



# Annual Report and Accounts

**2022-2023**

Transforming lives through learning

## **An Executive Agency of the Scottish Government**

Laid before the Scottish Parliament by the Scottish Ministers

Annual accounts authorised for issue 19 July

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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](mailto:enquiries@educationscotland.gov.scot)

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# Performance Report

## Chief Executive's Statement

I am delighted to present Education Scotland's (ES) Annual Report and Accounts for 2022-23 for the first time as Interim Chief Executive. It is important to set some context and to emphasise the challenges Education Scotland has faced again this year – including an ongoing need to embrace change as we move through the process to reform the national bodies. With that in mind, I'd like to take the opportunity to thank Gayle Gorman, former HM Chief Inspector of Education and Chief Executive of Education Scotland who led our organisation from December 2017 until her recent departure. Her leadership over these challenging years of change has been greatly appreciated.

Although the reform programme is being led by Scottish Government (SG), we have a key role in supporting it. Last year, SG commissioned us to undertake work in relation to the establishment of a new education agency and inspectorate body. To do this, 2 teams, including SG colleagues, were created to map our current functions to other areas across the education system, as well as produce draft Target Operating Models (TOMs) for the new organisations. The Cabinet Secretary for Education and Skills has since recently announced that the new national bodies will not be established within the current timeline of August 2024. While Ministers remain committed to education reform and to the reform of the national bodies there will be an extended period of development and engagement. In the mean-time Education Scotland will continue to play a significant role in reform, contributing to the development of an education system which will better benefit learners and educators in the future.

With reform in mind, we have also updated our Corporate Plan during the reporting year with the addition of a new strategic priority – further information can be found on page 7. I am really proud of the work we are undertaking as part of the reform programme. It has at times been a difficult balancing act to ensure we continue to deliver across our priorities while making appropriate contribution to reform but it is clear that, throughout this process, we have worked hard to ensure our commitment to supporting educators and learners has remained at the heart of all that we do.

In early 2022, we continued to offer the opportunity to take part in recovery visits, whilst our routine inspection programme remained on hold. The aim of these visits was to provide a supportive and positive learning experience. We were acutely aware of the pressures schools and settings faced and it was with that understanding that we asked them to self-nominate to participate. The uptake was high with **148** schools and Early Learning and Childcare (ELC) settings participating prior to programme completion in July 2022. In August 2022, our inspection programme restarted and we have undertaken inspections of ELC settings and schools, as well as follow-up inspections. We have also made college progress visits and annual engagement visits, undertaken joint Care Inspectorate inspections, schools consultations and engaged in prison education visits. Details of national thematic reports published in 2022 to 2023 can be found on page 26.

We also worked with local authorities (LAs) to provide support, advice and challenge in the development of stretch aims. These aims are for improvement purposes and are specifically focussed on the improvement needed to reach a particular goal, such as closing the poverty-related attainment gap. In December 2022, all LAs' stretch aims were published by SG and are now being implemented as part of the Scottish Attainment Challenge (SAC). We will continue to build on this throughout 2023. Our Attainment Advisors (AAs) continued to work with LAs to build capacity in support and challenge around equity, to develop and deliver professional learning, to provide guidance, share practice and encourage meaningful involvement of learners and parents. In February 2023, our AAs published the National Summary Report on LA progress with the refreshed SAC. This includes approaches to governance, use of Strategic Equity Fund (SEF),

Pupil Equity Fund (PEF) and Children and Young People Fund, as well as stretch aims. We have also been working with the Scottish Government to review the Framework for Recovery and Accelerating Progress. In accordance with this, Education Scotland is providing bespoke, targeted support to a small number of LAs. We are working closely with the Association of Directors of Education in Scotland (ADES) to further develop the longer-term strategy for this approach.

Our Collaborative Improvement (CI) work, an approach to bring about improvement through shared work involving LA staff, Education Scotland and ADES continues to grow. By the end of April 2023, we will have worked with **17** LAs and by summer 2024 **all** LAs will have been involved.

Education Scotland continues to play a key role in supporting the delivery of the Organisation for Economic Co-operation and Development (OECD) Curriculum Improvement recommendations. We have also developed support and universal programmes for inclusion, equalities and wellbeing and continued our support for areas such as Glow and the National eLearning officer (NeLO). The uptake of our national Professional Learning and Leadership (PLL) programmes remains high. Our Building Racial Literacy (BRL) programme, which is co-constructed with anti-racist organisations, stakeholders and educators, continues to gain traction with potential for expansion being explored. Finally, the work of our Corporate Services directorate, which I had the privilege of leading last year, also can't go unnoticed. Without their professionalism, dedication and support, the work outlined above and throughout this report could not have been achieved.

I'm immensely proud of what Education Scotland has achieved this year, as was my predecessor Gayle Gorman, and I believe our Annual Report and Accounts demonstrates the breadth of our work, our impact on the profession and learners and the changes we have embraced. We have passionate and dedicated staff who, despite the changes and challenges facing the Agency over the coming year, remain committed to continuing our support for teachers, the wider education workforce and learners while the new education bodies continue to be developed. I am very proud to sign this report in my new role as Interim Chief Executive.



**Gillian Hamilton, Interim Chief Executive, Education Scotland**

## Overview

In this section 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 2022-2023.

### About Education Scotland

#### Status, activities and staffing

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

- Providing professional learning and leadership programmes.
- Providing professional advice and support for improvement, including face to face and digital resources.
- Carrying out scrutiny activity, including inspection and review.
- Managing the development of national digital resources, including Glow, our online learning platform.
- Continuing to develop the NeLO alongside partners, offering high quality opportunities for live, recorded and supported learning that can support learning and effective curriculum design.
- 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 (NIF).

Education Scotland employed **394** staff (**379.09** Full Time Equivalent) as of 31 March 2023.

#### Purpose and activities

Our vision is to excellence and equity for Scotland's learners, with Scotland's educators.

Our mission is to work in partnership with all stakeholders involved in Scottish education to secure sustained improvement in achievement and attainment for all learners, closing the poverty-related attainment gap, and securing positive and sustained destinations for all learners, regardless of their age and where the learning takes place.

Our values are: Integrity; Respect; Excellence and Creativity.

#### Social, community and human rights

Everything we do is designed to contribute to the SG'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:

The Scottish population will:

- Grow up loved, safe and respected so that we realise our full potential.

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

## Strategy and business model

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

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

Since its publication, the SG has shared its response to Professor Ken Muir’s review of the education system and set out its plans for reform, including the establishment of a new agency for Scottish education and a separate body for inspections. This has set us on a path of change and we welcome the opportunity to work together with the education system to collectively achieve this renewed vision.

As a result, in November 2022, an additional Strategic Priority was added to our Corporate Plan to focus specifically on the reform agenda and the work we’ll take forward in support of the SG and our stakeholders.

## Key issues and risks

The risk landscape in which Education Scotland operates has remained complex over the last year, not least because we are still recovering from a period of major interruption due to the COVID-19 pandemic. That is something we are aware of in all that we do and we will continue to reflect on this and discuss this with practitioners in the context of recovery and accelerating progress. At the same time, the plans and work for education reform including the establishment of a new agency for Scottish education and a separate body for inspections continue. We are acutely aware of the important yet challenging role we have and will continue to have as we seek to balance the delivery of our ongoing programmes of work and support for the system, alongside supporting the education reform agenda of establishing the two new organisations which will replace Education Scotland.

As a result of this complexity, we adapted quickly to anticipate, identify and manage the risks to our organisation’s ability and capacity to meet our refocused strategic objectives. Many of these risks are interlinked, for example, education reform has the potential to impact on our organisational capacity to deliver our strategic priorities as do the financial challenges facing the Agency.

With the ongoing financial pressures across the public sector continuing to present challenges for the Agency, we have endeavoured to maximise our effectiveness from all staff and non-staff resources. We have applied a wide range of mitigating actions and controls in order to ensure effective and sustainable financial management, including refreshing our Corporate Plan and revisiting our strategic priorities and activities. The Leadership Team has also reviewed, on a regular basis, staff numbers and costs and how these align to organisational priorities. At the

same time regular monitoring, at Directorate level, on staff and staff cost projections, has continued to ensure that key priorities are resourced and to maximise the benefits from allocation of resources. We have also met with SG finance colleagues regularly to discuss the Agency's financial position and to highlight resource implications.

At the same time, we have been mindful of the potential impact on our ability to recruit and retain staff as a result of both the financial pressures and education reform. As well as careful monitoring of budgets, workforce and recruitment data, we have therefore devised and delivered clear and effective internal and external communications to emphasise business as usual within Education Scotland. We have also provided a wide range of resources and events to support the morale and health and well-being of our staff.

Digital continues to be embedded in all aspects of our work, with the use of digital technologies playing an even greater role in our work and in Scottish education moving forward. We have therefore continued to focus on the ongoing development and maintenance of our digital estate and in doing so, we have had to balance this work against the financial pressures facing the Agency. We have also sought to minimise the possibility of digital vulnerabilities being exploited by strengthening our cyber security arrangements. This has seen us work closely with the SG Cyber Resilience Unit. We have also tested our Business Continuity Plan, carrying out a simulated cyber-attack facilitated by the Scottish Business Resilience Centre

We have also continued with our information governance improvement plan in order to reduce the risk of loss or corruption of information. This has included the development of a new data management framework for the Agency. We have also worked with the National Library to set up appropriate Legal Deposit arrangements and we will be participating in a Progress Update Review (PUR) process with National Records for Scotland to review the effectiveness of our Records Management Plan.

Further information about our risk management approach can be found in the Governance Statement on page 46.

### **Going concern**

The financial statements have been prepared on a going concern basis. The services currently delivered by Education Scotland are expected to continue, although future delivery of services will be via newly formed public bodies. Services will continue to be delivered using the existing assets and therefore the going concern concept continues to apply. The financial statements for the year ended 31 March 2023 show comprehensive net expenditure of £41.88m and a net assets position of £5.265m.



## Performance Analysis

### How we measure our performance

In 2022/23, we reviewed our Corporate Plan to include a new Strategic Priority which focuses on the transition to the new organisations. As part of this we reviewed our Key Performance Indicators (KPIs) to determine which were still relevant, removing some and replacing them with more appropriate ones. We also gave consideration to targets. While our KPIs allow us to monitor our performance, for some it is not possible to identify targets. This is due to the fact that, in some instances, work is influenced by factors out with our control. For example, LAs put forward participants for certain programmes so we cannot control how many take part. We also considered that the reform process has moved forward considerably and we have had to increasingly focus on work to support the transition. Over the last year we had been working on the expectation that Education Scotland would cease to exist from August 2024 and as such we did not feel it was appropriate to develop new targets. As we now work towards the new timescale of late 2025 for the creation of the new organisations, as established by the Cabinet Secretary on 22<sup>nd</sup> June 2023, we will continue to keep our KPIs under review and continue to capture performance data during the transition to the new organisations to facilitate appropriate benchmarking from the outset.

We structured this KPI section around our Strategic Priorities.

### System Leadership

#### Number of engagements with educational establishments, LA and regions relating to system leadership *(Source: Programme information)*

2022/23			
Local Authority	Number of participants	Regional Improvement Collective (RIC)	Total number per region
Aberdeen City	96	Northern Alliance	600
Aberdeenshire	165		
Argyll and Bute	83		
Comhairle nan Eilean Siar	12		
Highland	158		
Moray	52		
Orkney Islands	18		
Shetland Islands	16		
Angus	79	Tayside RIC	228
Dundee City	66		
Perth and Kinross	83		
Clackmannanshire	30	Forth Valley and West Lothian	275
Falkirk	88		
Stirling	68		
West Lothian	89		
Dumfries and Galloway	63	South West IC	212
East Ayrshire	52		
North Ayrshire	50		
South Ayrshire	47		
East Dunbartonshire	56	West Partnership	764
East Renfrewshire	41		
Glasgow City	273		

Inverclyde	26		
North Lanarkshire	122		
Renfrewshire	71		
South Lanarkshire	140		
West Dunbartonshire	35		
East Lothian	96	South East IC	553
City of Edinburgh	221		
Fife	120		
Midlothian	66		
Scottish Borders	50		
Other	98		
<b>Total</b>	<b>2730</b>		

These figures are for the current academic year (August 2022 – present)

2022/23 %	Increased awareness	Increased knowledge	Increased skills	Increased understanding
Proportion of participants completing PLL programmes reporting...	94	95	84	95

**Proportion of participants involved in professional learning opportunities who report increased awareness, knowledge, understanding and skill.** (Source: Event evaluation forms)

Number of completed evaluations was 1,353 for increased knowledge and skills, 1,077 for increased awareness and 1,187 for increased understanding.

**Number of participants in professional learning and universal, targeted and/or intensive support focused on system leadership.** (Source: Programme information)

Programmes	2021/22	2022/23
Teacher Leadership	154	
Educator Leadership		162
Supporting Teacher Leadership	21	Paused
Aspiring to Middle Leadership	540	603
Middle Leaders Leading Change	434	461
Towards Headship	23	Paused
Into Headship	478	238 (Cohort 7) 244 (Cohort 8)
In Headship	53	30
Excellence in Headship	85	79
Excellence in Headship Stretch	52	46
Making Sense of System Leadership		90
Building Racial Literacy	85	135
<b>Total</b>	<b>1925</b>	<b>2088</b>
<b>Workforce Support/Supporting Workforce Wellbeing</b>		
Stepping Stones	1066	1574
Peer to Peer Coaching (Into Coaching)	235	251
1:1 and Group Coaching	298	246
Taking Care of yourself		137
Taking Care of those you lead		77
SAMEE for BME teachers	14	
<b>Total</b>	<b>1613</b>	<b>2285</b>

## Curriculum Design

This indicator will help us to keep track of the reach of our professional learning which focuses on Curriculum Design. The number of participants recorded as engaging in professional learning relating to Curriculum Design has increased by **719**. (Source: Management information)

Financial Year	2021/22	2022/23
	No.	
Number of participants engaging in professional learning programmes focused on Curriculum Design <sup>1</sup>	890	1,609

This figure is based on the number of participants attending across 29 events.

## Proportion of participants involved in professional learning reporting increased awareness, understanding, knowledge and skills

This indicator will help to provide an indication of the impact of our professional learning focused on curriculum design. (Source: Event evaluation forms)

Financial Year 2022/23 (Baseline) %	Increased awareness	Increased understanding	Increased knowledge	Increased skills
Proportion of participants involved in professional learning reporting...	89	88	88	78

This figure is based on 107 completed evaluations.

## Implement curriculum design learning in practice

In 2022/23, there has been an increase of **3%** for this KPI. (Source: Event evaluation forms)

Financial Year	2021/22	2022/23
	%	
Proportion of participants in professional learning likely to have implemented curriculum design learning in practice	91	94

## Learning, Teaching and Assessment

### Professional learning focused on learning, teaching and assessment

This indicator will help us to keep track of the reach of our professional learning which focuses on learning, teaching and assessment. In the past year we have experienced an increase of **3,127** in participants engaging in this professional learning. (Source: Management information)

Financial Year	2021/22	2022/23
	No	
Number of participants engaging in professional learning and improvement support opportunities	14,458	17,019

This figure is based on the number of participants attending across 163 events.

<sup>1</sup> Early in this financial year, some events were being tagged under more than one Strategic Priority in our Corporate Calendar of Events which means that some events may be included as part of the KPIs for more than one priority. However, improvements were made to the process used for recording events and this will not be an issue going forward.

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

This indicator will help to provide an indication of the impact of our professional learning focused on learning, teaching and assessment. There has been a **decrease of 2%** in relation to this KPI however the usage of the core professional learning evaluations has increased so the overall response rates are higher. (Source: Event evaluation forms)

Financial Year	2021/22	2022/23
	%	
Proportion of participants in professional learning likely to implement learning in practice	92	90

This figure is based on 358 completed evaluations.

### Proportion of participants involved in professional learning reporting increased awareness, understanding, knowledge and skills

This indicator will help to provide an indication of the impact of professional learning focused on curriculum design. (Source: Event evaluation forms)

Financial Year 2022/23 %	Increased awareness	Increased understanding	Increased knowledge	Increased skills
Proportion of participants involved in professional learning reporting...	85	85	85	70

### Inclusion, Wellbeing, Equity and Equality

#### Professional learning focused on inclusion, wellbeing, equity and equality

This indicator will help us to keep track of the reach of our professional learning which focuses on inclusion, wellbeing, equity and equalities. The number of events recorded in relation to inclusion, wellbeing, equity and equalities has **decreased by 1**. (Source: Management Information)

Financial Year	2021/22	2022/23
	No.	
Number of professional learning opportunities focused on key areas of inclusion, wellbeing, equity and equalities	67	66

### Proportion of participants involved in professional learning reporting increased awareness, understanding, knowledge and skills

Our figures in relation to increased awareness and knowledge have increased by **1% and 2%** respectively. Questions asking about increased understanding and skills were only added to the evaluation forms in 2022/23. (Source: Event evaluation forms.)

Financial Year	2021/22 %			
	Increased awareness	Increased understanding	Increased knowledge	Increased skills
Proportion of professional learning participants reporting....	85	NA	89	NA
	2022/23			
	86	92	91	73

These %s are based on 321 completed responses.

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

This indicator will help to provide an indication of the impact of our professional learning focused on inclusion, wellbeing, equity and equality. There has been a decrease of **5%** in relation to this KPI. (Source: Event evaluation forms)

Financial Year	2021/22	2022/23
	%	
Proportion of professional learning participants likely to implement the learning	97	92

## Best Use of Evidence

### Number and range of participants engaged in Self-Evaluation for Continuous Improvement (SECI) (Source: Programme information)

Financial Year	2022/23 (Baseline)
Number of participants engaging in SECI programme	1,463
<b>Participants by RIC</b>	
Forth Valley West Lothian	40
Northern Alliance	557
South East	114
South West	234
Tayside	50
West Partnership	468

## Percentage of SECI participants who report increased confidence, knowledge and skills

This indicator will help to provide an indication of the impact of our SECI programme. (Source: SECI Evaluation)

	Financial Year 2022/23 %	
	Increased confidence	Increased knowledge
Proportion of participants involved in SECI reporting...	92	95

This is based on on 738 completed evaluations.

## Number of planned inspections completed

This indicator tracks the number of planned inspections we complete based on our annual published programme of scrutiny activity. (Source: Management Information)

Scrutiny Programme	Academic Year: No. of planned inspections completed				
	2018/19 (Baseline)	2019/20	2020/21	2021/22	2022/23 (to 31/03/23)
Early learning and childcare	163	94	Paused	Paused	85
Schools	252	169	Paused	Paused	169
Schools and Early Learning and Childcare – Further inspection	54	46	Paused	112	10
Community Learning and Development services	8	5	Paused	5	0
Colleges	27	18	27	27	18
Private Colleges and English Language Schools	1	2	4	2	1
Careers Information and Guidance (CIAG) services (follow ups)	6	5	4	5	0
Modern Apprentice reviews	2	1	Paused	0	0
Prison education	4	2	3	3	3
National Thematic inspections	4	3	4	4	1

## Legacy KPIs

### Communications and engagement

It is important to track our engagement with stakeholders using a range of channels. Engagement stats include the number of times people have engaged with the social media posts and this includes likes, shared, retweets and link clicks etc. The way in which this is analysed across social media accounts and the algorithms used to determine figures varies which makes comparison across years difficult. As a result we cannot comment on any increases in figures and will be reviewing the KPI. (Source: Web analytics)

Communications Channel	Financial Year			
	2019/20 (Baseline)	2020/21	2021/2022	2022/23
	No. of subscribers			
Newsletter Unique Subscribers	54,456	63,850	38,272	36,946
Facebook (engagements)	17,546	23,258	12,444	67,352
Twitter	52,802	68,029	74,139	82,273
YouTube	1,905	3,502	4,718	5,884

Facebook was used as a key communications platform to promote the Scottish Learning Festival and as such the number of engagements in the run up to the event in September were perhaps higher than they would normally be at this time.

## Glow Usage

LAs and other educational establishments determine the way in which Glow is used in their own area which affects the figures for log-ins. The monthly login usage has been following a similar pattern to previous years however it is slightly lower than 2020/21 and 2021/22 due to the

increased usage during lockdown and the related rise in online learning. We can now see usage returning to pre-pandemic levels with login sessions higher than 2019/20. (Source: Analytics)

	Financial Year					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	No.					
Number of Glow login sessions	21,883,316	28,074,338	40,651,845	99,561,381	63,593,803	61,119,653

## Culture, Values and Behaviour

### Views of our people

Our scores improved within Education Scotland's directorates in a number of areas within the People Survey – for example, we saw increases in our PLL and National directorates of **12%** in relation to staff understanding how their work contributes to Education Scotland's objectives (**88%**). At organisational level, we aimed to more closely align our scores in relation to the questions below, with SG's results. We achieved this with scores in relation to staff feeling that learning and development opportunities have been helpful for career development and our scores are level with SG. Overall, these have **increased by 9%**. Our scores in relation to staff having the tools they need to do their job effectively have also **increased by 9%**. We experienced a **decrease of 2%** in relation to learning and development activities and are lower than SG in two areas. (Source: Civil Service People Survey)

Education Scotland staff members reporting...	Year			
	2019	2020	2021	2022
	% of participants			
That they are able to access the right learning and development opportunities when they need to	50	56	65	62 (-3 from SG)
That learning and development activities completed at Education Scotland have been helpful for career development	44	45	43	52 (level with SG)
That they have the tools to do their jobs effectively	68	64	73	68 (-8 from SG)
That they have the information they need to do their jobs well	64	58	57	62 (-5 from SG)

### Staff turnover

This is an important indicator of staff satisfaction with their roles and as an employee of Education Scotland. In 2022-23 the SG transitioned to using a system called 'R' to produce HR Management information. As such from March 2022 the data available around turnover and stability measures reflects the number of permanent and fixed-term staff only. Previously we reported on turnover percent based on total headcount, inclusive of temporary staff. (Source: SG HR pack)

	Financial Year	
	2021/22	2022/23
	% turnover rate	
Levels of staff turnover and retention	17.2	5%

## Transitions to new organisation

### Levels of engagement with staff sessions around reform

This is a new KPI in relation to the additional Strategic Priority which focuses on the transition to the new agencies. Ensuring regular communication and engagement with staff as the reform progresses is a key priority for the organisation and this KPI will allow us to track that activity. (Source: Management Information)

	Financial Year	
	2022/23	
	Number of sessions	Numbers of staff attending
Levels of engagement with staff sessions around reform	17	2,428

Numbers attending are based on those attending across all 17 sessions

### Percentage of Education Scotland staff reporting they feel supported and ready for change

In the 2022 Civil Service People Survey, staff were asked how well informed they were during periods of change. This will act as a proxy measure for this KPI. Most staff felt that Education Scotland kept them informed about matters which affect them and this shows an increase of **10%** from the 2021 survey results. (Source: Civil Service People Survey)

Education Scotland staff members reporting...	Financial Year	
	2022/23	
	% of participants	
My organisation keeps me informed about matters that affect me	74	

### How we monitor and report on our performance

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




# Performance Summary

**Our performance in 2022/23:** Over the following pages, we present the main areas of our performance in financial year 2022/23. In this summary we have presented a one-page high level overview of some of our main content. We go into more detail in the following sections which we have structured around our new strategic objectives.

## System Leadership

**3** COHORTS OF THE BUILDING RACIAL LITERACY PROGRAMME



OVER

**200**

PARTICIPANTS

The programme promotes anti-racism as a baseline professional value, empowering educators to identify and implement anti-racist behaviours and processes in their everyday practice.

## Curriculum

The **Exploring the Four Capacities report** published in October 2022, captured the thoughts of 600 learners and 150 educators. The report highlighted the importance of the capacities in supporting the design of the curriculum.

**600**  
LEARNERS



**150**  
EDUCATORS

## Inclusion, Wellbeing, Equity and Equalities

ES was commissioned by SG to lead on the **Pupil Support Staff Engagement Programme**. The programme held:

**30**

online webinars, in-person events and provided recordings

**32**

All local authorities, engagement

**2,500**

survey responses, to date

An evaluation will be written in Spring 2023 and findings used to support the Bute House agreement\* discussions in Autumn 2023.

\* *The Bute House Agreement is a Cooperation Agreement and a Shared Policy Programme. One aspect of this agreement included the development of an accredited qualification and registration programme for pupil support staff with final proposals due in Autumn 2023.*

## Learning, Teaching and Assessment



We worked in partnership with SG, and collaboratively with external stakeholders to take forward the Scottish Attainment Challenge refresh and implementation of the Framework for Recovery and Accelerating Progress.

## Best Use of Evidence

The Cabinet Secretary agreed that routine inspections of schools and early learning and childcare settings would resume in September 2022. Since September 2022 to the end of March 2023, 169 school inspections and 85 early learning and childcare inspections have taken place.



**169**

Schools

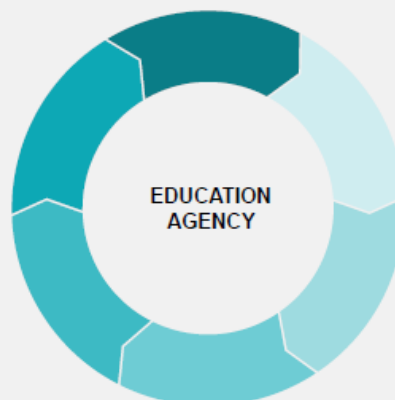


**85**

ELC centres

## Culture, Values and Behaviour and Transitions to New Organisations

SG commissioned ES to undertake work on its behalf, in relation to the establishment of a new education agency and independent inspectorate. Two project teams were established to take forward development of Target Operating Models (TOMs) for both new organisations.



## Systems Leadership

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

### National Professional Learning and Leadership (PLL) Programmes

Building on the success of the Teacher Leadership programme, the Educator Leadership programme was designed to offer participants more flexibility and opportunities to collaborate, and share practice across sectors, while keeping the learner experience at the centre through our focus on practitioner enquiry. A total of **162** participants have taken part in the programme with the first cohort completing in April 2023. The Aspiring to Middle Leadership programme aims to support aspiring middle leaders in developing their understanding of the roles of middle leadership and the skills required to carry out the key aspects of these roles. An end of programme survey showed that almost all (**97%**<sup>2</sup>) of the **451** respondents were likely<sup>3</sup> to implement the professional learning in practice. Middle leaders are also supported through the Middle Leaders Leading Change programme, designed to develop skills, knowledge and confidence in the use of coaching skills.

The In Headship and Into Headship programmes support new and aspiring headteachers. On successful completion of Into Headship, participants are awarded the General Teaching Council for Scotland (GTCS) Standard for Headship, which is a mandatory requirement for all new headteachers in Scotland. An external evaluation of Into Headship was completed in September 2022, and identified the programme's ongoing impact within the system. Excellence in Headship supports headteachers to strengthen and expand their school and system leadership skills, with a strong focus on delivering excellence and equity for all children and young people. Building on the success of previous PLL programmes, the Making Sense of System Leadership programme has been designed to offer a network-learning approach to system leadership and to develop a deeper understanding of education and system leadership.

The national BRL programme promotes anti-racism as a baseline professional value, empowering educators to identify and implement anti-racist behaviours and processes in their everyday practice. To date there have been **3** cohorts, with **over 200** participants completing the programme. Additionally, the Supporting Workforce Wellbeing work continued to deliver a variety of support options, including 1:1 coaching, group coaching, supervision spaces and enhanced support for early career teachers, and will continue in its current form until June 2023.

### Learning for Sustainability (LfS)

Education Scotland launched its COP27 Developing the Young Workforce Programme in October 2022. The aim of this event, run in partnership with e-Sgoil, was to promote the range of green jobs available in Scotland and provide teachers and learners with the opportunity to hear from employers within the sector. Over **1,670** learners are estimated to have attended. Throughout 2022, Education Scotland played a key role in preparations for the new and strengthened LfS Action Plan due to be published in April 2023. Surveys and consultations were conducted and climate education, LfS and outdoor learning emerged as key themes for inclusion within the curriculum and learning experience. Education Scotland's national network for LfS provided an opportunity for LA lead officers to shape national developments, take part in consultations and share good practice. **Five** network sessions took place between April 2022 and March 2023, with participation from **all 32** LAs and representation from all RICs. A further **5** network sessions were hosted with LfS partners, to ensure their contribution was recognised and to provide the **60-plus** member organisations with opportunities to

<sup>2</sup> All percentages in the report are rounded to the nearest whole percentage.

<sup>3</sup> All 'likely' figures in the report are based on combined responses of 'likely' and 'very likely'

collaborate to support national efforts. The national network for LfS on Glow now has **over 560** active practitioners.

### Young Person's Strategic Panel

In April 2021, Education Scotland and Young Scot established a partnership with the purpose of creating the Young People's Strategic Panel, a co-design group composed of young volunteers, aged between 13-17 from across Scotland. The purpose was to improve how young people are engaged with Education Scotland and to support the embedding of the United Nations Convention on the Rights of the Child (UNCRC) into our strategic work. There are **12** panel members from across **9** different LA areas. A variety of different research activities took place including desk-based research, internal meetings with Education Scotland Leadership Team, a Staff Survey and a youth questionnaire. The Staff Survey was a chance to further understand the organisation and to support the creation of informed solutions - **94** staff took part. The youth questionnaire aimed to identify current experiences of UNCRC within school and stigmatised topics in education. It was open to YSHive<sup>4</sup> volunteers, and **14** people took part. As a result of the activities, the panel delivered **23** recommendations to Education Scotland. These [recommendations](#) include topics such as Training for Educators, the UNCRC in Education and Inspections.

### Collaborative Improvement (CI)

Through engagement in the CI process, effective working relationships continue to be developed across LAs, Education Scotland and ADES. Joint planning is underway for CI reviews taking place in coming months within the following LAs; Dundee, Moray, East Ayrshire and City of Edinburgh which will bring the total number of LAs who have participated to **17** by time of publication. The impact of the process continues to be based on key principles which provide support and challenge for improvement; the bringing together of knowledge from across the system to secure improvement and share good practice. The identified area of focus is rooted in self-evaluation evidence gathered from the LA, and reporting on progress of identified action points is incorporated into existing improvement planning processes, ensuring that resources remain focused on improving outcomes for learners. Support for further improvement nationally is planned in the form of webinars to be delivered in Spring 2023. These will be jointly hosted by Education Scotland, ADES and individual LAs and will focus on the process and principles of CI, with LAs sharing their learning. **One** of these webinars has already taken place on 17<sup>th</sup> March and was attended by approximately **40** participants.

### National and Regional Professional Learning Events

To help evaluate consistently we have standard professional learning surveys – one for evaluating events with national audiences and the other for evaluating events with regional audiences including events raising awareness of gender inequality, learning for sustainability and literacy. The national survey received **596** responses between October 2022 and February 2023. There is strong evidence that the events had a positive impact on respondents with the majority agreeing<sup>5</sup> they had experienced increases in knowledge (**535 respondents, 87%**), in confidence (**518 respondents, 84%**) and in awareness (**533 respondents, 86%**). Respondents also indicated that their skills regarding the learning topic had increased (**442 respondents, 71%**). The majority stated they were likely to implement what they had learned (**558 respondents, 90%**) or to share what they had learned with colleagues (**575 respondents, 93%**). Similarly, the regional survey also received a high number of responses with **646** between April 2022, when it was launched, and February 2023. **612 (95%)** of responses also rated their events highly and highlighted increases in knowledge (**579 respondents, 90%**), understanding (**572 respondents, 89%**) and confidence (**552 respondents, 85%**), as well as improved skills (**516 respondents, 80%**). The majority also stated that they were

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<sup>4</sup> YSHive 'supports organisations to partner with young people to define, design and deliver of new policies and improvements to services' (Definition obtained from Young Scot website)

<sup>5</sup> All 'agree' figures in the report are based on combined responses of 'strongly agree' and 'agree'

likely to implement what they had learned (**615 respondents, 95%**) or to share what they had learned with colleagues (**593 respondents, 92%**).

## Curriculum

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

### Curriculum Innovation

Education Scotland continues to work with partners to implement the curriculum recommendations of the OECD Review and other relevant reports. We are strengthening high quality professional learning in curriculum design and development in collaboration with ADES Curriculum, Assessment and Qualifications Network (CAQ) This includes the co-creation of a dedicated programme in curriculum design which will be piloted from September 2023. A range of tools and approaches are now in place for use at local, regional and national level with options for tailored and bespoke support as needed. The 'Day of Curriculum Design', a joint venture with ADES CAQ, was held in March 2023 with **110** attendees. **46** respondents provided feedback on the event with **33 (78%)** agreeing that their confidence around the topic had increased and **24 (58%)** suggesting they were more knowledgeable about curriculum design. Participants were invited to continue to network through a Glow Team which gave them access to resources and with links to recent materials/research, the beginning of a hub-style model. We are currently supporting SG to develop a national process for curriculum review involving representation from across all authorities and using service design approaches.

Our work seeks to focus curriculum design around the needs of individual learners and the local context, ensuring a range of pathways are available in a variety of settings, to enable a choice of learning experiences that have social, environmental and economic relevance. The [Exploring the Four Capacities](#) report was published in October 2022, capturing the thoughts of **600** learners and **150** educators across all settings. The report highlighted the importance of the capacities in supporting the design of the curriculum.

The Interdisciplinary Learning and Learner pathway practitioners co-design teams were reconvened to evaluate thought papers first published in August 2020 against the OECD recommendations and to establish what takes priority post COVID-19. New groups were set up to explore innovative timetabling approaches in secondary and to look at new ways to recognise and capture the range of learners' achievements. Each co-design group has representation from a wide range of practitioners across sectors with between **40** and **90** members in each group.

### National e-Learning Offer (NeLO)

Education Scotland continued to develop the NeLO alongside e-Sgoil, West OS and all **6** RICs. Learners and practitioners can access over **3,000** recorded lessons, **23,000** supported resources and a programme of live opportunities covering all curriculum areas, and supporting health and wellbeing and inclusion. This year, NeLO supported over **26,000** learners in engaging with the National Discussion through a range of live events, expanded the Developing the Young Workforce (DYW) Live offer in partnership with **over 60** employers, saw increased engagement from early years learners in English and Gaelic through 'Dug's Discovery Den', and supported **tens of thousands** of learners to celebrate cultural moments through Scotland's Assemblies for primary schools. The evening and Easter Study Support programmes both expanded the range of subjects and courses available and reached more learners than ever before.

## Sciences, Technology, Engineering and Mathematics (STEM)

Education Scotland continues to lead the implementation of Scotland's National STEM Education and Training Strategy. The national roll out of the STEM Nation Award programme started in 2022 to recognise and celebrate the commitment of establishments and settings who are adopting whole community approaches to STEM learning. **161** settings have registered for the programme with **23** settings gaining the full award. The award is a key feature in Scotland's drive to become a world-leading STEM Nation. Education Scotland has also continued to gather, analyse and disseminate valuable data to evaluate current programmes and inform the future direction of Scotland's STEM Strategy. In 2022, we commissioned research consultants, Ekosgen, to undertake a study of the [Structural Barriers to STEM Engagement](#). The report, which captures the views of teachers, school leaders, over **1,300** learners and **500** parents, points to the importance of ensuring learning is rooted in real life.

## RAiSE (Raising Aspiration in Science Education)

RAiSE (a joint programme between the Wood Foundation, Education Scotland, SG and LAs) continued with 2 new authorities joining; Midlothian and East Renfrewshire, with plans to onboard two more by August 2023. Between April and December 2022 **2,896** practitioner engagements took place with **1,334** establishments and **454** clusters. Using a variety of formats, **320** Career Long Professional Learning (CLPL) events were delivered. Case studies have been produced to share key STEM practices across different authorities e.g. developing the [Orkney Builders](#). West Lothian, Clackmannanshire and North Lanarkshire were the first 3 authorities to go through the full Wood Foundation evaluation cycle. Data analysis informed an [Exiting Authority Report](#). The [Year of RAiSE Report](#) has also been published.

## Literacy

The literacy team delivered **14** engagements over the year drawing an audience of **544** participants. This included **9** national network meetings across the National Literacy Network and the Literacy and English Curriculum Networks (LECN) and **2** national webinars. Since March 2022, membership of LECN has risen from **149** to **208**. The national webinars were delivered with "Voice 21", a national oracy charity. Feedback was gathered via an online evaluation and the response to both webinars was positive. **24** responses to the evaluation of one of the webinars showed that respondents felt they had experienced increases in knowledge, skills and confidence and were likely to both implement and share the learning.

## Numeracy and Mathematics

The numeracy and mathematics team published a national definition for Dyscalculia in August 2022 and, in collaboration with colleagues from East Ayrshire and Glasgow City Council, developed a series of webinars supported by [national resources](#), guidance, support and professional reading. The first **2** webinars attracted **853** attendees. The Early Career Teacher professional learning offer for numeracy and mathematics was redesigned after feedback from the 2021/22 pilot programme. **1,090** practitioners have signed up to the programme of webinars and anytime learning modules. The modules have registered **1,918** unique views and **3,235** overall views. Formal evaluation will take place in May 2023.

## Scottish Learning Festival (SLF)

The [SLF](#) takes place annually and provides extensive professional learning opportunities for practitioners across all education sectors. In September 2022, building on the success of the first ever online event in 2021, SLF was delivered as a hybrid event, with both a virtual learning festival and smaller face-to-face satellite events. A total of **1,913** unique visitors attended SLF 2022 across **5** keynote sessions, **6** face-to-face satellite events and **64** online seminars. Seminars covered topics ranging from the science of reading to empowerment and co-creating the learner journey. Each satellite event revolved around a discussion panel or keynote focused on an educational theme. The

events offered opportunities to connect with colleagues in-person and to explore interesting practice. The evaluation highlighted that the event was well received. **164** respondents completed the survey with most agreeing that SLF had increased their knowledge of research, literature and/or national policy (**88%, 145 respondents**) and their awareness of ideas and resources (**84%, 138 respondents**). Similarly, **90% (148 respondents)** stated they were likely to share their learning.

### **Learning, Teaching and Assessment**

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

### **National Improvement Framework (NIF)**

NIF is a priority programme led by Education Scotland and SG which established a clear vision for Scottish education based on excellence and equity. It aims to improve attainment, particularly in literacy and numeracy; to close the attainment gap between the most and least disadvantaged children and young people; to support improvements in children and young people's health and wellbeing, and in terms of their employability skills and sustained positive school-leaver destinations. Our staff support the NIF in a variety of ways, particularly through the organisation's NIF Officers who provide professional advice and support, and professional learning opportunities. Data gathered through Inspections also contributes to the NIF. In 22/23, Education Scotland worked with the SG NIF Unit on the annual statutory consultation of the NIF and Improvement Plan. NIF Officers also supported an online consultation forum with young people representing secondary schools across the **6** RICs. The young people's experiences of school and their suggestions for improvement informed the processes within the NIF and Improvement Plan 2023. In addition, NIF Officers offered support to LAs with the formulation of their statutory annual education reports and plans.

### **Quality Assessment and Moderation Support Officer (QAMSO) Programme**

The QAMSO programme is a key component of our NIF support for practitioners. First launched in November 2016 with training provided on the moderation cycle and facilitation of moderation activities focussing on numeracy and mathematics, the programme has evolved several times including expanding it to include reading, listening and talking, and a change from national training to multi-level events and area specific sessions. In 22/23 Education Scotland continued to work with LA assessment co-ordinators to support local and regional QAMSO networks. Education Scotland provided training for new QAMSOs to supplement staff involved in these networks. **150** practitioners were trained over **4** twilight sessions. Pre and post programme data showed an increase from **67% (based on 140 responses) to 87% (based on 53 responses)** in terms of having a good or very good level of understanding of the learning, teaching and assessment (moderation) cycle. Similarly results increased from **69% (based on 140 responses) to 89% (based on 53 responses)** in terms of having a good or very good understanding of achievement of a level and from **54% (based on 140 responses) to 77% (based on 53 responses)** confidence in moderating evidence of progress towards a level.

### **Digital Learning and Teaching**

The Digital Skills team deliver support to practitioners at a national, regional and local level, ranging from one-off webinars to longer programmes of learning. The focus is on developing the digital learning, teaching and assessment confidence, capacity and skills of educators, educator digital literacy and computing science skills, as well as developing digital literacy and computing science skills in learners. In 22/23, **85** sessions were delivered to **2,679** practitioners. Evaluations from **290** participants gave a rating of **4.65** out of **5** for the effectiveness of the sessions to increase knowledge of practitioners. Additionally, there were **9** 'Curriculum Live' sessions attended by **13,100** learners

and National Digital Literacy Week saw over **6,000** learners and **200** practitioners take part in the live online activities. The Digilearn.scot website saw **30,690** users make **43,302** visits between April 2022 and March 2023 generating **107,385** page views.

### Accredited Professional Learning – Languages Leadership Programme

Working with Scotland’s National Centre for Languages, the Languages Leadership Programme was adapted as a result of COVID-19 and now consists of 2 core days of Professional Learning followed by a menu of career-long professional learning development opportunities throughout the year, along with Masters level journal submissions, and support from critical friend mentors. The adapted course was presented to the GTCS panel in September 2022 and received outstanding feedback for delivery, partnership working and flexibility for participants. The role of the supporting critical friends was also highly praised by GTCS. The change in delivery and embedding GTCS professional recognition has resulted in an increase in the number of participants receiving professional recognition, therefore building capacity across the profession. The current 22/23 cohort consists of **30** participants. The 21/22 cohort which completed in May 2022, resulted in **60** teachers receiving professional recognition.

### Scottish Attainment Challenge (SAC)<sup>6</sup>

In 2022/23 we continued to focus on SAC. We worked in partnership with SG, and collaboratively with external stakeholders to take forward the SAC refresh and implementation of the [Framework for Recovery and Accelerating Progress](#). Throughout the year AAs worked with LA colleagues, to gather evidence on their progress with the SAC and to identify next steps for continuous improvement. Our first SAC [National Summary Report](#) gives an overview of the progress of **all 32** LAs from September to November 2022, with a key focus on the SAC refresh. The National Summary Report is a three-part series which can be used by LAs and the wider system to support the SAC mission. Reports 2 and 3 will be released later in 2023. AAs and other key Education Scotland staff provided challenge and support to LAs in the development of Stretch Aims and SEF planning. All LAs submitted their Stretch Aims to the SG in September 2022. AAs support for LAs and schools, has taken account of the Framework and recent national SAC reporting. AAs delivered **4** national SAC LA network events and **3** drop-in sessions themed around: Stretch Aims, SEF planning and maximising use of PEF. Additionally, a joint Education Scotland/ADES national ‘Stretch Aims’ webinar (August 2022) brought all LAs together with education practitioners and national bodies to support their thinking on Stretch Aims. LAs reported that opportunities to collaborate with other LAs, stakeholders and partners, share practice and reflect on lessons learned has led to LAs further developing a shared understanding of the SAC mission, increased clarity as to roles and expectations and further strengthened LA planning.

### Curriculum Area Reviews

In 2021, the OECD recommended Scotland “develop a systematic approach to curriculum review. Scotland could consider establishing a systematic curriculum review cycle with a planned timeframe and specific review agenda.” (Recommendation 3.4). The OECD also recommended “an important issue for clarification.... regards the role of knowledge” (recommendation 1.1) and that Scotland might consider creating guidance about the elements of knowledge to prioritise, and how to select and update and integrate them more clearly within curriculum areas. In response, the SG and Education Scotland are now piloting sessions with a range of educators across the 3-18 sectors. This will include participants from across Scotland to explore approaches to reviewing the curriculum, to examine the role of knowledge and skills and consider these elements in updating curriculum areas. In 22/23, **2** Curriculum Area Reviews focused on Numeracy and Health and

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<sup>6</sup> SAC is a cross-cutting piece of work that covers more than one Strategic Priority and as such content has been included under this priority and in the section on Inclusion, Wellbeing, Equity and Equalities.

Wellbeing (HWB). **80** practitioners, from **almost all** LAs and education sectors, attended the HWB Curriculum Review in February 2023, engaging in a range of activities related to the OECD recommendations. Of the **41** participants who completed an evaluation, on average, **89%** rated the activities as good or very good. In addition, the event focusing on Numeracy was attended by **52** practitioners. In total, **34** respondents (**80%**) rated the event overall as good or very good.

## **Inclusion, Wellbeing, Equity and Equality**

We aim to ensure that children, young people, families and communities feel valued and included.

### **Scottish Attainment Challenge (SAC)**

As highlighted in our Learning, Teaching and Assessment section, AAs continued to provide support to schools. This included helping them plan, monitor and report on their use of the PEF<sup>7</sup>. They also provided support alongside LA colleagues during school visits, collaborative reviews with ADES, and professional dialogue with headteachers. Alongside LA colleagues, AAs have provided analysis of school plans, helping to ensure a focus on equity. This analysis, along with attainment data, was used to identify where there may be a need for targeted or intensive support delivered by the LA in partnership with AAs and other Education Scotland staff. AAs have also delivered training on data and contextual analysis which helped schools better understand and identify poverty-related gaps, shared practice and information on specific interventions to help ensure PEF is more appropriately targeted, and supported LA and schools' use of data to monitor progress and impact of approaches used. Additionally, [Scotland's Equity Toolkit](#) was published which provides guidance, materials and practice/approach examples. It includes our [Capturing the voice of children and young people](#) resource supporting schools to strengthen engagement of children and young people in decisions relating to use of PEF. In collaboration with other Education Scotland staff, the AAs delivered a suite of **4** national professional learning webinars and **13** short videos for education leaders, practitioners and support staff. Over **100** practitioners attended each webinar. The recordings and videos have received an average **200** views each to date. Most rated the webinars highly, for example, **80%** rated a webinar on Early Years as good or better. Participants provided a range of feedback including that they welcomed the opportunity to see information and support for the Early Years in relation to the poverty-related gap, that sessions helped them to reflect on the equity agenda within their setting and increased their awareness of children who might be affected by poverty.

### **Accessible Equality and Diversity Information for Parents/Families**

The Children and Families Team worked in partnership with primary and secondary schools, the Scottish Centre for Information on Language Teaching and the British Deaf Association to produce a range of accessible equality and diversity information on [Parentzone Scotland](#) for British Sign Language users. Seven web pages were developed and in late February 2023, these had received **2,841** page views. Additionally, they also worked with partner and stakeholder groups to develop case studies highlighting a range of programmes and approaches to working with parents and families focusing on equality and diversity, and an Equalities and Equity Toolkit. By February 2023, the case studies had received **2,796** page views while the toolkit had received **6,056** page views.

### **Mentors in Violence Prevention (MVP)**

MVP is a peer education leadership programme for secondary schools which explores and challenges the attitudes underpinning gender inequality and gender-based violence. LA trainers train a team comprising staff and partners who then train senior pupils as peer educators. They subsequently deliver sessions to younger pupils. From April 2022 to February 2023, **471**

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<sup>7</sup> The Pupil Equity Fund is additional funding allocated directly to schools and targeted at closing the poverty-related attainment gap.



practitioners participated in training and **165** schools delivered MVP. Evaluations show the impact with **198** of the **465** respondents (**43%**) to a before training survey agreeing they had a good idea of how to integrate knowledge about gender violence and **392** out of the **404** respondents (**97%**) to the after training survey agreeing they had this knowledge. Similarly, **155** respondents to the before training survey (**33%**) agreed they had the necessary skills to educate others about sexual harassment and this had risen to **393** (**97%**) in the after survey. There have also been a range of additional professional learning activities delivered with a total of **460** respondents overall.

### Improving Gender Balance (IGBE)

The team focus on addressing gender imbalances related to uptake and learner pathways in relation to STEM and their work is delivered through professional learning, bespoke support and resources. From May 2022 to December 2022, there were **4** national webinars with **109** participants attending across the sessions. Participant feedback highlighted how much they valued the resources they had learned about and increases in confidence and understanding. Additionally, the Gender Aware Practice (GAP) and Gender Aware Leadership (GAL) courses ran from September 2021 to March 2022. All **69** participants in the GAP course agreed that training had increased their understanding of how gender stereotypes can impact a learners' self-efficacy and confidence and that they now had a clear idea of strategies to help mitigate unconscious bias and gender stereotypes. A new programme – Leading Gender Equality in Education was delivered which focused on the [Improving Gender Balance Self-Evaluation Framework](#). The programme had **115** registered participants.

### Relationship Based Education

A wide range of professional learning offers, materials and resources were delivered and produced to support practitioners working with children and young people, including those who are vulnerable. Examples include **900** views of the Supporting Young Carers resource, **4,470** views of A Summary of Relationship, Sexual Health and Parenthood (RSHP) resources and **15,322** views of the Milestones to Support Leavers with Complex Additional Support Needs over the last year. Education Scotland also focused on our corporate parenting responsibilities, restorative approaches to promote relationship-based approaches, and supporting the implementation of the Morgan Review, the Promise and UNCRC. **300** stakeholders attended across **2** Restorative Approaches webinars in August 2022 and **160** attended a UNCRC Inter-professional Learning event. An evaluation of an event to launch the RSHP resource showed that of the **45** survey respondents, on average, respondents agreed they had experienced increases in knowledge, confidence, understanding and awareness.

### Inclusion and Additional Support Needs (ASN)

The [Pupil Support Staff Professional Learning Framework](#) was first launched in 2021 and by early March 2023 had received **16,323** visits. As part of this , Education Scotland was commissioned by SG to lead on the [Pupil Support Staff Engagement Programme](#). The programme held **30** online webinars, in-person events and provided recordings. Education Scotland also engaged with **all** LAs as part of the programme and to date have received **2,500** survey responses. An evaluation will be written in Spring 2023 and findings used to support the Bute House agreement discussions in Autumn 2023. The team have developed **8** online professional learning modules focused on inclusion and ASN and **1,827** participants have completed the modules from 31<sup>st</sup> March 2022 and 8<sup>th</sup> March 2023. Education Scotland also led the development of **2** free SG funded websites - the [Autism Toolbox](#) - accessed by **77,142** users over the last year and the [Addressing Dyslexia Toolkit](#) - accessed by **18,535** users. With Dyslexia Scotland, Education Scotland supported, developed and presented the General Teaching Council of Scotland's Professional Recognition Programme for Dyslexia and Inclusive Practice. **30** educators participated and in Spring 2023, **15** successful participants will receive their awards.

## Best Use of Evidence

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

## Pausing inspections

Education Scotland paused its programme of routine inspections in March 2020 and originally planned to resume inspection of schools and ELC settings by January 2022. Whilst school pupils returned to full-time, in-school learning in April 2021, ongoing COVID-19 testing and isolation requirements continued to disrupt learning. Therefore, at the beginning of FY22/23 HM Inspectors (HMI) continued to focus on supporting recovery from the pandemic fulfilling all commitments within the revised annual programme of scrutiny. HMI undertook visits to ELC settings, schools and community learning and development services to provide tailored support based on their individual needs and circumstances.

## Resumption of inspections

The Cabinet Secretary agreed that routine inspections of schools and early learning and childcare settings would resume in September 2022. Since September 2022, **169** school inspections and **85** early learning and childcare inspections have taken place.

## Post-16 scrutiny activity

HMI also carried out quality assurance and improvement activities in colleges on behalf of the Scottish Funding Council (SFC). Between March 2022 and April 2023, they completed **17** Progress Visits and **16** Annual Engagement Visits to colleges. HMI also completed the fieldwork for a thematic visit on curriculum planning and delivery. In October 2022, HMI published an overview of their engagement in colleges during academic year 2021/22. HMI have also worked with College Development Network (CDN) and Student Partnerships in Quality Scotland (sparqs) to support the implementation of the recommendations relating to improving outcomes for learners, particularly those studying full-time further education programmes, and share good practice examples. HMI are also engaged in a wider tertiary research project with SFC, CDN and sparqs on the delivery of blended learning in colleges and universities.

## Statutory Duties

HMI fulfilled a statutory duty to provide an independent report when a Council makes changes to its school estate. They carried out independent evaluative activities across **33** proposals. Additionally, Scottish Ministers requested HMI conduct an inspection of **1** school in accordance with section 66 (1) of the Education (Scotland) Act 1980. HMI carried out a further inspection of another school which had previously been inspected under Section 66 (1) of the Education (Scotland) Act (1980). A programme of joint inspections of services for children is run by the Care Inspectorate. This year, HMI joined **5** inspections. Reports were published in August, December and January with the remaining **2** reports due to publish in the coming months. Finally, HMI along with other scrutiny bodies worked in collaboration with His Majesty's Inspectorate of Prisons (Scotland) to inspect **5** Scottish prisons.

## National Thematic Inspections

**3** national thematic inspections were published, involving engagement with **100** schools, settings and services. They included the [Local approaches to recovery: a thematic review](#) (published

May 2022<sup>8</sup>). HMI visited **42** schools and settings to gather evidence and the report has been downloaded **488 times** (the Gaelic version **17 times**). Additionally HMI visited **23** settings and engaged with learners, volunteers, practitioners, LAs and national and third sector organisations to gather evidence for the thematic: [Responsive, supportive and resilient communities: A review of community development during the pandemic](#) (published September 2022<sup>9</sup>). The report has been downloaded **608 times**. Finally, HMI visited **35** schools and spoke with a range of key stakeholders including teachers, children and young people to gather evidence for the [National Review: Approaches to recording and monitoring incidents of bullying in schools](#) (published February 2023). The report has been downloaded **275 times**.

## Recovery Visits

In March 2022, HMI commenced visits to schools and settings to learn about what had worked well and challenges they faced during the pandemic. **164** establishments self-nominated for participation and between March and July 2022, HMI visited **148 schools and ELC settings**. The visits were tailored to the circumstances and context of each school or setting. HMI gathered evidence of the range and quality of learning; the actions being taken by schools and settings to understand learning and wellbeing needs; and to meet these needs. A report was provided to the school or setting following the visit. Feedback on the approach was gathered using a survey of all senior leaders in the schools/settings and LAs visited. Senior leaders from **48%** of the establishments responded, and **54** senior leaders responded from **23** LAs. They emphasised the supportive nature and impact of the visits. Establishments recommended the visits, noting the flexible, thoughtful and supportive approach. They also welcomed the opportunity to celebrate, support and challenge in different areas and to reflect on their experiences. LAs welcomed the collaborative approach and highlighted how much they valued the professional dialogue and opportunity to reflect and discuss issues in-depth.

## Gaelic Medium Education Inspections (GME)

A number of establishments self-nominated for recovery visits. HMI visited **14** schools and settings for GME, **5** of which were all-Gaelic schools. This approach increased our reach for supporting improvement within the sector. HMI completed **7** inspections including Gaelic by March 2023 and also ensured that GME schools and settings contributed to national thematic inspection reports relating to local approaches to recovery from the pandemic, community learning and development (CLD), and recording of bullying incidents. HMI supported system improvement for Gaelic within LAs through review of statutory duties in the Gaelic Language (Scotland) Act 2005, Schools Consultation (Scotland) Act, 2010 and the Education (Scotland) Act 2016. This resulted in **7** reports specific to building capacity in Gaelic. New Associate Assessors have been recruited to add capacity alongside HM Inspectors. HMI provided professional advice on the National Gaelic Language Plan, 2023 – 2028, and the Hayward Review of Qualifications and Assessment and the Statutory Guidance on Gaelic Education, 2017.

## How Good is our Community Learning and Development? (HGIOCLD)

HMI, in partnership with CLD practitioners delivered **13** webinars focused on How Good is our Community Learning and Development? (HGIOCLD), version 4. Almost **400** people attended. Webinars were aimed at those using CLD methodology in their work, including staff from LAs and the third sector. Attendees were familiarised with the quality indicators from HGIOCLD, and in turn were encouraged to use them for self-evaluation and improvement. Feedback overall was very positive. Most attendees commented about how they could use Quality Indicators to improve their practice.

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<sup>8</sup> Fieldwork was conducted in November-December 2021.

<sup>9</sup> Fieldwork was conducted in 2021.

## Culture, Values and Behaviour, and Transitions to New Organisations

We aim to ensure that all staff feel valued, empowered and fairly treated. Our main objective in this area is to make the organisation a great place to work. We have also added an additional Strategic Priority to our Corporate Plan to focus on the reform agenda and ensure a smooth and effective transition to the new organisations. Given the strong links between these priorities, the content related to both have been combined into a single section.

### Reform of Education Scotland

SG commissioned Education Scotland to undertake work on its behalf, in relation to the establishment of a new education agency and independent inspectorate. This work has been guided by a Delivery Board, which reports directly into SG's Strategic Programme Board for Reform, with Education Scotland providing specialist educational knowledge. Two project teams were established to take forward development of TOMs for both new organisations, working closely with the Delivery Board. This work has been taken forward in line with governance arrangements established by SG. The TOMs include consideration of governance arrangements, core purpose, functions and ways of working including services provided. Final decisions on structure, culture and design of the new organisations will be made by the Cabinet Secretary.

Education Scotland communications around the reform of the organisation have focused largely on internal activity with the broader communications about reform being led by SG. At the beginning of the process, we set out a clear intent to ensure the flow of trusted, regular and consistent messages to all staff and to effectively inform and update our stakeholders of change. Following on from the ministerial announcement about the future of Education Scotland in March 2022, we published a statement from our Chief Executive. We provided a range of ways for staff to effectively engage in conversations around the implementation of the reform through shared values, honest and open two-way conversations. This included sharing a weekly update in the staff e-bulletin, creating a dedicated space on the intranet for reform, and delivering a series of staff engagement sessions – our Leading Together days which provided a leadership update on reform and the more informal, information sharing opportunities provided through Connect with Colleagues (CwC) sessions. During the year, there were **17** staff engagement sessions which focused on reform which were attended by **2,428** staff. In consideration of the potential impact on staff's wellbeing, **6** sessions were also offered in relation to health, wellbeing and morale and attended by more than **147** staff. All sessions were recorded to allow those unable to attend to view them.

Education Scotland have also contributed to wider educational reform activities such as [Professor Hayward's Independent Review of Qualifications and Assessment](#) through the provision of feedback to the each of the 3 phases to support and challenge their thinking. Our response to Phase 2 was the most detailed with the knowledge and experience of our staff used to give consideration to questions set by the Independent Review group.

### Great Place to Work Programme (GPTW)

We have continued to deliver and develop work as part of the GPTW programme to improve working lives and relationships, building on feedback received from staff. As we continued to work using a mix of office working, external venues and at home, staff highlighted there was a need for clarity on what that might look like. As a result, our staff engagement group, made up of **37** staff from across the organisation, developed a set of hybrid working principles in July 2022, which have now been rolled out across Education Scotland. An internal audit highlighted that Education Scotland had taken a proactive and pragmatic approach to hybrid working which did not attempt to develop a 'one size fits all' policy but had developed a framework to trial different ways of working. The collaborative way in which the principles were developed was also highlighted. Similarly, our Health and Safety Committee tasked a working group of staff to investigate a technological support solution and

bespoke guidance for staff undertaking lone working, to ensure a consistent approach to safety and reduce the risks associated with lone working. As a result, devices were identified and will be trialled in 2023.

Our aim is for learning and development to sit at the heart of what we do. This means learning opportunities that are designed to be relevant and informed, led and shaped by those who work here including opportunities to learn with and from those we work with. Our Leading Together days and CwC sessions have not only focused on reform but have more generally supported connections across Education Scotland and provided colleagues with a space to learn and collaborate. Overall, in 2022-23, there were **55** CwC sessions delivered which were attended by **3,361** staff and **19** Leading Together sessions attended by **1,988** staff. Sessions have covered topics such as our electronic records management system, data protection and consultation opportunities around the Corporate Plan. Education Scotland also supported **8** funding applications for extended study from staff across the organisation.

In July 2022, we evaluated our Change Ready programme – a programme delivered in partnership with This is Milk, a digital consultancy firm, which aimed to provide line managers and those with managerial responsibilities with the skills and knowledge to support their teams through the transition period. **96** participants completed it and **24** of those completed a post-participation survey. Respondents valued the training, with most indicating increases in confidence in relation to topics of change (**82%**) and in relation to their confidence sharing the learning with their team (**69%**). Some planned to use what they had learned through weekly check-ins with their teams, others intended to use the approaches to introduce coaching and wellbeing approaches to monthly one-to-one conversations with those they managed. We also built on the programme by introducing Action Learning Sets – an approach which establishes a group of colleagues to work together to tackle workplace issues. The aim was to develop a peer network for line managers to provide support as we move towards the introduction of the new organisations. **Three** Action Learning Set sessions took place from August and an average of **20** participants attended per session. A new approach for taking this work forward is planned which aims to ensure alignment with other work on internal coaching. Approximately **50** staff signed up to participate in a coaching launch event in March.

We are also building on work in relation to our Values in Action Framework to ensure that our organisational values and behaviours were named, clear and that all staff had clarity on 'how' we carry out our work. A new self-evaluation tool is currently in development and will be rolled out in the coming months. It will support colleagues to engage with the framework and identify strengths and areas for development to support them in the drafting of their personal objectives. Initial work is underway with a small group before it is tested by colleagues across different directorates.

We want to ensure all staff feel safe and supported, working in a psychologically and physically safe environment that supports their wellbeing. We have delivered Line Manager Essentials upskilling sessions covering topics including effective Attendance Management and our Positive Behaviours group regularly distribute all staff communications to raise awareness of relevant policies and the importance of early reporting to resolve issues. A session on Micro Behaviours and Tackling Negative Behaviours took place in August 2022 and **123** staff attended.

### **New Corporate Website**

A refreshed website will be launched in Spring 2023. It will be launched as a 'public beta' meaning that both the current and new sites will be available for a 6-week period while user feedback on the refreshed website is gathered. The updated website will have a fresh look and the addition of a 'mega menu' will make finding content easier. Around **200** pages were removed as part of a content

review exercise. This will help to ensure that the content is up-to-date and accurate ensuring our users have access to valuable information.

## Case Studies

The following case studies are key examples which highlight some of the valuable work undertaken in relation to our externally-focused Strategic Priorities.

### Building Racial Literacy (BRL)

BRL promotes anti-racism as a baseline professional value, empowering practitioners to identify and implement anti-racist behaviours and processes in their everyday practice. The ultimate goal of the programme is to make every practitioner in Scotland racially literate, effective at dealing with racism and confident in leading anti-racism. Co-constructed with partners, including practitioners and stakeholders on the SG Race Equality and Anti-Racism in Education Programme, BRL has been delivered to **3** cohorts, and has had **over 200** participants since its inception in January 2022.

The impact of BRL can be most effectively illustrated through the experience of one participant, Rukhsana Ali. Rukhsana has been a primary teacher for 22 years, is an Education Development Officer and is passionate about anti-racism and equality. She and the other participants undertook a variety of activities to build racial literacy, including developing a personalised action plan to lead anti-racist change and writing a reflective journal to consider their own lived experiences. While initially reluctant to use the journal, Rukhsana found the process to be cathartic and emotional. She was able to relate to everything in BRL, and felt the overall process was hopeful and positive.

*It has, [...] been the best learning experience I have ever had during my adult life, and I cannot recommend the BRL course highly enough. I feel so hopeful that there are many inspirational and powerful voices in Scotland, within the arena of anti-racism, and they are not afraid to tell it like it is. I have lived for too many years trying to blend in, hold back and keep my head down. I feel that I have ripped a label off my back and thrown it in the wind. I will not be put in a box. I will not be marginalised. I will not be quietened. I will be heard. I will be visible. I have a renewed sense of power, motivation, hope and positivity.*

Participating in BRL inspired Rukhsana and she has recently been appointed as an Education Development Officer: English as an Additional Language (EAL) and Diversity in Learning and Teaching. She believes she is the first person of colour in primary education to be in a promoted post in her LA. BRL has given Rukhsana hope – because Education Scotland are discussing these issues on a national platform, because she has been exposed to valuable resources, and also because the programme will encourage white practitioners to explore conscious and unconscious biases and educate themselves on racial diversity. She believes that BRL will make a real difference to how we teach in Scotland and the way we think about people of colour.

### Creative Wellbeing

The [Creative Wellbeing Fund](#) was a partnership between Education Scotland and Creative Scotland which provided support to schools to take a creative approach to improve learner wellbeing. A total of **£90,000** was available to support **6** projects, one in each RIC being awarded a grant of **£13,500** with the remaining funds used for other costs. Funding was used to employ a creative partner who worked with schools to find innovative solutions to increasing learner wellbeing and a wider sense of achievement.

An example is the Velcro Poetry project which highlighted how language can affect mental health and wellbeing, and encouraged learners to express themselves in positive, creative ways. Learners from St Matthew's Academy and associated primary schools worked with artists and poets, through

the Impact Arts organisation, to explore how to use expressive language in poetry and how to use their poems as a stimulus, to bring them to life through artwork and sound recordings. Teachers reported that, of the **323** learners who participated, **308 (95%)** had increased wellbeing as a result. Learners were keen to showcase their creations and even those who experienced difficulties engaging in literacy activities were able to fully participate. A showcase event celebrated their work and **160** people attended. One month later the Flickr account had had **2,800** views and there had been more than **170** views of the PDF version of the Velcro Poetry book.

*“Creative partners worked in collaboration with staff to take Literacy 'off the page' for our young learners. As a result, teaching and learning felt engaging, purposeful and vibrant.” (Literacy/English Coordinator)*

The project has contributed to changes in the literacy curriculum which is now more inclusive and engaging for learners. A support pack to assist practitioners was developed, enabling them to sustain the delivery of these lessons independently. Velcro Poetry will be delivered across S1/S3 with S4 learners undertaking an SQA qualification in mental health and wellbeing. A selection of poems is to be displayed on council vehicles to reach a wider audience.

### **Collaborative Improvement (CI)**

In April 2022, Education Scotland worked with Aberdeenshire Council and ADES on CI activities. All work was undertaken online and involved teachers, parents and central staff. The aim of CI is to share what works well at a LA level and to support improvement in areas of LA activity that have been identified as in need of development. CI also aims to promote partnership working to ensure that we achieve sustainable improvements for all children and young people, including those from disadvantaged backgrounds. In short, it is consistent with the national goal of achieving excellence and equity.

Colleagues from Education Scotland took part in a range of focus groups to evaluate how well Aberdeenshire Council's use of data was supporting improvement across the LA and helping to close the poverty related attainment gap. At the end of the week, feedback was provided which formed the basis of a report written by the LA and a subsequent action plan focused on areas for improvement identified by the collaborative improvement activities. Education Scotland supported the LA in reviewing progress within the key priorities and identifying areas where more limited progress may have been made. As a result, the LA have further confirmation of areas of strength and a deeper understanding of challenges faced. The Director of Education and Children's Services commented:

*‘The Collaborative Improvement activity was a very useful exercise for us in Aberdeenshire as it allowed us to focus in on an area of improvement activity we have been working on for a number of years and provided us with some really useful external challenge from our peers which both validated our work and approach to date, but equally gave us some invaluable feedback in terms of how we might up-scale our improvement activity and sharpen our focus. The Collaborative Improvement activity was well organised, participative and appropriately challenging and from feedback I have received both the local authority and indeed our peer “visitors” were able to take valuable learning away from the experience.’*

### **Mental Health and Wellbeing – Keeping Trauma in Mind (KTiM)**

KTiM was developed from a need identified by LAs and practitioners to support learners post COVID-19. It evolved from a previous programme developed and delivered in 2018 and 2019, which many authorities had planned to implement in 2020/21 but couldn't due to COVID-19. The programme was adapted for virtual delivery and updated to include research on the impact of

COVID-19. A ‘small steps of change’ approach was used rather than a full enquiry based approach to avoid overwhelming practitioners and practical examples of a trauma informed/responsive approach were provided. KTIM was first delivered in the West Partnership region in March 2022 and numbers attending the **4** sessions varied from **284** to **408**. Further roll-out resulted in more uptake across LAs and a series of national sessions took place between May and June 2022.

Evaluations of national sessions demonstrated increases in knowledge, confidence and skills. While **17** of **271** respondents rated their knowledge levels at 5<sup>10</sup> before training, afterwards the numbers rating themselves at 5 had risen to **127**. Similarly, **20** rated their confidence levels at 5 before but afterwards this increased to **117**, and in terms of skills, **21** rated themselves at 5 prior to participation which rose to **109** afterwards. Participants felt the sessions would lead to changes to their, and potentially, colleagues’ practice, and **almost all** indicated they would be likely to implement the learning or share with colleagues (**269** and **265** respondents respectively). Feedback highlighted what they found most useful including specific resources or approaches and the way they were encouraged to reflect on their language or on their understanding of trauma and related behaviours.

*I will understand how behaviours may be linked to trauma even if I don't know the full extent. Too often we label children as naughty or difficult not knowing the full story. We have to keep in mind unknown back stories. (Participant 2)*

The programme is now being rolled-out nationally and **almost all** LAs have signed up to participate in sessions which will be held in Spring 2023. Over **500** practitioners to date have signed up to take part in the national sessions.

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<sup>10</sup> This was in a 1-5 scale where 5 was the highest level.



## Financial review

Education Scotland is funded by the Scottish Government through the Education and Skills Portfolio. The financial results for 2022-23 are reported in the financial statements.

The total budget allocated at the start of the year was £28.7m and a further £17.7m of budget was transferred from the Scottish Government during the year. Of that total, £1.5m was capital budget to cover the capitalisation of leases required under a new accounting standard on leases (IFRS 16). This budget was ringfenced and cannot be used to fund any other activity.

### Budget Transfers

The Scottish Government transferred a number of budgets during the year and the main ones are as follows:

**National e-Learning Offer £1.8m** - All of this funding was issued as a grant. The National e-Learning Offer complements the online learning being provided by schools, local authorities and Regional Improvement Collaboratives across Scotland. The resources include:

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

**Glow £6.1m** – This covers the costs of permanent and temporary staff who support work on Glow and also the costs of the Glow contract (See Note 3.1 of Annual Accounts).

**Scottish Attainment Challenge £1m** - This funds Education Scotland's work on the Scottish Attainment Challenge and this is used to cover some of the salary costs of Regional Attainment Advisors.

**Accommodation £1m** – This covers part of Education Scotland accommodation costs.

**Science, Technology, Engineering and Maths (STEM) £0.79m** – Education Scotland received four budget transfers totalling £0.79m to support work on STEM. This also covers the costs of a number of STEM grants which were issued during the year.

**Education Reform £0.388m** – A budget transfer was made to cover additional costs incurred by the organisation in preparation for the transition to the new bodies announced in June 2021.

<b>2022-23</b>	<b>Original Budget £000</b>	<b>Updated Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>
Resource Expenditure	27,384	41,436	41,176	(260)
Ringfenced depreciation	1,350	1,140	112	(1,028)
Ringfenced depreciation for Right of Use Assets		882	882	0
Pension costs (AME)		87	90	3
Provision (AME)			(380)	(380)
<b>Total Expenditure scoring against Resource Budgets</b>	<b>28,734</b>	<b>43,545</b>	<b>41,880</b>	<b>(1,665)</b>
Capital Expenditure		1,400	729	(671)
Capital for Right of Use Assets (AME)		1,531	0	(1,531)
<b>Total</b>	<b>28,734</b>	<b>46,476</b>	<b>42,609</b>	<b>(3,867)</b>

### Resource expenditure variances – underspend of £0.260m

Activity has returned to normal levels and the costs of funding Education Scotland's work has increased significantly over the course of the year. There have been pressures over all areas of expenditure and the small underspend reflects that budget holders are working close to the budget limits.

### Staff costs

Staff costs have increased significantly. Employees were given a 5% pay increase which was backdated to the start of April 2022 and this has added approximately £1m to the overall staff bill. Most of Education Scotland's budget is spent on staffing and therefore increases in staff costs have been managed through careful workforce planning and close monitoring of budgets.

### Non-staff costs

Savings were made in non-staff costs and this has been used to offset the increase in staff costs. Some savings have been achieved through running professional learning events on-line and reducing the number of face to face events. However, most of the resource underspend is due to grants not being claimed or being returned unspent.

### Travel and Subsistence

As activities have returned to normal levels, staff have been travelling and arranging visits as before and therefore an increase in Travel and subsistence costs was expected. However, accommodation costs, car hire and public transport costs have increased over the year and therefore costs have been higher than the original budgets. Accommodation costs in particular have increased significantly.

### **Ringfenced depreciation – underspend of £1.028m**

The non-cash budget is ring-fenced and can only be used to cover depreciation charges and impairments. The original budget was set on the basis that the capital project would start amortising in 2022-23. The Professional learning Catalogue will start amortising in 2023-24 but other workstreams are not complete so most of the 2022-23 non cash budget was not needed.

### **Provision (AME) – underspend of £0.380m**

A provision for the final dilapidation costs for Endeavour House was not fully utilised as the final costs were less than the provision. The unused balance has therefore been released.

### **Capital Expenditure – underspend of £0.671m**

Education Scotland was allocated capital budget over three years (2020-21, 2021-22 and 2022-23) to implement an organisational transformation project which involved the creation of the following assets:

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

In 2022-23 £1.4m of capital budget was allocated to this work. In addition, HMRC have ruled that Education Scotland has been treating the VAT on this project correctly and the provision created to cover the potential VAT liability was not required. £0.917m was therefore written back and some of this budget was utilised (See Note 9).

### **Capital Expenditure Right of Use Assets – underspend of £1.531m**

2022-23 was the first year of implementation of IFRS 16 (Leases) and £1.5m of capital budget was requested to cover the capitalised future lease payments for a new lease in Compass House and also the final dilapidation costs. The lease for Endeavour House ended on 2 March 2023 and it had been hoped that staff would be able to move into the new accommodation straight away. Unfortunately, the move has been delayed and therefore the new lease could not be accounted for in 2022-23 and the future lease payments will be capitalised in 2023-24.

## **Significant Variances**

### **Staff costs**

Staff costs were £31.521m, an increase of £3.857m on the previous year (2021-22 £27.664m). The overall increase in staff numbers is only six, however, permanent staff numbers have increased by 29 over the course of the year and there has been a corresponding decrease in the numbers of temporary/agency staff.

During the previous financial year (2012-22) there was a period of recruitment 'catching up' to fill vacancies which had not been filled during Covid 19 restrictions. However, the 2021-22 costs did not reflect a full years costs as staff were recruited at different points in the year. The costs for 2022-23 now cover salary costs for the full year.

The backdated pay award has also added approximately £1m to the cost of staff salaries.

## Operating income

Operating income for 2022-23 was down on the 2021-22 position. Income from the Scottish Funding Council was down compared to last year but this is due to timing of the payments and activities rather than a change to the agreed costing plan.

Due to the change in accounting policy on leases, accommodation receipts have been shown as income.

Income from Creative Scotland and the Wood foundation have both increased in 2022-23. Funding from the Wood Foundation is used to provide grants in relation to 'Raising Aspirations in Science Education' and to provide opportunities in Science, Technology, Engineering and Mathematics.

## Purchase of Goods and Services

The total cost of goods and services was £8.369m in 2022-23 compared to expenditure of £9.878m in 2021-22 which is a fall of £1.51m.

The costs of payments on the SWAN contract fell by £0.255m compared to the previous year and there was also a fall in the cost of the Glow contract (£0.117m). There has also been a fall of £0.528m in contractor costs which is in part due to filling of permanent posts.

Accommodation costs appear to have fallen sharply but some of this is due to the change in the accounting policy on leases (see below). There is, however, a real fall in accommodation costs as one floor of Denholm House was given up in January 2021-22 but the impact of the saving is now being felt. There will continue to be pressure on the accommodation budget as the cost of utilities and services have increased over the year although the space used has decreased.

<b>Accommodation Costs</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>£000</b>	<b>£000</b>
Rent, rates, utilities and maintenance (Note 3)	1,140	2,410
Right of use accommodation (Note 5)	882	
<b>Total accommodation charge</b>	<b>2,022</b>	<b>2,410</b>

There has been a significant increase in Travel and Subsistence costs from the previous year as activity has now returned to normal levels. Additionally, the current levels of inflation are impacting on the charges for accommodation, hire cars and public transport.

## Finance Strategy

Education Scotland's [Corporate Finance Strategy](#) covers the period from 2023-24. 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 2023-24

	<b>2023-24 Budget £000</b>	<b>2022-23 Budget £000</b>
Cash Resource (RDEL)	27,384	27,384
Non-Cash Resource (RDEL)	1,350	1,350
Total	28,734	28,734

In common with all public sector organisations, 2023-24 will be extremely challenging in terms of available budget. The fiscal context is one of limited funding alongside rising staff costs and inflationary pressures, particularly in relation to utilities. The [Scottish Budget 2023-24](#) includes information on the 2023-24 plans compared to the previous year. For Education Scotland this is 'flat cash' and there is no change from 2022-23 to take account of salary increases and inflation. Salary costs account for the largest part of our budget and with a salary increase of 5% for 2022-23 and allowing for a salary increase for 2023-24 there will be a significant impact on the overall budget.

On 22 June 2021, the Cabinet Secretary for Education and Skills announced the intention to replace the Scottish Qualifications Authority (SQA) and to take forward reform of Education Scotland, including removing the function of inspection from the agency. The Cabinet Secretary has confirmed that there will be a new qualifications body, a new national agency for Scottish Education and an independent inspectorate body. These will replace the SQA and Education Scotland. The current timeline for this reform is for the new organisations to be operational in late 2025.

Education Scotland's business plans for 2023-24 will therefore continue to focus on business as usual activities but with some additional work to prepare for the reform.

### 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 2022-23 to 2026-27, the Auditor General has appointed Audit Scotland to undertake our audit. The audit fee for 2022-2023 is £37,940. 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 2022-23. Internal audit is covered by a service level agreement with the Scottish Government Internal Audit Division.

### Payment of suppliers

Education Scotland policy is to pay all invoices not in dispute within 30 days from receipt of the invoice or the agreed contractual terms if otherwise specified. The agency aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, on time in these terms.

No payments were made during 2022-23 under the *Late Payments of Commercial Debts (interest) Act 1988*.

The agency has a target of paying all invoices within ten days which is above and beyond our contractual commitment. For the year ended 31 March 2023, Education Scotland paid 99.3% of invoices within ten days (2021-22 98.9%).

# Sustainability Report

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

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

The majority of Education Scotland's emissions have historically been related to travel, which is directly linked to the way our business has, with the exception of during the pandemic, been carried out. We will therefore continue to explore possible solutions as part of our plan to use clean transport, including working with our supplier to increase the offer of electric hire cars where appropriate.

## Summary of performance 2022/23






During the reporting year the Agency's overall sustainability performance has continued to reflect our hybrid working arrangements which were introduced following the lifting of COVID 19 restrictions. In addition, our return to activities such as Inspection has resulted in a significant increase in travel this year compared to last.

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

In considering the table below, it is also important to note that while our travel has increased this year, relative to last year, our overall emissions have not increased significantly. This is mainly due to the reduction in our estate. As a result, we continue to exceed the targets set. Indeed, during 2022/23 Education Scotland met the emissions reduction required by year 2027.

Detailed information on our sustainability performance can be found on our [website](#), including the calculations that underpin the information presented below.

## Performance table

Area	Target	Progress made	Status
<b>Overall, Greenhouse gas emissions</b>	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 total emissions overall have remained much the same this reporting year. This year: <a href="#">Energy</a> – 87.8 (t) <a href="#">Waste</a> – 0.2 (t) <a href="#">Water</a> – 0.3 (t) <a href="#">Travel</a> – 188.8 (t)  Total – 277.1 (t)	
<a href="#">Energy</a>	Year on year reduction of energy usage.	Energy consumption decreased due to a reduction of the accommodation in workplace.	
<a href="#">Waste</a>	Year on year reduction of generated general waste.	The report shows emission figures have remained roughly the same as the previous reporting year.	
<a href="#">Water</a>	Year on year reduction in water usage.	Water consumption has increased slightly.	
<a href="#">Travel</a>	Year on year reduction in our level of travel per capita.	Travel is Education Scotland's main contributor to Carbon emissions. The overall level of travel has increased significantly due to external visits being reinstated.	



## Carbon footprint table

Reference Year	Year	Scope1	Scope2	Scope3	Total	Units	target
Baseline carbon footprint	2014/15	18	432	458	908	tCO2e	908
Year 1 carbon footprint	2015/16	15	339	483	837	tCO2e	808.12
Year 2 carbon footprint	2016/17	3.65	325.46	327.45	657	tCO2e	708.24
Year 3 carbon footprint	2017/18	4.53	193.87	252.9	451	tCO2e	599.28
Year 4 carbon footprint	2018/19	1.36	127.19	366.27	495	tCO2e	499.4
Year 5 carbon footprint	2019/20	0.54	0	366.72	367.26	tCO2e	399.52
Year 6 carbon footprint	2020/21	0	93.0	10.9	103.9	tCO2e	382.3
Year 7 carbon footprint	2021/22	27.5	92.5	156.6	276.6	tCO2e	365.0
Year 8 carbon footprint	2022/23	0	65	212	277.1	tCO2e	347.8

## 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 budget year.

Gillian Hamilton  
 Interim Chief Executive  
 19 July 2023

# Accountability Report

## Corporate Governance Report

### Directors Report

Gillian Hamilton was appointed Interim Chief Executive on 31 March 2023, replacing Gayle Gorman who led our organisation from December 2017 until her recent departure. Prior to her appointment as Interim Chief Executive, Gillian Hamilton was the Depute Chief Executive and Strategic Director for Corporate Services and Governance within Education Scotland, working closely with Gayle Gorman on the running of the Agency.

The Chief Executive is supported in her role by the Agency's Advisory Board, the membership of which comprises the Education Scotland Strategic Directors and 6 Non-Executive Board Members, with meetings chaired by the Chief Executive. Gillian Hamilton, as Interim Chief Executive, has now assumed the position of Chair.

Chief Executive and Accountable Officer	Gayle Gorman – up to and including 30 March 2023
Interim Chief Executive and Accountable Officer	Gillian Hamilton – took up post 31 March 2023
Depute Chief Executive and Strategic Director	Gillian Hamilton – up to and including 30 March 2023
Strategic Director	Ollie Bray
Strategic Director	Craig Clement
Strategic Director	Janie McManus
Strategic Director (interim)	Gill Ritchie
Strategic Director (interim)	Patricia Watson
Non-Executive Board Members	John Fyffe David Gemmell Kevin Kelman Aileen Ponton Ray McCowan Lyndsey McRoberts

During 2022/23 our organisational structure continued to be based around 5 Directorates – Regional Improvement, National Improvement, Professional Learning and Leadership, Scrutiny and Corporate Services and Governance.

Full details of the governance structure and risk management arrangements in operation in the Agency are provided as part of the Governance Statement (page 45).

### Company Directorships and other significant interests

None of the directors held any company directorships or other significant interests which conflicted with their role with Education Scotland. A register of the Non-Executive Board Members' interests and their biographies are maintained and published on our website. Board members are also

required to disclose any conflicts of interest at both Advisory Board and Audit and Risk Committee meetings.

### **Incidents reported to the Information Commissioner's Office (ICO)**

There were 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.

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

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

The Principle Accountable Officer of the Scottish Government has appointed the Interim Chief Executive as Accountable Officer of Education Scotland. The Accountable Officer's relevant responsibilities include the propriety and regularity of the public finances for which she is accountable, keeping proper records and safeguarding our assets, as set out in the [Memorandum to Accountable Officers](#) issued by the Scottish Government.

### Disclosure of relevant audit information

The Accountable Officer has taken all necessary steps to make herself aware of any relevant audit information and to establish that the auditors are also aware of that information. There is no relevant audit information of which the Agency's auditors are unaware.

### 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. The Annual Report and Accounts as a whole are fair, balanced and understandable and the Accountable Officer takes personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

## Education Scotland Governance Statement 2022-23

This Governance Statement outlines Education Scotland's approach to corporate governance, setting out our internal control structure and risk management framework in operation between 1 April 2022 and 31 March 2023 and up to the signing of the 2022-23 Annual Report and Accounts.

### Scope of responsibility

I was appointed Interim Chief Executive and Accountable Officer on 31 March 2023. Before that I was the Agency's Depute Chief Executive and Strategic Director for Corporate Services and Governance so I am well placed to provide this Governance Statement. As the newly appointed Accountable Officer, I am responsible for maintaining a sound system of internal control that supports the achievement of the Agency's policies, aims and objectives set by the Scottish Ministers, while safeguarding the public funds and assets for which I am personally responsible in terms of section 15 of the [Public Finance and Accountability \(Scotland\) Act 2000](#).

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

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

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

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

### Education Scotland Governance Framework

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

The Governance Framework has been kept under review throughout 2022-23 to support our continued need to be agile and flexible, not least to ensure we are in a position to respond quickly and effectively to the challenges presented by education reform.

In doing so, we have sought to ensure that the changes not only seek to reduce pressure by optimising time and resources but at the same time maintain clear decision making and

accountability lines, including delegation and escalation routes. Changes have included reviewing the Board and Committee schedule in operation across the Agency and amending the frequency and balance of Leadership Team Formal and Informal meetings and Directorate Management Board meetings as well as strengthening the mechanism for the tracking of discussions and outcomes that arise from Leadership Team Informal meetings. We also stopped operating the Transformation Programme Board once our formal transformation programme came to an end in the summer of 2022. We are also in the process of winding down the Oversight Board which was originally set up to oversee our response to the pandemic.

In addition, the Scottish Government's plans to establish a new agency for Scottish education and a separate body for inspections has set us on a path of change and we therefore produced an update to our Corporate Plan in 2022 to reflect our current context. This has seen us add an additional Strategic Priority to our Corporate Plan to focus specifically on the reform agenda and the work we'll take forward in support of the Scottish Government and our stakeholders. At that time it was also appropriate to reduce the timeframe for delivery to focus on what we will achieve by 2024, at which point the new education agency and independent inspection body were originally planned to become fully operational. We will now, of course, consider what impact the new timescale of late 2025 for the new bodies to be operational has on that plan.

We have also recently extended the appointments of our Non Executive Board members in order to ensure continuity of support as we move forwards with reform.

## Leadership Team

I am supported in my role as Interim Chief Executive by the Agency's Leadership Team which is responsible for shaping the systems and structures required to deliver our remit and overseeing the day to day strategic management of the organisation. The Leadership Team is the Agency's most senior formal decision making group and comprises the Agency's Strategic Directors (three of which are temporary appointments) and myself. Gayle Gorman was a member of the Leadership Team until her departure at the end of March 2023.

As mentioned above, the Leadership Team meeting regime was amended during the year, with meetings now alternating weekly between formal, governance meetings and informal, hot topic discussions. Meetings have mostly taken place on a hybrid basis but we have held some face to face meetings where appropriate. During the year we also trialled rotating the Chair around the membership. However, going forward I, subject to availability, will chair all future meetings.

## Advisory Body

The Accountable Office role is also supported by our Advisory Board, which I will now Chair following Gayle Gorman's departure. The Advisory Board includes six Non-Executive Members (shown in the Director's Report above) as well as the members of the Leadership Team. The Advisory Board considers the overarching strategy, direction, performance and governance of Education Scotland, with non-executive members acting as critical friends and providing constructive challenge and guidance.

The Advisory Board met regularly throughout the year to progress the business of the Agency. There were four formal governance Board meetings and one strategic update and discussion session. The strategic update session focussed on key strategic priorities for the organisation,

including our updated Corporate Plan, the work of our Great Place to Work team and the Education Scotland reform. This was the first hybrid meeting since the pandemic.

## **Audit and Risk Committee**

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

ARC provides independent scrutiny of our strategic approach to risk, control and governance, accounting policies and accounts, and audit plans and reports. This Committee met four times during the year.

To ensure that all members of the Advisory Board are sighted on the work of ARC, a report continues to be tabled at every Advisory Board meeting following ARC. Timing permitting, depending on scheduling of meetings, a written report is provided. However, where the timings between meetings is short, the report is provided verbally by the Chair of ARC. The chair of the Committee also submits an Annual Statement of Assurance to the Accountable Officer.

As Accountable Officer throughout 2022-23 Gayle Gorman routinely attended the Audit and Risk Committee with other key personnel from across Education Scotland, including myself as the then Strategic Director for Corporate Services and Governance. I will, of course, now attend as Accountable Officer. Internal and external auditors also attend and their work helps inform the assessment of our risk management, control and governance processes. They also continue to regularly meet with ARC members without executives in attendance.

## **Transformation Board**

The Transformation Programme continued to meet regularly for the first half of 2022-23 before being formally closed down once the Transformation Programme ended. It was chaired by Craig Clement, one of the Agency's Strategic Directors, as the Programme's Senior Responsible Officer (SRO). The last meeting took place in September 2022.

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

## **Other Boards and Committees**

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

- Oversight Board, which met six times over the reporting year. The Oversight Board was initially set up in 2020-21 to oversee the Agency's work during COVID 19 as well as the recovery year work. This remit was extended during 2021-22 to also oversee progress against the new Corporate Plan. We are currently in the process of winding down this Board given the shortened timescales of the newly updated Corporate Plan.

- Directorate Boards, with meeting frequency reduced during the reporting period, from monthly to a minimum of 6 times per year, as we returned to business as usual following the pandemic. Directorate Boards drive and oversee the delivery of all Directorate activity.
- Partnership Board, which has continued to meet formally on a bi-monthly basis. During the early stages of the pandemic, and then education reform we also held informal catch ups between every formal meeting but in reviewing the terms of reference for this Board, it was agreed these were no longer required. Membership includes both representatives from the Agency and key Trade Unions officials. As Strategic Director of Corporate Services and Governance, I was responsible for chairing the Partnership Board.
- Health, Safety and Wellbeing Group, which met formally four times during 2022-23, with membership pulled from across the Agency. This group is chaired by the Head of Operations.
- Digital Governance Board, which continued to meet throughout the reporting period, chaired by Ollie Bray, Strategic Director. It includes membership from across the Agency to provide a level of independent, peer led challenge. The Board generally meets on a monthly basis.

## Internal Audit

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

An annual planning meeting was held with the Chair of ARC, the Accountable Officer and Senior Management to also support the development of the annual audit plan for 2022-23 before this was presented to the Audit and Risk Committee.

As documented within that audit plan, Internal Audit carried out 2 audits during 2022-23:

- Change and Reform – substantial assurance rating provided
- Hybrid Working - substantial assurance rating provided

Internal Audit have also undertaken two advisory pieces – one on Assurance Mapping and one on Corporate Reporting.

Following their work above, Internal Audit have provided me, as Accountable Officer, with an overall assurance opinion of substantial for 2022-23.

In arriving at their opinion, they take a number of factors into account, not solely relying on the audit activities undertaken throughout the year. This included engagement with Senior Management, consideration of the effectiveness and structure of the Audit and Risk Committee in operation in Education Scotland, our approach to risk management and the range of other assurances available such as Gateway Reviews and External Audit. Their work is also informed by their cumulative audit knowledge and experience of Education Scotland, against the context of both the global pandemic and education reform.

Going forward there will be a need to maintain a degree of flexibility for Internal Audit work for 2023-24 as the reform programme progresses, particularly around advisory support in responding to emerging issues.



## External Audit

The Auditor General for Scotland is responsible for auditing the Agency's accounts. The appointed auditors continue to be 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.

## Risk Management

We advocate proactive risk management throughout the Agency, seeking to create an environment where staff understand the value of risk management, are supported to make appropriate risk-based decisions and to take personal responsibility for the management of risk at every level. As such, the main priorities of Education Scotland's risk management strategy are the identification, evaluation and control of risks which threaten our ability to deliver our objectives.

Our Risk Management Approach provides a straightforward methodology to help manage risk effectively and in line with this, each Directorate has maintained a risk register in 2022-23, reporting up, or escalating to, Oversight Board and/or Leadership Team as required. Programmes and projects also continue to have dedicated governance arrangements in place to allow for upward reporting. And in recognising the importance of making connections between risks in different areas of the business and how they impact on the organisation as a whole, the Agency's Risk and Assurance Manager and the Business Partners who support the individual Directorates meet quarterly to collectively review the Directorate and top level Education Scotland risk registers. These meetings are intended to support shared learning and to identify collective risks that require escalation.

At an organisational wide level we also maintain an Education Scotland risk register which records the highest level internal and external risks that we are exposed to and identifies mitigating actions to reduce the threat of these risks occurring, minimising their impact should they materialise. Each risk is categorised, described and allocated a risk owner and lead action officer who is empowered to make informed decisions on how risks are managed and/or mitigated. A risk report is submitted to the Leadership Team on a regular basis with the Leadership Team reviewing the status of each risk in the context of the overall environment in which the organisation exists. We also hold an annual "blind spot" session with senior officials, nominated to attend by the Agency's Strategic Directors, to identify any additional or long term risks that might have been missed.

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

While we are confident that key and senior officials are aware of the risk management framework in place across the organisation, we recognise that there continues to be some staff who, due to their current roles, are less engaged in the process. Therefore, having previously delivered risk management training to a range of key officials across the Agency, we have adopted the Scottish Government's new mandatory eLearning modules for all staff this year. There are separate courses for staff in administrative roles and for staff in management or leadership roles. These provide a basic understanding of risk management and, like the Education Scotland Risk Management Approach, are consistent with the principles highlighted in the Risk Management section of the [Scottish Public Finance Manual](#).

We are also continuing to develop our approach to assurance mapping as a further tool to manage risk. As indicated above, we have accessed advisory support from Internal Audit in developing this and having devised our structure and approach we will now be gathering the evidence to underpin the map over the coming months.

Information about the key issues and risks the Agency has faced over the reporting year can be found in the Performance Report at page 7.

### **Information and data management and protection**

There were no data breaches that warranted notification to the ICO during the reporting year.

During 2022-23 we continued to focus on strengthening the Agency's information and data management arrangements. In doing so we reprioritised our original improvement plans to take account of the need to participate in the Scottish Government's Shared Drive Management project.

Another key area of work has been supporting CLD Standards Council to improve their information governance arrangements. This has seen us support the Council to move over to the electronic Records Management System (eRDM) that Education Scotland employs. Other improvements include, but are not limited to, the development of a new data management framework; the set up of a new Legal Deposit agreement with the British National Libraries as well as cyber security training and certification for relevant members of both the Security Information and Governance and Information teams. All employees across the Agency are required to complete mandatory online training covering both data protection and information management on an annual basis.

During 2023-24, we plan to participate in a Progress Update Review (PUR) process with the National Records for Scotland to review the effectiveness of our current Records Management Plan. Doing so will help smooth the transition towards the new National Agency for Scottish education and the new body for Inspection.

### **Assessment of Corporate Governance Arrangements**

We are fully committed to the continuous improvement of our corporate governance arrangements, building on our strengths and addressing areas identified for improvement throughout the reporting period.

Many of these improvements are detailed in the sections above, including the review of the Agency's Board and Committee schedule to best optimise time and resources in light of competing pressures. The new arrangements, will, of course, be kept under review to ensure they continue

to deliver the required level of accountability and assurance as the Agency continues through the education reform journey.

Other changes and improvements in 2022-23 have included, but are not limited to:

- The creation of a new Sustainability Group, a community of Education Scotland staff with an interest in sustainability, representing all directorates of the organisation. With climate change now a top priority both nationally and globally we created a space for staff to discuss approaches to sustainability and explore opportunities for further action. To date the Group has been exploring topics such as ways to operate more sustainably, climate change and biodiversity reporting requirements and the sharing of information on professional learning.
- Formal testing of the Agency's Business Continuity Plan, facilitated by the Scottish Business Resilience Centre (SBRC) to exercise the response of Education Scotland's IT and senior leadership teams to a cyber attack. This was a particularly valuable exercise, with participants demonstrating excellent knowledge of our infrastructure and services, while at the same identifying a number of key areas for improvement, including the need for greater crossover and interaction between Agency's BCP and the Cyber Incident Teams.
- The roll out of the Agency's new [Equality Strategy](#) which has been published on the Education Scotland website, demonstrating our continued commitment to embedding an ethos and practice of equality, diversity and inclusion in everything we do and it outlines the equality outcomes we aim to deliver. Being mindful of the complexity of the issues we're attempting to address, the strategy has been, and continues to be, a working, iterative document that is updated as needed.
- Our new Case Relationship Management system (CRM) went live during the reporting year for all Regional Directorate colleagues. This is not only an important milestone in our digital transformation but it also supports our aims to handle information and data better. The CRM allows us to manage and capture data from every relationship and interaction with our educators, establishments or partners, making it easier to provide a seamless service and predict needs.
- The development of a new External Communication Strategy, a key driver being a move to focus on strategic priority areas as set out in the Agency's updated Corporate Plan.
- Development and launch of a new structure and format to the Governance and Information intranet sections to more effectively share information with staff about the Agency's governance, controls and risk management arrangements, including a new section on data management in support of the rollout of the new Data Management Framework.
- Two Agency wide phishing simulations, designed to raise awareness of phishing and to help staff spot phishing emails as part of our drive to improve our information security and protection arrangements.

As we enter the final year of the Agency, we remain as committed as ever to the process of development and improvement. We will therefore continue to develop our governance arrangements in 2023-24, including implementing the following planned actions and improvements:

- A continuing focus on embedding our information governance arrangements in advance of the creation of the new organisations, including the provision of Directorate specific information management awareness sessions;
- Development of a formal process to ensure requests for new software are assessed against data protection and security standards;

- Early engagement with the National Records for Scotland to develop archiving agreements for Education Scotland's non-eRDM records;
- A review of the Agency's Health and Safety Policy, including carrying out an equality impact assessment of the policy;
- A continuing need to focus on embedding equality considerations and equality impact assessments into the work of the Agency; and
- A review of the Agency's Fraud Reporting processes to ensure that they are proportionate to the fraud risk profile of the Agency, clear and communicated to staff along with work to raise the profile, and completion of, relevant fraud awareness staff training.

## 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. My review is informed by:

- Formal, written assurances from all the Strategic Directors about the operation and effectiveness of internal controls in the areas for which they are responsible;
- The regular and frequent meetings of the Leadership Team and systematic business review meetings with each individual Strategic Director;
- Regular review and discussion of internal controls at Leadership Team, Advisory Board, Oversight Board and the Audit and Risk Committee;
- Updates and assurances provided by the Chair of the Audit and Risk Committee; coupled with the views of all the Audit and Risk Committee on the Agency's assurance arrangements;
- The work of our internal auditors who, prior to formal audit, agree an annual audit plan and report to the Accountable Officer and the Audit and Risk Committee;
- The work and recommendations in management letters and formal reports from external audit which provides independent assurance;
- Regular formal monitoring of the Education Scotland risk register, management information reports and formal budget monitoring reports;
- Periodic staff surveys;
- Independent assurance provided by Scottish Government's Digital Assurance Office as required;
- Assurances from the Scottish Government's Director General Corporate in respect of the Scottish Government's human resources, payroll and financial systems which are used by the Agency

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

# Remuneration and Staff Report for the year ended 31 March 2023

## Remuneration Policy

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

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

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

Further information about the work of the Review Body can be found at [www.ome.uk.com](http://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 [www.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk)

## Remuneration (including salary) and pension entitlements

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

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

### Board remuneration

Officials	Salary (£'000)		Pension benefits (to nearest £1000) <sup>1</sup>		Total (£'000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Gayle Gorman</b> Chief Executive	125-130	120-125	48	47	170-175	165-170
<b>Alan Armstrong</b> Strategic Director	-	5-10 FTE 80-85	-	2	-	5-10 FTE 85-90
<b>Gillian Hamilton</b> Strategic Director	95-100	90-95	37	37	130-135	125-130
<b>Janie McManus</b> Strategic Director	85-90	80-85	-	18	85-90	100-105
<b>Ollie Bray</b> Strategic Director	85-90	80-85	33	32	115-120	110-115
<b>Craig Clement</b> Strategic Director (Secondee)	95-100	90-95	-	-	95-100	90-95
<b>Gill Ritchie</b> Interim Strategic Director	80-85	75-80	33	31	115-120	105-110
<b>Patricia Watson</b> Interim Strategic Director	75-80	75-80	-	29	75-80	105-110
<b>John Fyffe</b> Non Exec Board Member	5-10	10-15	-	-	5-10	10-15
<b>David Gemmell</b> Non Exec Board Member	0-5	5-10	-	-	0-5	5-10
<b>Raymond McCowan</b> Non Exec Board Member	0-5	0-5	-	-	0-5	0-5
<b>Aileen Ponton</b> Non Exec Board Member	0-5	0-5	-	-	0-5	0-5

<b>Lyndsay McRoberts</b> Non Exec Board Member	0-5	0-5	-	-	0-5	0-5
<b>Kevin Kelman</b> Non Exec Board Member	-	-	-	-	-	-

1. *Gayle Gorman's departure date was 30 March 2023 and Gillian Hamilton was appointed as Interim Chief Executive from 31 March 2023.*
2. *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.*
3. *The full cost for the year to Education Scotland in relation to Craig Clement was £145-£150k. This is a secondment from Aberdeenshire Council and as such, Education Scotland are liable for all on-costs , salary increments and VAT.*
4. *Alan Armstrong left Education Scotland on 30 April 2021.*

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

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

### Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. It does not include amounts which are a reimbursement of expenses directly incurred in the performance of an individual's duties. This report is based on accrued payments made by Education Scotland and thus recorded in these accounts.

### Benefits in Kind

No benefits in kind were paid in 2022-23.

### Bonuses

The Scottish Government suspended non-consolidated bonus payments from 2011-12. No bonus payments were made in 2022-23.

## Pension Entitlements

Officials	Accrued pension at pension age as at 31/3/23	Real increase in pension and related lump sum at pension age	Cash equivalent transfer value (CETV) at 31/3/23	Cash equivalent transfer value (CETV) at 31/3/22	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
<b>Gayle Gorman</b> Chief Executive	15 - 20	2.5 - 5	194	150	27
<b>Alan Armstrong</b> Strategic Director	-	-	-	412	-
<b>Gillian Hamilton</b> Strategic Director	10 – 15	0 – 2.5	145	111	21
<b>Janie McManus</b> Strategic Director	45 – 50	0	849	784	(29)
<b>Ollie Bray</b> Strategic Director	0 – 5	0 – 2.5	43	22	14
<b>Craig Clement</b> Strategic Director	-	-	-	-	-
<b>Gill Ritchie</b> Interim Strategic Director	15 – 20	0 – 2.5	229	192	20
<b>Patricia Watson</b> Interim Strategic Director	45 – 50	0	1,000	942	(41)

No Board members had partnership pension accounts.

Non-Executive Board member positions are non-pensionable.

## Civil Service Pensions

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



normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

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

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate 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 an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

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

value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://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 2022-23 (2021-22 Nil). No employees left under voluntary exit terms in the year 2022-23 (2021-22 Nil).

### Settlement Agreements

There were no settlement agreements in 2022-23 (2021-22 one)

### Fair Pay Disclosures

Education Scotland staff are Scottish Government employees and are paid in accordance with the [Scottish Government Pay Policy 2022-23](#). The key features of this policy are:

- setting a guaranteed wage floor of £10.50 per hour, going beyond the current real Living Wage rate of £9.90;
- providing a guaranteed cash underpin of £775 for public sector workers who earn £25,000 or less;

- providing a basic pay increase of £700 for those public sector workers earning between £25,000 to £40,000;
- provide a cash uplift of £500 for public sector workers earning above £40,000; and
- allowing flexibilities for employers to use pay bill savings of up to 0.5 per cent of baseline salaries in 2022-23 to address clearly evidenced equality or pay coherence issues.

In addition, the 2022-23 Public Sector Pay Policy:

- continues to encourage employers to work towards standardising to a 35 hour working week;
- introduces the requirement for employers to have meaningful discussions with staff representatives about the Right to Disconnect;
- retains discretion for individual employers to reach their own decisions about pay progression (limited to a maximum of 1.5 per cent for Chief Executives), which continues to be outwith the pay policy limits;
- maintains the suspension of non-consolidated performance related pay (bonuses);
- continues the expectation to deliver a ten per cent reduction in the remuneration packages for all new Chief Executive appointments, and;
- continues a commitment to No Compulsory Redundancy.

The highest paid director was the Chief Executive and banded remuneration was £125-130,000 (2021-22, £120-125,000). This was 2.0 times (2021-2022, 2.1) the median remuneration of the workforce overall. The equivalent remuneration in the Scottish Government was £190-195,000 (2021-22 £185-£190,000) which was 4.5 times (2021-22 4.7) the median remuneration of £42,855 (2021-22 £39,659).

In 2022-23, no employees (2021-22, 0) received remuneration in excess of the highest paid director. Remuneration ranged from £22,182 to banded remuneration of £120-125,000. (2021-22, £21,045 to banded remuneration of £120-125,000). Average remuneration for all staff, excluding the Chief Executive's salary, was £59,386 which is an increase of 8.7% from the previous year (2021-22 £54,633).

In 2022-23 the median remuneration of the workforce was £65,276 (2021-22, £57,190). The increase in the median salary is due to an increase in the number of new staff at 'C1' level who are now at the top of the pay band.

The salary at the 25 percentile in 2022-23 is the minimum of the 'B3' band pay scale. In 2021-22 it was also the minimum of the 'B3' band pay scale, therefore the increase reflects the pay increase received in the year.

The salary at the 75 percentile in 2022-23 is at the maximum of the 'C3' pay band compared to 2021-22 when the 75 percentile was the maximum of the 'C2' band. The increase represents both the pay increase as well as a movement to the higher pay band.

	<b>FY22/23</b>	<b>FY21/22</b>	<b>Movement</b>
Range of Staff Remuneration	22,182 to 125k-130k	21,045 to 120k-125k	n/a
Highest Earning Directors Remuneration	125-130k	120-125k	0%
Average Remuneration	59,386	54,633	9%

	<b>FY22/23</b>	<b>FY21/22</b>	<b>Movement</b>
Median Salary	65,276	57,190	14%
Ratio to highest paid Director	2.0	2.1	
25 percentile	41,642	39,659	5%
Ratio to highest paid Director	3.1	3.1	
75 percentile	80,434	75,341	7%
Ratio to highest paid Director	1.6	1.6	

## Staff Report

### Staff Resources

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

<b>2022-23</b>	<b>All</b>	<b>Male</b>	<b>Female</b>	<b>Other</b>
Senior Civil Servants	6	1	5	0
Other permanent staff	359	106	253	0
Other staff	29	12	13	4
<b>Total</b>	<b>394</b>	<b>119</b>	<b>271</b>	<b>4</b>

<b>2021-22</b>	<b>All</b>	<b>Male</b>	<b>Female</b>	<b>Other</b>
Senior Civil Servants	7	2	5	0
Other permanent staff	330	88	242	0
Other staff	51	18	20	13
<b>Total</b>	<b>388</b>	<b>108</b>	<b>267</b>	<b>13</b>

Staff costs	2022-23		2021-22	
	£'000		£'000	
	Permanent Staff	Others	Total	Total
Wages and salaries	20,451	2,761	23,212	20,563
Social security costs	2,462	-	2,462	2,048
Other pension costs	5,864	-	5,864	5,012
<b>Total Net Costs</b>	<b>28,777</b>	<b>2,761</b>	<b>31,538</b>	<b>27,623</b>
Other staff costs				
Subscriptions and Memberships	48	-	48	31
Early severance costs	-	-	-	-
Holiday pay accrual	(65)	-	(65)	10
<b>Total staff costs</b>	<b>28,760</b>	<b>2,761</b>	<b>31,521</b>	<b>27,664</b>

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha” – are unfunded multi-employer defined benefit schemes but Education Scotland is unable to identify its share of the underlying assets and liabilities.

The Scheme Actuary valued the PCSPS as at 31 March 2016. You can find details in the [resource accounts of the Cabinet Office: Civil Superannuation](#).

For 2022-23, employers’ contributions of £5,741,622 were payable to the PCSPS (2021-22 £4,880,706) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2022-23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £31,550 were paid (2021-22 £21,172) to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%.

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

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

### Sickness absence

Staff absences due to sickness are managed using Scottish Government guidance. For the 12 month period from 1 April 2022 to 31 March 2023, 2,838 working days were lost as a result of sickness absence which equates to 3.70% (2021-22 2,378 days, which equates to 3.42%).

## **Employees with disabilities**

Education Scotland is committed to equality of opportunity for all employees. All disabled applicants who meet the minimum advertised criteria for a job vacancy will be invited to interview. Disabled candidates are guaranteed the chance to be assessed on their abilities in the same way as all applicants. Opportunities are made available equally to disabled members of staff to assist in their career development. Every effort will be made to retain people who become disabled. This may be done through supplying appropriate equipment or offering different work patterns. Education Scotland currently employ 13 members of staff who consider themselves disabled.

## **Equal opportunities and diversity**

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

## **Employee involvement/consultation and wellbeing**

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

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

Education Scotland is committed to ensuring equality of opportunity in respect of access to, and selection for learning and development activities in accordance with individual and team development needs, and our core purpose and strategic priorities. All full and part-time staff, including those on non-standard contracts, have access to learning and development as appropriate for successful performance in their respective roles.

## **Trade union facility time**

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

## **Consultancy**

Education Scotland had no expenditure on consultancy services during 2022-23 (2021-22 nil).

## Exit Packages

No staff left on voluntary exits terms in 2022-23 (2021-22 nil). The current policy is for no compulsory redundancies.

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

## Apprenticeship Levy

The apprenticeship levy, introduced in April 2017, is calculated as 0.5% of the organisation's pay bill minus a levy allowance, and is paid directly by the Scottish Government. Education Scotland has been charged £102,071 as its share of the levy.

# Parliamentary Accountability Report

## Fees and charges

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

Organisation	Service provided	Cost of service	Charge for service
Scottish Funding Council	College review services	£994k	£994k

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

## Losses and special payments

No debts were written off in 2022-23 and there were no special payments made.

## Regularity of Expenditure

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

## Gifts

No gifts were awarded or received during the year.

## Contingent Liabilities

There were no contingent liabilities at 31 March 2023.

## 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 84.

## Gillian Hamilton

Interim Chief Executive

19 July 2023



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

## Reporting on the audit of the financial statements

### Opinion on financial statements

I have audited the financial statements in the annual report and accounts of Education Scotland for the year ended 31 March 2023 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2022/23 Government Financial Reporting Manual (the 2022/23 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2023 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 5 June 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Conclusions relating to going concern basis of accounting

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

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

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

### Risks of material misstatement

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

## **Responsibilities of the Accountable Officer for the financial statements**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- using my understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

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

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

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

## Reporting on regularity of expenditure and income

### Opinion on regularity

In my opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

### Responsibilities for regularity

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

## Reporting on other requirements

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

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

### Other information

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

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

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and

Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

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

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

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

## **Matters on which I am required to report by exception**

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

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

## **Conclusions on wider scope responsibilities**

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

## **Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 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.

Mark Laird  
Senior Audit Manager  
Audit Scotland  
4<sup>th</sup> Floor  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

# Annual Accounts

## Financial Statements

### Statement of Comprehensive Net Expenditure for year ended 31 March 2023

	Notes	2022-23 £'000	2021-22 £'000
Operating Income	4	(1,194)	(1,337)
Other Income	4	(535)	(313)
<b>Total Income</b>		<b>(1,729)</b>	<b>(1,650)</b>
Staff costs	2	31,521	27,664
Purchase of goods and services	3.1	8,369	9,878
Depreciation and impairment charges	5 and 6	994	322
Loss on disposal of assets	5	0	8
Grant payments	3.2	3,143	2,927
Provisions	3.2	(456)	469
Other Operating expenditure	3.2	38	38
<b>Total Expenditure</b>		<b>43,609</b>	<b>41,306</b>
<b>Comprehensive net expenditure for the year ended 31 March 2023</b>		<b>41,880</b>	<b>39,656</b>

The notes on pages 73-85 form part of these accounts.

## Statement of Financial Position as at 31 March 2023

	Notes	2022-23 £'000	2021-22 £'000
<b>Non-Current Assets</b>			
Property plant and equipment	5	6,083	223
Intangible assets	6	1,526	0
Assets under development	6	7,500	8,298
<b>Total non-current assets</b>		<b>15,109</b>	<b>8,521</b>
<b>Current Assets</b>			
Trade receivables	7	28	96
Prepayments	7	526	417
Grant Debtors	7	51	72
Accrued income	7	7	0
Other receivables	7	0	138
<b>Total current assets</b>		<b>612</b>	<b>723</b>
<b>Total assets</b>		<b>15,721</b>	<b>9,244</b>
<b>Current liabilities</b>			
Trade and other payables	8	(532)	(392)
Accruals and deferred income	8	(2,811)	(3,721)
Provisions	9	0	(1,417)
Lease commitment	8	(821)	0
<b>Total current liabilities</b>		<b>(4,164)</b>	<b>(5,530)</b>
<b>Non-Current liabilities</b>			
Provisions	9	(1,133)	(1,089)
Lease commitment	8	(5,159)	
Other creditors	8	0	(9)
<b>Total noncurrent liabilities</b>		<b>(6,292)</b>	<b>(1,098)</b>
<b>Total assets less total liabilities</b>		<b>5,265</b>	<b>2,616</b>
<b>Taxpayer equity and other reserves</b>			
General Fund		5,265	2,616
<b>Total taxpayers equity</b>		<b>5,265</b>	<b>2,616</b>

**Gillian Hamilton** Interim Chief Executive 19 July 2023  
The notes on pages 73-85 form part of these accounts.

## Statement of Cash Flows for the year ended 31 March 2023

	Notes	2022-23 £'000	2021-22 £'000
<b>Cash flows from operating activities</b>			
Comprehensive net expenditure for the year		(41,880)	(39,656)
Adjustment for non-cash transactions:			
Depreciation	5,6	994	112
Audit fee	3.2	38	38
Loss on disposal of assets	5	0	8
Impairment	6	0	210
<b>Movements in working capital:</b>			
(Increase)/Decrease/ in trade and other receivables	7	136	531
Increase/ (Decrease) in trade and other payables	8	5,782	166
Increase/(Decrease) in provisions	9	(1,374)	1,073
<b>Net cash outflow from operating activities</b>		<b>(36,304)</b>	<b>(37,518)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	(1)	(67)
Capitalisation of future lease payments (IFRS 16)	5	(6,853)	
Purchase of intangible assets	6	(2,250)	(4,395)
Release of capital provision	9	917	
<b>Net cash outflow from investing activities</b>		<b>(8,187)</b>	<b>(4,462)</b>
<b>Cash flows from financing activities</b>			
Funding from Scottish Government		44,491	41,980
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		<b>0</b>	<b>0</b>

The notes on pages 73-85 form part of these accounts.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

		<b>General Fund</b>
	<b>Notes</b>	<b>£'000</b>
<b>Balance as at 31 March 2022</b>		2,616
Retrospective restatements for changes in accounting policy and material errors		0
<b>Balance as at 1 April 2022</b>		2,616
Net funding		44,491
Non-cash charges - auditors remuneration	3.2	38
Comprehensive net expenditure for the year		(41,880)
<b>Balance as at 31 March 2023</b>		<b>5,265</b>

		<b>General fund</b>
	<b>Notes</b>	<b>£'000</b>
<b>Balance as at 31 March 2021</b>		254
Net funding		41,980
Non-cash charges - auditors remuneration	3.2	38
Comprehensive net expenditure for the year		(39,656)
<b>Balance as at 31 March 2022</b>		<b>2,616</b>

The notes on pages 73-85 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 2022-23 Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Education Scotland for the purpose of giving a true and fair view has been selected. The particular policies adopted by Education Scotland are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

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

#### 1.1 Accounting convention

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

#### 1.2 Going concern

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

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

- A new public body which will replace the Scottish Qualifications Authority (SQA) and will be responsible for developing and awarding qualifications.
- A national agency for education which will replace Education Scotland and will provide improved support and professional learning to teachers and schools, and provide advice and guidance on curriculum, assessment, learning and teaching.
- A new and independent inspectorate body.

Education Scotland and SQA will continue to deliver their functions while the new bodies are being developed, ensuring continuity for learners, including those sitting exams. The new organisations are likely to be established in 2025.

#### 1.3 Property, plant and equipment

All property, plant and equipment (PPE) assets which have a useful life of more than one year are accounted for as non-current assets, unless they are deemed to be held for sale. PPE assets

comprise finance leases, 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, however, from 1 April 2022 future lease payments are recognised as a Right of Use (RoU) asset(s) together with a corresponding lease liability in the Statement of Financial Position. Charges for the rental of accommodation are made by depreciating the value of future lease payments.

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

#### **1.4 Intangible Assets**

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

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

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

#### **1.5 Depreciation and Amortisation**

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

Leases	The lease term
Leasehold improvements	The shorter of the asset life or remaining lease term

Furniture and fittings	10 years
Vehicles	5 years
Plant and equipment	5 years
Photocopiers	3 years
IT equipment	3 years

Intangible assets are amortised over the useful economic life.

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

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

### **1.6 Value added tax (VAT)**

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

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

### **1.7 Short Term Employee benefits**

International Accounting Standard (IAS) 19 requires that organisations recognise a liability when employees provide a service in exchange for a benefit which will be paid at a future date. Education Scotland recognises the cost of annual leave and flexible working time which has been earned but not taken by employees at the end of the year. The cost for the year is based on the annual leave and flexi balances which are carried forward as at 31 March 2023.

### **1.8 Pensions**

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

### **1.9 Operating income**

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

## 1.10 Leases

A new accounting standard (IFRS 16 Leases) was implemented on 1 April 2022. The effect of this is to reclassify leases which were previously treated as operating leases, requiring capitalisation of the underlying assets together with a corresponding lease liability in the Statement of Financial Position. From this date leases have been reviewed to determine if they meet the definition of a 'Right of Use' (RoU) asset. Where a lease is recognised as a RoU asset, lease payments are no longer made through the Statement of Comprehensive Net Expenditure (SoCNE) and instead are accounted for by charging depreciation on the RoU asset and interest on the liability. See note 10

## 1.11 Provisions and Contingent Liabilities

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

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

Provisions are charged as an expense to the appropriate service line in the Statement of Comprehensive Net Expenditure in the year that the agency becomes aware of the obligation, and are measured at the best estimate at the 31 March 2023 of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

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

## 1.12 Critical Accounting Estimates and Judgements

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

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

### Dilapidations

Dilapidation costs are payable when exiting leased accommodation in order to bring the property back to the original state. The provision for the Optima building is based on the estimate provided by the landlord. The dilapidation provision for Denholm House and Endeavour House were based

on estimates provided by Scottish Government Property Division. Actual costs may differ from these estimates.

### Employee benefit accrual

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

### 1.13 Trade payables/receivables

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

### 1.14 Financial instruments

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

### 1.15 New accounting standards

All new standards issued and amendments made to existing standards are reviewed by Financial Reporting and Advisory Board (FRAB) for subsequent inclusion in the FReM which is in force for the year in which the changes become applicable.

## 2. Staff

Total staff costs for the year were £31.521m (2021-22 £27.664m)

Details of staff numbers and costs are provided in the staff report at page 60-61.

## 3. Purchase of Goods and Services

	2022-23	2021-22
3.1 Costs	£'000	£'000
SWAN	966	1,221
Glow	3,137	3,254
Practitioner events	117	4
External advice	65	89
Contractors	1,171	1,699
FE Associate members costs	9	2
Lay member costs	1	0
Travel and Subsistence	857	147

Training costs	41	109
Reports and publications	35	35
Rent, rates, utilities and maintenance	1,140	2,410
Advertising costs (including recruitment)	49	83
IT support	20	578
IT maintenance and consumables	708	174
Legal costs	1	8
Telecoms	1	4
Postage	7	15
Stationery	7	4
Copier Rental	5	6
Catering	8	2
Health and Safety	3	8
Books and periodicals	4	0
Other office Expenditure	17	26
	<b>8,369</b>	<b>9,878</b>

### 3.2 Other Operating Expenditure and Non-cash charges

	2022-23	2021-22
	£'000	£'000
Grants	3,143	2,927
Audit fee	38	38
Provision created in the year	43	818
Provision utilised in year	(119)	(329)
Provision written back	(380)	(20)
	<b>2,725</b>	<b>3,434</b>
<b>Total (3.1 and 3.2)</b>	<b>11,094</b>	<b>13,312</b>

### 4. Income

	2022-23	2021-22
	£'000	£'000
SFC Income	993	1,088
SWAN reimbursements for additional services	201	249
<b>Total Operating Income</b>	<b>1,194</b>	<b>1,337</b>
Creative Scotland	136	74
The Wood Foundation	195	156

Accommodation receipts	79	
Other income	125	83
<b>Total Other Income</b>	<b>535</b>	<b>313</b>
<b>Total Income</b>	<b>1,729</b>	<b>1,650</b>

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

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

Accommodation receipts are now shown in a separate line due to the change in accounting policy for leases.

## 5. Property plant and equipment

	Right of Use				
	Office Accommodation	Leasehold Improvements	Plant and Equipment	IT systems	Total
Cost	£000	£000	£000	£000	£000
<b>At 1 April 2022</b>		<b>1,344</b>	<b>343</b>	<b>486</b>	<b>2,173</b>
Adjusted opening balance	6,853	1,344	343	486	9,026
Additions				1	1
Disposals		(1,323)		(152)	(1,475)
<b>At 31 March 2023</b>	<b>6,853</b>	<b>21</b>	<b>343</b>	<b>335</b>	<b>7,552</b>
<b>Depreciation</b>					
<b>At 1 April 2022</b>		<b>1,336</b>	<b>330</b>	<b>284</b>	<b>1,950</b>
Charge for year	882	5	2	105	994
Disposals		(1,323)		(152)	(1,475)
<b>At 31 March 2023</b>	<b>882</b>	<b>18</b>	<b>332</b>	<b>237</b>	<b>1,469</b>
<b>Net Book Value</b>					
At 31 March 2023	5,971	3	11	98	6,083
At 31 March 2022	0	8	13	202	223

	Leasehold Improvements	Plant and Equipment	IT systems	Total
Cost	£000	£000	£000	£000
<b>At 1 April 2021</b>	<b>2,170</b>	<b>371</b>	<b>565</b>	<b>3,107</b>
Additions		3	64	<b>67</b>
Disposals	(826)	(31)	(143)	<b>(1,000)</b>
<b>At 31 March 2022</b>	<b>1,344</b>	<b>343</b>	<b>486</b>	<b>2,173</b>

#### Depreciation

<b>At 1 April 2021</b>	<b>2,156</b>	<b>358</b>	<b>316</b>	<b>2,831</b>
Charge for year	6	2	104	<b>112</b>
Disposals	(826)	(30)	(136)	<b>(992)</b>
<b>At 31 March 2022</b>	<b>1,336</b>	<b>330</b>	<b>284</b>	<b>1,950</b>

#### Net Book Value

At 31 March 2022	8	13	202	223
At 31 March 2021	14	13	249	276

## 6. Intangible Assets

	Software Licences	Other Software	Assets Under Development	Total
	£,000	£,000	£,000	£,000
<b>Cost</b>				
<b>At 1 April 2022</b>	<b>79</b>	<b>0</b>	<b>8,298</b>	<b>8,377</b>
Additions		163	1,481	<b>1,644</b>
Disposals	(79)			<b>(79)</b>
Impairment				
Transfer in		1,363	(1,363)	<b>0</b>
Transfer out			(916)	<b>(916)</b>
<b>At 31 March 2023</b>	<b>0</b>	<b>1,526</b>	<b>7,500</b>	<b>9,026</b>
<b>Amortisation</b>				
<b>At 1 April 2022</b>	<b>79</b>	<b>0</b>	<b>0</b>	<b>79</b>
Charge for year				
Disposals	(79)			<b>(79)</b>
<b>At 31 March 2023</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Book Value</b>				
At 31 March 2023	0	1,526	7,500	9,026
At 31 March 2022	0	0	8,298	8,298



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

### Assets Under Development

Education Scotland was allocated capital budget over three years (2020-21, 2021-22 and 2022-23) to implement an organisational transformation project. Part of this work involved the creation of a digital asset to provide support in the following areas:

- Customer Relationship Management (CRM) system – this has been released for use across multiple areas of the organisation and is under a programme of ongoing development;
- Catalogue of professional learning resources – this is now live and will start amortising in April 2023
- Digital tool for event management – work is partially complete
- Web channels – new website was developed and part of this was completed in March 2023. The corporate website element went live in April 2023, however, there is still some ongoing development work.

## 7. Trade receivables, financial and other assets

	2022-23 £'000	2021-22 £'000
<b>Amounts falling due within one year</b>		
Trade receivables	28	96
Prepayments	526	417

Grant Debtors	51	72
Accrued income	7	0
Other receivables	0	138
	<b>612</b>	<b>723</b>

Central government debtors	0	138
Local government debtors (including schools)	51	72
Other debtors	561	513
	<b>612</b>	<b>723</b>

## 8. Trade payables and other liabilities

	2022-23	2021-22
	£'000	£'000
<b>Amounts falling due within one year</b>		
Trade payables	532	392
Accruals	2,788	3,644
Deferred income	23	77
Lease commitment	821	
	<b>4,164</b>	<b>4,113</b>

Central government creditors	36	119
Local government creditors (including schools)	1,015	989
Other creditors	3,113	3,005
	<b>4,164</b>	<b>4,113</b>

	2022-23	2021-22
	£'000	£'000
<b>Amounts falling due in over one year</b>		
Lease commitment	5,159	
Other creditors		9
	<b>5,159</b>	<b>9</b>

Other creditors	<b>5,159</b>	<b>9</b>
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## 9. Provision for liabilities and charges

	VAT (Capital) £'000	Other £'000	Total £'000
<b>Balance as at 1 April 2022</b>	<b>917</b>	<b>1,589</b>	<b>2,506</b>
Provisions created in year		43	43
Provisions utilised in year		(119)	(119)
Provisions written back	(917)	(380)	(1,297)
<b>Balance as at 31 March 2023</b>	<b>0</b>	<b>1,133</b>	<b>1,133</b>

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

### Analysis of timings of provisions

	2022-23 £'000	2021-22 £'000
<b>Payable in one year</b>		1,417
<b>Payable between 2-5 years</b>		1,089
<b>Payable between 6-10 years</b>	1,133	0
<b>Total</b>	<b>1,133</b>	<b>2,506</b>

### VAT Provision

From 2020 Education Scotland has been recovering VAT on the supply of some IT services. HMRC was contacted to ensure that this was the correct treatment and while awaiting a response a provision was created to cover any potential VAT liability. HMRC have now advised that Education Scotland had treated the VAT correctly and therefore the provision is no longer needed. The provision was created using a capital budget and has therefore been written back within capital.

## Other Provisions

A provision has been created for the dilapidation costs which are due at the end of the accommodation leases for Optima Building and Denholm House. This is to cover the costs of returning the accommodation to the landlord in the condition set out in the terms of the lease. The lease for Endeavour House ended on 2 March 2023 and part of the provision was utilised to settle the costs and the unused balance has been written back as it is not required.

## 10. Leasing commitments

Education Scotland does not own any land or buildings and leases its office accommodation. IFRS 16 (Leases) has been applied from 1 April 2022 and the effect of this is to reclassify leases which were previously treated as operating leases, requiring capitalisation of the underlying assets.

Within Education Scotland's accounts, lease payments are no longer made though the Statement of Comprehensive net Expenditure (SoCNE) and instead future lease payments are recognised as a Right of Use (RoU) asset(s) together with a corresponding lease liability in the Statement of Financial Position. Charges for the rental of accommodation are made by depreciating the value of future lease payments.

From 1 April 2022, Education Scotland was committed to making lease payments for Denholm House (Livingston), Endeavour House (Dundee), Optima Building (Glasgow) and Huntly Street (Aberdeen). All office accommodation, apart from Aberdeen, has been classed as Right of use assets. Education Scotland has use of a small number of desks in the Care Inspectorate office in Aberdeen but does not control the office space and therefore this has not been treated as a Right of Use Asset. The lease for Endeavour House ended on 2 March 2023 and staff will move to Compass House in Dundee in 2023-24.

At 31 March 2023, Education Scotland was committed to making the following cash payments in respect of building leases.

	2022-23	2021-22
	£'000	£'000
<b>Buildings</b>		
Not later than one year	821	927
Later than one and not later than five years	3,394	3,352
Later than five years	2,067	-
<b>Total Present Value of obligations</b>	<b>6,282</b>	<b>4,279</b>

## 11. Related party transactions

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

Education Scotland hosts the Community Learning and Development Standards Council. The CLD Standards Council aims to govern itself and manage its own business as a professional body, on

the basis of a [Framework Agreement](#) with Education Scotland, and carry out the remit set for it by Scottish Ministers.

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

Total remuneration paid to senior management is shown in the remuneration report at page 53.

## **12. Capital commitments**

There were no capital commitments as at 31 March 2023 (31 March 2022: nil).

## **13. Contingent Liabilities**

There were no contingent liabilities existing at 31 March 2023 (31 March 2022: nil).

## **14. Losses and special payments**

There were no losses and special payments during 2022-23.

## **15. Post balance sheet events**

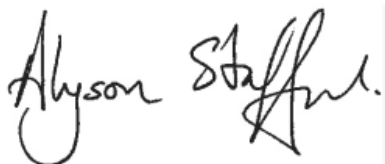
On 22 June, the Cabinet Secretary for Education Skills announced that reform of Education Scotland and the establishment of new organisations would be delayed until 2025.

The Accountable Officer authorised these financial statements for issue 19 July 2023.

## 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](mailto:enquiries@educationscotland.gov.scot)  
**W** [www.education.gov.scot](http://www.education.gov.scot)

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

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