	0
At 31 March 2019	153	12	165
Depreciation			
At 1 April 2018	106	11	117
Charge for year	41	1	42
Disposals	0	0	0
At 31 March 2019	147	12	159
Net Book Value			
At 31 March 2019	6	0	6
At 31 March 2018	44	1	45

7. Trade receivables, financial and other assets

Amounts falling due within 1 year	2019-20 £'000	2018-19 £'000
Trade receivables	95	101
Prepayments	536	402
Accrued income	3	566
Other receivables	6	0
Total	640	1,069
Central government debtors	6	0
Local government debtors (including schools)	174	740
Other debtors	460	329
Total	640	1,069

8. Trade payables and other liabilities

Amounts falling due within 1 year	2019-20 £'000	2018-19 £'000
Trade payables	489	274
Other payables	0	7
Accruals	2,931	3,291
Deferred income	64	164
Total	3,484	3,736
Central government creditors	58	910
Local government creditors (including schools)	943	1,175
Other creditors	2,483	1,651
Total	3,484	3,736

9. Provision for liabilities and charges

	Early Departure Costs £'000	Other £'000	Total £'000
Balance as at 1 April 2019	6	0	6
Provisions created in year	0	0	0
Provisions utilised in year	(6)	0	(6)
Balance as at 31 March 2020	0	0	0

	Early Departure Costs £'000	Other £'000	Total £'000
Balance as at 1 April 2018	11	40	51
Provisions created in year	2	0	2
Provisions utilised in year	(7)	(40)	(47)
Balance as at 31 March 2019	6	0	0

Analysis of timings of early departure costs

Provision for early retirement costs	2019-20 £'000	2018-19 £'000
Payable in 1 year	0	6
Payable between 2-5 years	0	0
Payable between 6-10 years	0	0
Total	0	6

Provision for early retirement costs

Education Scotland meets the additional costs of benefits beyond the normal PCSPS benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The agency provides for this in full when the early retirement programme becomes binding by estimating a provision for the estimated payments.

10. Leasing commitments

At 31 March 2020, Education Scotland was committed to making the following payments in respect of building leases at Denholm House (Livingston), Endeavour House (Dundee), Huntly Street (Aberdeen), Optima Building (Glasgow) and Longman House (Inverness). The increase in present value of obligations is due to the lease extension for Denholm House in Livingston.

Analysis of timings of early departure costs

Buildings	2019-20 £'000	2018-19 £'000
Not later than 1 year	776	1,115
Later than 1 and not later than 5 years	1,162	639
Later than 5 years	0	0
Total Present Value of obligations	1,938	1,754

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 SFC. No board member, key manager or other related parties has undertaken any material transactions with Education Scotland during the year.

12. Capital commitments

There were no capital commitments as at 31 March 2020 (31 March 2019: nil).

13. Contingent Liabilities

There was 1 contingent liability existing at 31 March 2020. Further advice is being sought in order to assess the likelihood of any financial implications (31 March 2019: nil).

14. Losses and special payments

Following a review of outstanding debt in 2019-20, a total of £56,717 was written off. This figure relates to inward seconded staff VAT due back from Local Authorities.

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 on 30 June 2020.

Accounts Direction



Scottish Government
Riaghaltas na h-Alba
gov.scot

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



T +44 (0)131 244 3000

E enquiries@educationscotland.gov.scot

W www.education.gov.scot

Education Scotland

Denholm House

Almondvale Business Park

Almondvale Way

Livingston

EH54 6GA

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Any enquiries should be sent to us at enquiries@educationscotland.gov.scot

