



## Annual Report and Accounts 2023–24

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# Welcome

These are the Annual Report and Accounts of the Scottish Qualifications Authority (SQA) for 2023–24, the first in my tenure as Chair. They provide an overview of the organisation and its activities during this period.

I have found this organisation to be full of dedicated professionals, who are committed to delivering for the people of Scotland. I have been very impressed by the scale and complexity of the work undertaken by teams across the organisation.

The report gives a summary of our year's work with the many users of our services in schools, workplaces, colleges, training organisations and with professional bodies. These users include students, lecturers and teachers, trainees and trainers, parents, carers and employers.

SQA works toward a set of five outcomes that align with the Scottish Government's National Performance Framework. Our overall goal is to help everyone realise their full potential, and thus to support the economy, wider society, and the nation as a whole. We all benefit, individually, in our families and communities, and as a nation, from being part of a skilled and educated society. SQA exists to play its part in achieving this.

The Board would like to thank all those who help in SQA's work, including our own staff, and our appointees — predominantly drawn from the teaching profession — partners, customers and other stakeholders. Your support is vital to our successes, and to our ability to meet the challenges we face.

This year we have continued to deliver our qualifications and services, while tackling the continuing legacy effects of the pandemic on society. We have also been engaging with the education and skills community on our corporate plan *Prospectus for Change* as we begin the work of transitioning to Qualifications Scotland by late 2025.

Shirley Rogers CBE

Chair

Scottish Qualifications Authority

# A: Performance report

(The welcome statement from the Chair on page 1 forms part of this performance report)

## Overview

This overview section explains what SQA is, how we work, and what we have been doing in the period from April 2023 to March 2024. As Scotland's accreditation and awarding body, SQA provides products, services and skills, and training and education — all of which have a positive impact on individuals, organisations, and society. We embed our values — progressive, enabling, and trusted — in all our work.

In the pages that follow we will outline SQA's purpose, how it functions as a business, and our aims and aspirations. We detail our strategic objectives and how we plan to achieve them, and we acknowledge the risks and challenges we face. We explain our role in education and training in Scotland (and beyond), and describe our work with other organisations that help Scotland's learners.

In the performance summary, we provide an overview of SQA's performance for the reporting period.

The performance analysis section of this report then expands on this overview. We relate our activities to the deliverables which measure our progress to achieving our strategic outcomes. This section provides more detail and figures, and serves as a context for the financial statements in section C.

## How statistics are used in the Annual Report

The Annual Report covers the financial year April 2023 to March 2024, and for most purposes the activities and related statistics described and analysed in the report fall within this period. The exceptions to this are:

- information on examination results for National Qualifications
- information about the verification of qualifications

These are based on the **academic year** 2022–23, which ended with the publication of results in August 2023.

Statistics for the awarding of qualifications which do not run to an annual academic timetable ending in August are based on the **financial year**.

## Statement from our Chief Executive

I am pleased to present our Annual Report and Accounts for 2023–24. SQA makes a positive difference to lives and communities across Scotland. Learning makes lives better, and our extensive range of qualifications mark out the stages of learners' journeys from education and training into further study or progression through employment. Our qualifications also support employers in developing their workforces. In this way, we contribute to individual success in life, and benefit the economy and society as a whole.

This year, in consultation with the education and skills community, we returned to established assessment approaches for most of our qualifications, in line with the rest of the UK, while acknowledging that learners and educators continued to be impacted by the legacy effects of the pandemic. Where the community agreed that alternative assessment approaches were of benefit to learners and to schools, colleges and training providers, these were retained.

We have continued to work very closely with our stakeholders in our approach to the awarding of our qualifications. Our shared goal has been to ensure that learners get the results they deserve and have the knowledge and skills they need to progress to further learning, training or work. Equality and diversity considerations are embedded in our decision-making procedures, and we actively consider their impacts in new or revised policies and practices.

We have also continued to work with our learner advisory group to ensure the voices of learners are heard. The United Nations Convention on the Rights of the Child (UNCRC) has become part of Scots law, and we continue to publish our children's rights reports. These reflect on our progress in embedding children's rights into what we do, and consider where we can make further improvements and advances.

We have provided support to teachers, lecturers and trainers in several ways. These include regular engagement with our Liaison and Business Development teams, and with subject implementation managers, who are seconded teachers and lecturers. We have provided guidance on our approach to awarding and support services, added to our Understanding Standards materials and events, and other advice and support to help professionals prepare learners effectively for SQA assessments.

In parallel with the delivery of current qualifications, we have continued to develop our Next Generation of Higher National Qualifications, which give learners the skills they need to thrive in the 21st century workplace. A number of these qualifications are already being piloted, and the feedback and lessons learned will help shape the final form of the new qualifications. Enhancing capability for digital learning and assessment is part of this development, and of the ongoing work of SOLAR and SQA Academy.

We seek to engage with all those we work with and support. We continue to gather feedback, evidence and analysis to understand how our qualifications, assessments and services are operating. This helps us decide how to improve them, and we also share these findings with the wider education and skills community to inform their decision making.

We also work outside Scotland, where our qualifications and services continue to be in high demand, both in the rest of the UK and internationally. A range of contracts and consultancy projects, including in co-operation with governments and international bodies, help to reduce our overall reliance on the public purse. The International Team has begun to travel again to meet existing customers and undertake new business development activities. Our work outside Scotland supports the Scottish Government's international agenda for the education sector, and it allows us to bring good practice back home. This helps us keep abreast of the changes and opportunities presented by the rapidly changing global environment in which we operate.

I would like to thank our appointees, the many thousands of education professionals and specialists who play many vital roles in the delivery and quality assurance of all SQA qualifications. Their contributions are invaluable. I also want to thank Scotland's teachers, lecturers, trainers and support staff for their hard work, collaboration and dedication, as they work tirelessly to support their learners.

I am very proud to lead SQA made up of dedicated, committed and resilient professionals who always rise to the challenges and opportunities that we face. This is particularly true over the past year as we have continued to review and adapt our approaches to awarding qualifications, and to contribute to the education reform agenda.

We welcomed the recommendations in James Withers' Independent Review of the Skills Delivery Landscape — our input was widely reflected in the final recommendations. The recommendations give more clarity on roles across the skills delivery landscape and provide for better alignment of post-school qualifications. We believe this is better for learners — and training providers and employers — in terms of the quality and credibility of all post-school qualifications.

We also welcomed the Independent Review of Qualifications and Assessment by Professor Louise Hayward. SQA has already started to take forward a review of approaches to assessment in a small number of practical subjects and work to rationalise our portfolio is underway.

The Scottish Government also announced that the new qualifications body, Qualifications Scotland, would commence in late 2025. In response we started work on the development of a new Corporate Plan 2024–27: A Prospectus for Change. The plan provides a chance to change not just governance and structures but culture too, particularly in terms of how Scotland's qualifications body works with others across the education and skills community, and how it designs and delivers its products and services.

Work is underway across the organisation to develop our Prospectus for Change, which will set out an ambitious agenda for the transformation of SQA into Qualifications Scotland. Crucially, we are engaging and consulting widely with learners, educators and other stakeholders as part of this work.

As a Young Person's Guarantee employer, we continue to support the development of Scotland's young workforce through our own apprenticeship and internship programmes. This year we piloted an Internship in Business and Administration. Three young people successfully graduated from the programme in March 2024. We also launched our Modern



Apprentice recruitment campaign, offering 12 positions, some of which were in particular specialisms. The successful applicants started with us in August 2024. As a proud corporate parent, we support care-experienced learners, celebrating their successes and ensuring our services and processes are inclusive and accessible.

Our colleagues have continued to adapt their ways of working and we have seen an increasing number returning to office working more regularly. We continue to support staff with our wellbeing strategy, ensuring they do not feel excluded through remote working and have access to relevant and valuable health and wellbeing resources.

We also have several staff support networks which provide colleagues with an opportunity to come together to share their experiences and ideas and to offer peer support and guidance. These networks also offer a valuable forum for consultation on policy development.

As the reforms to Scotland's education and skills system take shape, my colleagues in SQA and its successor organisation will continue to work in the best interest of all learners. We will continue to balance the needs of those in the education and skills community, and ensure our qualifications remain credible, fair and valued.

Fiona Robertson  
Chief Executive  
Scottish Qualifications Authority

## SQA's purpose and activities

SQA is the national accreditation and awarding body in Scotland.

### Awarding

As an awarding body SQA has developed, and continues to develop, maintain, and improve, a framework of qualifications gained at Scotland's schools, colleges, employers and training providers. These include:

- National Qualifications, studied at schools and colleges, such as National 1–5, Highers, and Advanced Highers
- Higher National Qualifications, often studied at colleges, made up of units which are qualifications in their own right, and which can serve as a bridge to further study at university, and are currently being redesigned under the 'Next Gen' project
- A range of vocational qualifications, developed with industry partners, and responding to perceived skills needs

A more detailed overview of SQA's range of qualifications can be found in our [Guide to Scottish Qualifications](#).

### Accrediting

As an accrediting body, SQA sets and maintains standards for many other awarding bodies, and for accredited qualifications such as Scottish Vocational Qualifications, which provide evidence that learners can do their jobs well (these can be studied in colleges or in the workplace). This role is similar to the role carried out by Ofqual in other parts of the UK. Given the distinct nature of the accrediting function, our activities in this area will be covered separately in this report.

SQA also plays an important role in supporting Foundation Apprenticeships and the wider Developing the Young Workforce policy, and our qualifications form part of the majority of Scotland's Modern Apprenticeships. Our accreditation function also makes an important contribution in this area.

Our accreditation function is branded as SQA Accreditation to distinguish it from our awarding function.

### Business model and environments

SQA is an executive non-departmental public body that reports to Scottish Ministers and the Scottish Parliament. It is sponsored by the Scottish Government's Learning Directorate and employs approximately 1,000 people. The Education (Scotland) Act 1996, as amended by the Scottish Qualifications Authority Act 2002, sets out SQA's statutory remit and the governance arrangements to oversee SQA's distinct accreditation and awarding functions.

The quality, flexibility and relevance of our qualifications allow learners of all ages and levels to reach their full potential. Our portfolio meets the needs of Scottish employers in many sectors and plays a key enabling role in Scotland's strong, competitive economy.

We welcome and are responsive to feedback from all our customers and stakeholders, and we undertake research into the impact and effectiveness of our qualifications. We also welcome new initiatives that look to support economic activity by establishing new qualifications — for example, by meeting skills gaps at various stages of career development.

In everything we do, we are conscious of our duty to operate efficiently to optimise the use of our resources. While SQA is not a commercial enterprise, our work is supported mainly by the entry fees charged for qualifications. We also use our core expertise to generate a positive net financial contribution from contracts and international projects, which reduces our draw on the public purse. In providing this set of charged-for products and services we continue to remember that our centres are our customers, and this ensures we deliver high quality customer service everywhere we operate.

Our entry fee and other income is supplemented by Scottish Government funding that is granted for agreed purposes.

SQA is successful when the system and network we are part of is successful. This means our relationships with a range of stakeholders are important to us. We work with many sectors of Scottish society, from schools, colleges, and universities, to industry, professional bodies, teaching unions and government. While our learner panel allows us to engage directly with young people, we work in close partnership with organisations such as Education Scotland, the Association of Directors of Education in Scotland (ADES), the Convention of Scottish Local Authorities (COSLA), Skills Development Scotland (SDS), and the Scottish Council of Independent Schools (SCIS).

SQA also provides statistical reports on the wide range of SQA qualifications. Our online statistics archive reaches back to 1986, and our publication schedule details when our latest statistical work will be available online.

## **Organisational structure**

SQA's activities are directed by an Executive Management Team (EMT) consisting of the chief executive and the directors responsible for the major functions of the organisation. These functions include awarding our own qualifications, and accrediting and regulating the activity of other awarding bodies. This function is overseen by our Accreditation Committee, a statutory committee established by the Education (Scotland) Act 1996.

SQA's policy, and in particular our Corporate Plan, is developed by EMT, with strategic direction provided by the non-executive members of the Board of Management, and in consultation with Scottish Government. A one-year extension to SQA's Corporate Plan 2020–23 has been granted by Scottish Government, due to the ongoing work surrounding Education Reform and SQA's replacement. After Scottish Government's announcement that the new qualifications body would commence in November 2025, development of a new Corporate Plan 2024–27: A Prospectus for Change began. The EMT oversees the implementation of the plan, and provides regular progress reports for review by the Board. The role of our Advisory Council, whose members are appointed by Scottish Government, is to represent our various stakeholders and consider and advise SQA on their needs and

views in relation to our qualifications and awards. There is more detail on management structure, including committee membership, in the Accountability Report in section B below.

## Objectives and strategies

SQA's strategic objectives are embodied in our five outcomes, which we have published in our [Corporate Plan for 2020–23](#). They cover both our accreditation and awarding functions, and align with and support the Scottish Government's [National Performance Framework \(NPF\)](#).

They are intended to help us maintain, develop and continually improve the full range of our activities. These are the outcomes we continued to work towards during 2023–24:

- we provide a credible qualifications system
- we are flexible in meeting customer needs
- we have a sustainable business operating model that is appropriately resourced in order to deliver our remit now and in the future
- we are a thriving organisation, with quality jobs and a fair work environment for all our people
- we are trusted, respected and valued by our customers, stakeholders and partners

We work towards the outcomes within our wider Corporate Performance Framework for 2020–23. This consists of a series of deliverables, identifying key corporate activities that SQA has prioritised for 2023–24. These fall into three broad categories:

- **Perform** — our ongoing, core activities
- **Progress** — specific pieces of work which are key to our success
- **Transition** — work associated with Education Reform

SQA's [Annual Business Plan 2023–24](#) outlines in more detail our priorities and deliverables in 2023–24 and how they contribute to achieving our five corporate outcomes for 2020–23. We updated our Corporate Performance Framework (Appendix 1) during the development of the Annual Business Plan 2023–24, providing a high-level summary how SQA's deliverables align to our outcomes and the Scottish Government's NPF.

## Key issues and risks

SQA continues to operate in a rapidly changing economic, political, and commercial arena. SQA's corporate approach to identifying and evaluating risk considers the potential impacts on the organisation in the short, medium, and longer term. An important part of SQA's corporate risk management approach is to put in place steps to mitigate or minimise the negative impacts of identified risks.

These were the significant risks affecting SQA in 2023–24:

Type	Description	Risk Appetite*	Key mitigations
People and Resources	Loss of expertise of key staff	Balanced risk appetite	Recruitment, development opportunities, support at individual and team level.
	Multiple demands on staff resource	Balanced risk appetite	Plan for required staff skills and numbers.
	Impacts of the education reform on staff engagement, retention, job security, recruitment and wellbeing	Balanced risk appetite	Regular communication and engagement from Scottish Government, review groups and SQA leadership with staff and trade unions.  Business continuity plans reviewed on a regular basis.  Communication / marketing campaign supported by SG to promote SQA, our role, brand and function.
	Delay in publishing approach to 2023–24 Public Sector Pay Policy.	Balanced risk appetite	Regular and ongoing engagement with Scottish Government.  Regular communication and engagement with staff.  Lessons learned exercise with trade unions.  Review of all SQA business continuity plans.  Directorate and business areas risk registers reviewed and updated on a regular basis, with escalation to Corporate Risk Register if necessary.
	SQA appointees currently contracted on an annual basis with no worker / employee status.	Balanced risk appetite.	Options paper prepared for consideration by Executive Management Team.  Benchmarking and discussions with other awarding bodies to assist in decision making process.
Compliance	Failure to comply with legal and regulatory requirements	Cautious risk appetite	Robust outcomes and action plans.  Governance structure in place to oversee progress and implementation of action plans.  Education and awareness programme.

			<p>Review of processes to develop and approve assessments.</p> <p>Develop a plan of policies and practices, putting in place monitoring and reporting arrangements to ensure compliance.</p>
Financial	Income insufficient to cover costs	Minimal risk appetite	<p>Carefully analysed budget.</p> <p>Continue to work with Scottish Government to ensure adequate funding.</p> <p>Best Value programme.</p>
Operational	Major incident disrupts operations	Minimal risk appetite	<p>A range of contingency plans in place.</p> <p>Audit of Disaster Recovery identified improvement actions.</p> <p>Investment in network resilience.</p>
Reputational/ Operational/ Business Continuity	Mission critical system failure	Cautious risk appetite	<p>SQA's investment proposal</p> <p>Improved disaster recovery capability</p> <p>Contingency plans to mitigate critical systems failure(s)</p>

\* 'Risk appetite' indicates the amount of risk SQA is willing to tolerate in pursuit of its outcomes — 'Minimal' means SQA prefers options with a low level of inherent risk in this area. 'Cautious' means a preference for safe delivery options with a low degree of residual risk. 'Balanced' means SQA is willing to assess all options in this area and will choose the approach most likely to be successful while delivering value for money

## Risk management framework

All bodies to which the Scottish Public Finance Manual (SPFM) is applicable must operate a risk management strategy in accordance with guidance issued by Scottish Ministers. The SPFM sets out the general principles for a successful risk management strategy. An outline of the significant risks facing SQA are listed in the previous section (**Key issues and risks**).

SQA has a board-approved risk, opportunity, and issues management framework, which is subject to continued review by the Board, Audit Committee, Risk and Opportunity group, Finance and Performance Group and our internal auditors. A detailed account of SQA's risk management processes, including relevant training, can be found in the **Risk management** section of the governance statement, in Part B of this report.

## Going concern

The Scottish Government announced on 9 March 2022 that SQA would be replaced by a new qualifications body, which would be a non-departmental public body responsible for the delivery of SQA's awarding functions. An Education Reform Bill has been announced by the Scottish Government in the 2023–24 Programme for Government as the legislative vehicle through which this policy aim will be delivered.

The Board of SQA has no reason to believe that future sponsorship and future ministerial approval of the education bill will not be forthcoming, nor that there will be any reduction in support to SQA while it exists. Currently, a commitment is given by Scottish Government in writing prior to the start of the financial year to meet the total grant-in-aid requirements (both resource and capital) for the forthcoming financial year. The Scottish Government's Budget Allocation and Monitoring letter 2023–24 recognises that SQA will require additional core grant-in-aid to meet operational costs in addition to that provided for in the 2023–24 Budget Bill. Given this, it has been considered appropriate to adopt a going-concern basis for the preparation of these financial statements.

The accounts have been prepared incorporating the requirements of the accounting standard IAS 19 and include an actuarial valuation of the pension scheme liability as explained in note 18 to the accounts.

To the extent that any pension deficit is not met from SQA's sources of income, it may only be met by future grant-in-aid from SQA's sponsoring department, the Scottish Government Education Reform Directorate. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be paid in advance of need.


# Performance summary

In the period of this report, April 2023–March 2024, we continued to make progress in delivering on our plans, and we are now in the extended year of our corporate planning period (2020–23). With the support of colleagues across SQA and through engagement with EMT and the Board, we developed a Business Plan for the 2023–24 operating year in early 2023.





EMT and heads of service reviewed SQA’s deliverables — the strategic priorities we undertake to deliver. They reflected on the challenges and priorities presented by the new circumstances, to be clear about what we can and cannot realistically achieve. Through this exercise, they identified 15 deliverables for us to work towards during the 2023–24 operating year. Some of these deliverables continue from last year, while some were added or modified as we continued to adapt and deploy new and innovative ways to deliver for all our customers.

The resulting SQA [Annual Business Plan 2023–24](#) outlined in more detail our priorities and deliverables for 2023–24, and how they contribute to achieving our five corporate outcomes for 2020–23. We have also updated our Corporate Performance Framework (Appendix 1). This framework provides a high-level summary of how SQA’s deliverables align to our outcomes and the Scottish Government’s NPF.

This performance report reflects our progress in this extended year of our corporate plan. The report is structured by each outcome, with activity under each of the 15 deliverables set out in our Annual Business Plan 2023–24 and our Corporate Performance Framework (Appendix 1). Almost all our deliverables play an important part in more than one of our five outcomes, however each deliverable has a primary outcome it is linked to, and the report is set out in this way.

	We provide a credible qualifications system:
	<ul style="list-style-type: none"> <li>National Qualifications delivery to plan</li> </ul>
	<ul style="list-style-type: none"> <li>Conduct an evaluation of the 2023 awarding programme</li> </ul>
	<ul style="list-style-type: none"> <li>Higher National, Vocational and International delivery to plan</li> </ul>
	<ul style="list-style-type: none"> <li>Maintain, develop and improve our portfolio of qualifications</li> </ul>
	<ul style="list-style-type: none"> <li>Deliver and refine the Work Based Learning Strategy</li> </ul>
	<ul style="list-style-type: none"> <li>Deliver against agreed commissions in support of the Scottish Government’s Education Reform Programme regarding the establishment of a new qualifications body and the review of qualifications and assessment</li> </ul>
	<ul style="list-style-type: none"> <li>Secure and deliver contracts in line with service level agreements</li> </ul>
	<ul style="list-style-type: none"> <li>What Accreditation will deliver</li> </ul>



	<p>We are flexible in meeting customer needs:</p> <ul style="list-style-type: none"> <li>• Continue to deliver and implement SQA's research and analysis strategy</li> </ul>
	<p>We have a sustainable operating model that is appropriately resourced in order to deliver our remit now and in the future:</p> <ul style="list-style-type: none"> <li>• Ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)</li> <li>• Review and update all policies to ensure they are (i) up to date; and (ii) consistently applied</li> <li>• Deliver financial balance in line with available resources</li> <li>• Enhance SQA's cyber maturity and resilience to ensure we are well equipped to withstand, defend against, manage, recover quickly, and learn from cyber incidents</li> <li>• Through effective use of our organisation's resources, implement the duty of Best Value in line with the Scottish Public Finance Manual</li> </ul>
	<p>We are a thriving organisation, with quality jobs and a fair work environment for all our people:</p> <ul style="list-style-type: none"> <li>• Ensure SQA has an engaged and diverse workforce which meets the needs of the organisation</li> <li>• Deliver the people strategy</li> </ul>
	<p>We are trusted, respected and valued by our customers, stakeholders and partners:</p> <ul style="list-style-type: none"> <li>• Build credibility and trust in SQA and continue the journey towards ensuring the new organisation is user-centred and based around strong communication, deep engagement and meaningful collaboration</li> </ul>

The performance summary section provides an overview of SQA's performance for the reporting period, specifically in terms of:

- our qualifications
- the services that we provide
- our operational improvements
- our engagement with customers and the local community
- our intentions and ideas for the future.

Overall SQA's performance has remained stable throughout 2023–24.

SQA’s Performance Committee meets quarterly to discuss a report on the performance of the organisation. Any changes reported in the ‘traffic light’, or RAG (Red, Amber, Green), status of the Outcomes and Deliverables are noted, and the directors answer challenges and questions from committee members.

Three of the five corporate outcomes have maintained a Green RAG status throughout the year. Two of the five corporate outcomes ended the year with an Amber status in Q4. All outcomes are influenced by the respective deliverables which are aligned to them, as illustrated in Appendix 1 — SQA’s Corporate Performance Framework.

Some key performance aspects during the reporting period can be summarised as follows:

‘National Qualifications delivery to plan’ was under risk due to the EIS strike action. This also impacted on our ‘Higher National, Vocational and International delivery to plan’ deliverable.

‘Ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)’ moved from Amber to Green in Q2 as we were on track to deliver against the Section 23 agreement in September, which had previously been a primary focus of this deliverable (see details in **Equality and diversity** on page 22). We successfully met the objectives of the Section 23 action plan and satisfactorily completed equality impact assessments (EqIAs) for all agreed policies.

Performance on ‘Secure and deliver contracts in line with service level agreements’ improved in Q4 due to marker recruitment for the Key Stage 2 project progressing at 90% of recruitment target.

Overall performance on ‘Build credibility and trust in SQA and continue the journey towards ensuring strong communication’ moved from Green to Amber in Q3. No specific targets or benchmarks were underperforming, but it was felt that customers’ and other stakeholders’ overall perception of SQA had dipped. This was primarily because of their uncertainty and, at that time, lack of awareness of when Qualifications Scotland would start.

<b>SQA Deliverables 2023–24</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
National Qualifications delivery to plan	Amber	Amber	Green	Amber
Higher National, Vocational and International delivery to plan	Amber	Amber	Amber	Amber
Ensure SQA has an engaged and diverse workforce which meets the needs of the organisation	Green	Green	Green	Green
Secure and deliver contracts in line with Service Level Agreements	Amber	Amber	Amber	Green
Ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)	Amber	Green	Green	Green
Deliver financial balance in line with available resources	Green	Amber	Amber	Green
Build credibility and trust in SQA and continue the journey towards ensuring strong	Green	Green	Amber	Amber

communication, deep engagement and meaningful collaboration are at the heart of the new organisation				
Maintain, develop and improve our portfolio of qualifications	Amber	Amber	Amber	Amber
Enhance SQA's cyber maturity and resilience to ensure we are well equipped to withstand, defend against, manage, recover quickly, and learn from cyber incidents	Amber	Amber	Amber	Amber
Deliver the People Strategy	Green	Green	Green	Green
Deliver and refine the Work Based Learning Strategy	Green	Green	Green	Green
Continue to develop and implement SQA's Research and Analysis Strategy	Green	Green	Green	Green
Through effective use of our financial resource, implement the duty of Best Value in line with the Scottish Public Financial Manual	Green	Green	Green	Green
Review and update all policies to ensure they are (i) up-to-date; (ii) consistently applied	Green	Green	Green	Green
Deliver against the agreed commission in support of the Scottish Government's Education Reform Programme regarding the establishment of a new Qualifications Body and the review of qualifications and assessment	Amber	Amber	Amber	Amber

In the performance analysis section, which follows the summary, we give more detailed facts and figures about our activities over the year.

## Qualifications

The development and delivery of high quality, relevant and credible qualifications remains at the heart of SQA's work. Our ongoing development, improvement, and delivery of qualifications is aligned with our first outcome: 'We provide a credible qualifications system'.

Our [Statistics and information](#) page gives details of entries and results for all our qualification types in the 2022–23 academic year.

### National Qualifications

National Qualifications are mostly taken by learners in secondary schools and colleges, with almost everyone leaving school or college now having one or more National Qualifications.

### Vocational qualifications

SQA's wide portfolio of vocational qualifications responds to regional and national skills needs, and is developed in partnership with a range of industry partners. Our qualifications support the Scottish Government's drive to close the attainment gap, which is fundamental to the Developing the Young Workforce and Youth Employment strategies, and the Enterprise and Skills review and Apprenticeship programmes.

## **Scottish Vocational Qualifications (SVQs)**

SVQs play a vital role in the world of work and are based on National Occupational Standards. They can provide a successful candidate with a pathway to a job, and an employer with a guarantee of a new employee's competence. They can also play a part in regulating and professionalising an area of work, and have a core role in Modern Apprenticeships.

Many people study SVQs in the workplace while carrying out their normal day-to-day job. There are usually no formal written exams. People doing SVQs collect and submit evidence, usually from their own work.

## **Higher National Qualifications**

Higher National Qualifications are developed in partnership with colleges, universities and industry. The Higher National family of qualifications includes both Higher National Certificates (HNCs), which usually take one year to complete, and Higher National Diplomas (HNDs), which usually take two years. There is a huge range of subjects at HNC and HND, from Counselling and Supply Chain Management, to Forestry and Trade Union Organising. They give proof of both the practical skills needed to do a job, including soft skills, and the theoretical knowledge that supports the application of the skills.

Certain HNCs allow direct entry into the second year of a degree course, and some HNDs allow direct entry into the third year. SQA has entered into agreements with some professional bodies who recognise HNCs and HNDs as partial fulfilment towards their entry requirements.

SQA works in partnership with Scotland's colleges in meeting the needs of learners, local communities, regional employers and the wider economy. Our team of regional managers support our work with colleges, and we also work closely with College Development Network and Colleges Scotland to develop vocational qualifications and meet the requirements of the Developing the Young Workforce youth employment strategy. We also respond to needs in the college sector with representation on planning groups and being actively involved in the network itself.

## **NextGen: HN**

SQA's Next Generation of Higher National Qualifications project, NextGen: HN, continues to develop, adapting our Higher National qualifications to give learners the skills they need to thrive in the 21st century workplace. Our NextGen: HN qualifications will:

- be adaptable and flexible to respond to the needs of a constantly changing employment environment
- support life-long learning and multiple career options
- integrate essential 21st century skills or meta-skills
- develop critical industry and subject-specific technical skills

Key features of the new HN qualifications include:

- HNC (level 7) and HND (level 8) are standalone qualifications worth 120 SCQF credit points (equivalent to 15 SQA credits) each
- larger and fewer units of learning to significantly reduce assessment load and encourage more integrated learning, teaching and assessment approaches
- opportunity to develop meta-skills, which are defined as skills that help us adapt and excel in any context the future brings
- opportunities to understand and engage with Learning for Sustainability in a discipline specific context
- significantly reduced assessment load for both learners and staff
- a new approach to grading, designed to better reflect a learner's standard in their qualification. Rather than the graded unit(s) used in current HN qualifications, NextGen: NHs will have whole qualification grades
- digital technology used across delivery to enhance and support effective, flexible and learner-centred assessment, learning and teaching approaches
- new collaborative approaches to grading and Quality Assurance based on stakeholder feedback and learners' needs

## Awards

SQA Awards sit on the [Scottish Credit and Qualifications Framework](#) (SCQF) at levels 1–12.

They are designed to be as flexible as possible to meet a defined purpose, which may be broad or specialist, such as:

- recognition certification for single-unit awards
- specialist awards to provide certification for a specific programme
- recognition of half- or one-day courses and flexible programmes
- flexible awards for vulnerable learners

At SCQF levels 1 to 6, there are Awards that recognise wider achievement and develop skills in areas such as Mentoring and Modern Languages for Life and Work, Personal Finance, British Sign Language, Scottish Studies, Leadership, and Mental Health and Wellbeing.

National Progression Awards (NPAs) (at SCQF levels 2 to 6) are short programmes of learning designed to assess a defined set of skills and knowledge in specialist vocational areas. They link to [National Occupational Standards](#), which are the basis of Scottish Vocational Qualifications (SVQs). These awards are successfully delivered in partnership with schools, colleges, employers and training providers in a variety of sectors.

Professional Development Awards (PDAs) are principally designed for those already in a career or vocation who wish to extend, broaden or enhance their skills in a particular area, though some PDAs are designed for those wishing to enter employment. PDAs assess and certificate progression in a defined set of specialist occupational skills. They are linked to [National Occupational Standards](#) and sit on the [Scottish Credit and Qualifications Framework](#) at levels 6 to 12.

## **Skills for Work (SW)**

Skills for Work courses offer opportunities for learners to acquire critical generic employability skills through a variety of practical experiences linked to a particular vocational area such as Creative Industries, Laboratory Science and Uniformed and Emergency Services.

## **Customised Awards**

SQA develops Customised Awards that are tailored to the requirements of particular employers and occupations.

## **Communications**

SQA continually seeks to improve its communications and engagement. We listen to our customers and stakeholders and create clear and relevant communications to help meet their needs.

We actively gather feedback and insight from those we serve and those we work in partnership with. Our learner panel allows us to engage directly with young people; our advisory council brings together a wide variety of stakeholders; our liaison team and regional managers regularly meet teachers, lecturers and training providers; and regular surveys help us to take the pulse of the education community.

At the same time, the continuation of the National Qualifications (NQ) and Higher National and Vocational Qualifications (HNVQ) groups has brought together learners, parents and education professionals to guide decisions in these critical areas of our work.

## **Quality assurance**

SQA and centres delivering SQA qualifications continue to share responsibility for the quality assurance (QA) of internally-assessed elements of qualifications.

SQA appoints subject specialists to quality assure internally-assessed qualifications, to ensure centres are meeting appropriate standards. The appointees do this by reviewing the judgements of assessment evidence by internal assessors. These reviews may be carried out at central events, remotely or through visits to centres — the approach taken depends on the qualification type.

SQA works with centres and other partners to protect the credibility of the qualifications system. Concerns that assessment standards may not be applied consistently can put the value of our qualifications at risk, and negate the hard work of our candidates. To avoid this, we ensure that our processes and qualifications are designed to minimise any potential for malpractice, and ask centres to do the same. All allegations of malpractice are investigated consistently, fairly and impartially.

## **Appointees**

Some 17,600 appointees (teachers, lecturers, subject experts, markers, invigilators and other roles) supported the development, delivery, and certification of SQA's qualifications in

the academic year 2023–24. This is an increase of 2,600 on 2022–23, as more centres requested assessment arrangements for candidates with disabilities or other additional support needs, required more invigilators, and the reintroduction of coursework required additional markers. The contribution by appointees of their time, skills, and expertise is of fundamental importance in the development, assessment development, and quality assurance of our NQs, HNs, SVQs and Awards. We are enormously grateful to all our appointees.

## Apprenticeships

In line with our Outcome 'We provide a credible qualifications system', SQA continues to provide a wide range of vocational qualifications to meet local industry requirements. SVQs, drawn up by people from industry, commerce, and education, are often the key component of work-based learning and Apprenticeships, and provide direct access into employment.

## SQA Young Talent Programmes

We are a [Young Person's Guarantee](#) employer. This programme seeks to 'connect every 16 to 24 year old in Scotland to an opportunity'. In line with this aim, we have continued to support the development of Scotland's young workforce through our qualifications and our young talent programmes. This year we piloted an Internship in Business and Administration for young people aged 16–24 (up to 29 if care experienced or disabled), including an opportunity in our chief executive's office. Three candidates successfully graduated from the programme in March. Upon completion, one intern secured permanent employment within SQA, while the others have pursued external opportunities.

In March 2024 we launched our Modern Apprentice recruitment campaign, offering 12 positions. For the first time we have included specialisms alongside the Business and Administration apprenticeship. These include: Data Analytics and Digital Marketing, Strategic Planning and Governance, and CEO Office. Successful applicants will join us in August for a one or two-year programme and will be based in a wide range of business areas across the organisation.

Supported by external assessors and in-house career development mentors, candidates on our young talent programmes use their time with us to identify their strengths and career ambitions. While working at SQA, they develop the skills, knowledge, and experience they need to pursue and secure sustainable employment in the future.

## Services

SQA provides a number of services for organisations, businesses and governments, including Customised Awards, consultancy, and contracts. These contribute to fulfilment of SQA's Outcomes:

- We are flexible in meeting customer needs
- We have a sustainable business operating model that is appropriately resourced in order to deliver our remit now and in the future

## **Contract services**

SQA continues to provide a wide range of innovative contract services on behalf of UK Government clients, including the Home Office, Department for Education and Department for Transport.

## **International engagement and co-operation**

There continues to be high demand globally for SQA's qualifications and services. We offer our qualifications through SQA centres in a wide range of countries. We also work in co-operation with governments and international bodies on projects to develop and improve education, skills and training. The International Team work with stakeholders and partner organisations across the globe to promote SQA's product offering and also to promote Scotland as a study destination. This activity supports the Scottish Government's International Education Strategy which is aligned to the National Performance Framework and their commitment to UNSDGs. Crucially, our international work also enables SQA to limit its draw on the public purse.

## **Customer and community engagement**

SQA seeks to build and reinforce relationships with those who use our services, and also to play an active part in our local communities in Scotland. We give examples of engagement activities with our stakeholders under Outcome 5 in the Performance Analysis section of this report.

SQA sponsors many events, projects and awards during the year. Building and strengthening partnerships, and recognising achievement and innovation, contribute to improving education and training across Scotland, and to supporting learners and learning in all sectors.

Throughout the period covered in this report, we have:

- participated in the College Development Network Expo in June 2023
- sponsored the 2023 Volunteer Midlothian annual awards ceremony, with the Equality and Diversity Award, in June 2023
- sponsored the Best Use of Summative Assessment award at the eAssessment Awards, in June 2023
- sponsored the Scottish Education Awards in June 2023, with the Making a Difference Award (secondary) category. (The award celebrates a secondary education establishment that has committed to transforming the lives of learners — overcoming obstacles to nurture equality, achievement and wellbeing)
- sponsored the Scottish Association of Minority Ethnic Educators (SAMEE) — Recognition and Appreciation Awards, in August 2023, with the Supporting Inclusive Learning Award. (The award celebrates an educator or organisation creating an inclusive and responsive learning environment that supports learners with specific learning differences)
- participated in the Scottish Training Federation Conference in September 2023
- sponsored the Scots Language Awards in September 2023



- participated in the Scottish Learning Festival in September 2023
- sponsored the Mod and its Literature Day in October 2023
- sponsored the College Development Network Annual Awards in November 2023, as sponsor of the Judges' Award. The award recognises the very best overall submission voted by the judges
- sponsored the Scottish Craft Butcher Training Awards in November 2023. We sponsored the Level 2 Modern Apprentice of the Year (SCQF 5); Level 3 Modern Apprentice of the Year (SCQF 6); Mentor of the Year and Training Partner of the Year categories
- participated in the British Council's Going Global event, held in Edinburgh in November 2023
- participated in the Federation of Awarding Bodies (FAB) Conference in November 2023
- participated in Scottish Games Week in November 2023
- sponsored the Educator of the Year Award at the Scottish Cyber Awards in November 2023
- sponsored the Lantra Scotland's Land-based and Aquaculture Learner of the Year Awards, in March 2024. These awards celebrate learning opportunities in rural Scotland. The Modern Apprentice of the Year Award shows how SQA qualifications enable young people to use their skills to develop rural industries and ensure the future of the sector
- sponsored the Scottish Apprenticeship Awards in March 2024, as part of Scottish Apprenticeship Week. We sponsored the Modern Apprentice of the Year SCQF level 5 category. (The award celebrates the dedication and achievements of Modern Apprentices who have achieved a qualification at SCQF level 5)
- supported a number of awareness weeks across our social media channels, to promote our products and services, including:
  - Mental Health Awareness Week; Deaf Awareness Week; Scottish Computing Science Week in May 2023
  - Volunteers' Week; Healthy Eating Week; Learning Disability Week in June 2023
  - International Day of Sign Languages; International Week of the Deaf People; Maths Week Scotland; Scottish Food and Drink Fortnight; British Food Fortnight; Scotland's Climate Week in September 2023
  - World Mental Health Day; Care Experienced Week; Scottish Games Week in October 2023
  - Careers Week; Disability History Month in November 2023
  - Languages Week Scotland in January 2024
  - Safer Internet Day; Care Day; LoveScotlandsColleges; World Gaelic Week; International Mother Languages Day; Cyber Scotland Week; National Apprenticeship Week in UK in February 2024
  - Scottish Apprenticeship Week including Awards; International Women's Day; Lantra Awards; Big College Open Week; SCQF Week in March 2024

## Our people

As a provider of products and services, and as an employer, SQA puts people at the heart of everything it does. Equality is a key consideration in qualifications, as it is for the people who work with us. We launched SQA's wellbeing strategy in February 2023, demonstrating our commitment to the wellbeing of all colleagues, ensuring they do not feel excluded through

hybrid working, and supporting them with social, financial, physical, and psychological aspects of wellbeing at work.

## **SQA employee network groups**

Equality is at the heart of all we do, and this includes caring for our staff. We recognise that people perform better when they feel their best, and when they can be themselves. To help achieve this, and in direct alignment with our outcome, 'We are a thriving organisation, with quality jobs and a fair work environment for all our people', SQA now has several staff support networks. These networks provide colleagues with an opportunity to come together to share their experiences and ideas, and offer peer support and guidance. They also provide a forum for consultation and to inform policy development.

Our employee networks: ACE (Appreciate Culture and Ethnicity) Network, Disability Network, Parents and Carers Network, Rainbow Network, Women's Network, Young Talent Network, MAC (Make A Change Group), Men's Shed and our Mental Health First Aiders are critical to building a sense of belonging in our organisation.

## **Volunteering**

As part of our collective responsibilities to the communities in which we live and work, SQA employees can use 21 office hours each year for practical volunteering activities. SQA encourages staff to volunteer by acknowledging individual efforts in staff Performance Management Reviews. In the period covered by this report, colleagues used a total of 550 hours.

## **Equality and diversity**

Equality and diversity (E&D) considerations are embedded in our decision-making procedures. We actively consider the E&D impacts of new or revised policies and practices, and provide online training in E&D and equality impact assessments (EqIAs) to support staff. We publish impact assessments for our workforce policies on our website. The HR policy team has a rolling review program of their policies, which has run throughout 2024, and updates the EqIAs accordingly. As of July 2024, 14 employment policies have been reviewed, with the remainder scheduled for review before April 2025.

In September 2021 SQA entered into a Section 23 Agreement with the Equality and Human Rights Commission (EHRC) for a period of two years to improve our practices in compliance with the Public Sector Equality Duty, which is monitored periodically by the Commission. In accordance with this agreement, in September 2023 we submitted our final report to the EHRC. EHRC confirmed that SQA had met the terms of the agreement by delivering on the agreed action plan. In October 2023, we formally closed our Section 23 Agreement with the EHRC, providing evidence that all policies had been sufficiently assessed for their equality impact. SQA continues to update and refresh its EqIAs regularly.

## **Corporate parenting**

SQA plays an important role in supporting the Scottish Government as it listens to the needs, concerns and wishes of care experienced people. We are proactive and determined in our collective efforts to meet these. In August 2023, we published SQA's [Corporate](#)

[Parenting Report 2019–22](#), which demonstrates progress in meeting our corporate parenting responsibilities. As well as reviewing what we have done so far, we considered where we can and should do more to support care experienced people.

A six-week public consultation of care experienced people and stakeholders in September and October 2023 contributed to SQA's third Corporate Parenting Plan.

Our [Corporate Parenting Plan 2023–26](#) demonstrates our continuing commitment as a proud corporate parent. It has been informed by our work with SQA's Corporate Parenting Steering Group and Who Cares? Scotland to ensure we understand and respond to the needs of people with experience of care. We considered up to date research evidence, and the recommendations from The Promise: Scotland's Independent Care Review to agree our priorities for the next three years.

Our Corporate Parenting Steering Group and sub-groups continue to meet quarterly to review and monitor progress against our commitments and action plans.

## Children's rights

In January 2024, the United Nations Convention on the Rights of the Child (UNCRC) became part of Scots law through the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024. There is a six-month commencement period for the act, which means most of its provisions will come into effect in July 2024. Incorporation of the act into Scots law will help to ensure children and young people have their rights recognised and protected, and that these rights are at the heart of policy and decision making.

SQA aims to be a leader in ensuring that children's rights, as set out in the UNCRC, are recognised. We already have a duty under the Children and Young People (Scotland) Act 2014 to report every three years on the steps we have taken to implement the UNCRC in practice. During 2022–23 we reviewed our work to embed a rights-based approach in SQA, and we started preparation of our Children's Rights report.

In September 2023 we [published](#) both our Children's Rights Report 2020–23 and an accessible learner version. The report reflects on SQA's progress so far in embedding children's rights into what we do, and considers where we can make further improvements and advances. In 2023, we established SQA's Children's Rights Steering Group and continue to meet quarterly to review our progress and how we are supporting children and young people in Scotland to realise their rights.

## Accreditation

As well as providing qualifications, SQA has a distinct accreditation function, which is to set and maintain standards for other awarding bodies, and for accredited qualifications such as Scottish Vocational Qualifications and licence-to-practise qualifications. The accreditation function is a separate part of SQA, and is accountable to the Accreditation Committee, established by the Education (Scotland) Act 1996.

## **Planning for the future**

SQA has continued to plan and deliver change which improves learner experience, supports centres, and addresses risk and compliance via the SQA Project Portfolio, overseen by EMT.

The National Qualifications awarding programme has continued to identify and deliver change which further enhances the way SQA interacts with learners and centres. It has delivered projects this year which have improved the appeals service for learners and centres, and also created robust contingency processes and solutions which can be stood up quickly in the event of future disruption to assessment and certification.

The Higher National and Vocational Qualifications programme has continued to develop and deliver requirements for the next generation of Higher National qualifications and focussed on the development of a new technical platform which will support the delivery of these qualifications in the future.

Within the other programmes of change, work has been ongoing which has improved the organisations cyber security resilience, reduced inherent risk within our technology estate, and ensured compliance with applicable legislation and statutory requirements.

During this period, the Portfolio Board approved a proposal to re-structure the programmes of change so that they are aligned with the organisations core services. This will allow requirements of change to be better articulated and aligned with the strategic direction of the service and allow Portfolio Board to make better decisions on investments of change on a multi-year basis.

## Performance analysis

This section of the report explains how we measure our performance, then expands on the areas covered in the performance summary, providing more measurable detail and statistics. This section will also detail our equality and environmental endeavours, as well as our statutory obligations. The performance analysis provides a context for the financial statements in the final section of this report.

## Dealing with the legacy of COVID-19

### Where are we now?

The impact of COVID-19 is still being felt at various levels of society. However, our focus as an organisation has changed. The direct impact on staff and our operational running has been less during 2023–24.

### What have we done?

Research has been undertaken as part of the approach to National Qualifications (NQ) assessment in 2023. A full [report on the awarding methodology](#) is available on the SQA website.

Key findings have been shared with the wider education community to help inform their decision making. These findings have also contributed to Scottish Government's plans to review the Maths curriculum.

### What are the outcomes?

Key findings on the impact of COVID can be found in the Learning and Teaching sections of the Experiences and Reflections report (pp 9–10 and 13). More detail can be found in the learner and practitioner reports. These reports are collected on [the page dedicated to the 2023 evaluation](#).

## Education Reform — replacement of SQA

While continuing to deliver our range of qualifications as we emerge from the restrictions imposed by the pandemic, SQA itself has been undergoing major changes. In March 2022, the Scottish Government announced that SQA would be replaced by a new qualifications body, which would be a non-departmental public body responsible for the delivery of SQA's awarding function. This follows from [the OECD review of Curriculum for Excellence](#) (21 June 2021), and Professor Ken Muir's [report on education reform](#) (9 March 2022). An [Independent Review of Qualifications and Assessment](#) led by Professor Louise Hayward was published on 22 June 2023. The Scottish Government will consider the findings and recommendations of this review, together with those of the [Independent Review of the Skills Delivery Landscape](#) led by James Withers, and the [National Discussion on Scottish Education](#).

On 4 June 2024, the Scottish Government announced that SQA will be replaced by Qualifications Scotland. A revised timeline now envisages this new qualifications body being established in November 2025. The transition process to the new body continues to progress in line with these timescales.

## Measuring performance

SQA's work is guided by our rolling three-year Corporate Plan. This is developed by the Executive Management Team, with strategic direction provided by the non-executive members of the SQA Board of Management and, in line with ministerial guidance, is approved by Scottish Ministers. It has been developed and is regularly updated to align our activities with Scotland's National Performance Framework. The [2020–23 Corporate Plan](#), which was extended into 2023–24 with Scottish Government approval, includes the five Outcomes we worked towards in the period covered by this report.

## Progress towards our outcomes

To help us deliver the mission embodied in our outcomes, we have developed specific deliverables, each supported by one or more key indicators. These indicators are a mix of qualitative and quantitative measures, and are reviewed regularly by SQA's Executive Management Team. This allows us to monitor performance as we move towards our outcomes. Our progress is overseen by SQA's Performance Committee — a subcommittee of the SQA Board of Management. Matters of interest or concern are highlighted by the committee for the attention of the Board of Management. Key areas of the business and our performance are also reviewed at each SQA Board of Management meeting.

In what follows we discuss our progress towards the deliverables for each outcome.

## **Outcome 1: We provide a credible qualifications system**

**What this means:** SQA's mission is to provide qualifications which give credible recognition of people's skills and knowledge, and so support their choices and progress in life and work. This means that SQA must develop a range of qualifications to support individuals at different stages in their education, training and work. These qualifications must also meet the present and future needs of the Scottish economy. Maintaining clear standards of assessment is vital to the credibility of SQA's qualifications and to public confidence in the system. SQA will work with Scottish Government and its education and skills agencies to ensure we can respond to future demand for different types of qualifications and at different levels.

SQA takes the same approach when we operate outside of Scotland. Wherever SQA is active, we ensure we play our part in delivering credible qualifications — taking what we already know to new markets and bringing back to Scotland any good practice we discover there.

In this section we cover the following deliverables:

- National Qualifications delivery to plan
- conduct an evaluation of the 2023 awarding programme
- Higher National, vocational and international delivery to plan
- maintain, develop and improve our portfolio of qualifications
- deliver and refine the Work Based Learning Strategy
- deliver against agreed commissions in support of the Scottish Government's Education Reform Programme regarding the establishment of a new qualifications body and the review of qualifications and assessment
- secure and deliver contracts in line with service level agreements

At the heart of our work as an awarding body is SQA's comprehensive portfolio of qualifications, which are taken in schools, colleges, and through training providers. These play a vital part across Scotland's economy and social fabric, in sectors such as Food and Drink Manufacturing, Health and Social Care, Land Based and Environment, Computing, Software and IT, and Personal and Professional Development. SQA's work as a provider of qualifications meets our strategic outcome: 'We provide a credible qualifications system'.

### **National Qualifications**

National Qualifications are mostly taken by learners in secondary schools and colleges, with almost everyone leaving school or college now having one or more National Qualifications.

#### **National Qualifications delivery to plan**

Developing and delivering the annual diet of National Qualifications is a major part of meeting our first strategic outcome.

Each year, we complete detailed planning to ensure accurate and on-time delivery to the strict deadlines imposed by our published timetable and annual results day. The

fundamental performance indicator here is completing all the preparatory work, including any major revisions and innovations, to an agreed schedule.

Our approach to awarding National Qualifications in 2022–23 was based on stakeholder feedback and took account of the impact of the COVID-19 pandemic, which was still being felt by learners and educators across Scotland.

While the impact caused by the pandemic may have been less severe in 2022–23, compared with previous academic years, it has not yet returned to normal. We recognised that learning and teaching in Scotland was still in the recovery phase, so our approach was based on the same three core principles underlying awarding in the 2019–20, 2020–21 and 2021–22 academic years:

- fairness to all learners
- safe and secure certification of our qualifications, while following the latest public health advice
- maintaining the integrity and credibility of our qualifications system, ensuring that standards are maintained over time, in the interests of learners

### **Modifications to assessment**

Successive modifications to assessment had been introduced in the preceding two years in response to the effects of COVID-19 on teaching and learning. These were maintained for National Courses in 2022–23.

These modifications varied by subject. Examples included removing an exam or item of coursework, reducing elements of an exam or coursework, providing more choice or time during an assessment, or removing a topic from an exam.

### **Support services for learners**

We provided the following services to support learners in 2023, following an extensive evaluation of the exams and appeals services that were in place in 2022:

- An exceptional circumstances service for learners who were unable to sit an exam or whose performance was impacted by personal circumstances.
- A free appeals service that learners could access directly. The 2023 appeals service was different to the service we provided in 2022, with no requirement for alternative assessment evidence. Instead, learners who believed their final grade was incorrect could request a review of their SQA-marked exams and coursework.

### **Grading**

Our approach to setting standards and grading in 2023 continued to be sensitive to the ongoing impact of the COVID-19 pandemic. This approach was grounded in evidence, and it considered the significant modifications to National Course assessments that were still in place. We used a range of qualitative data, including feedback from marking teams, which was supported by statistical data, such as the estimates received from schools and colleges.



Once the marking of exams and coursework was complete, 140 grade boundary meetings took place to evaluate how the National 5, Higher and Advanced Higher course assessments performed. This allowed us to identify any issues — for example, if a question paper or specific questions had been too hard or not challenging enough — and to make any adjustments to the minimum marks needed to achieve an A, B, C or D grade in a particular subject or level.

We evaluate assessment performance in an equitable and fair way, while ensuring that national standards are maintained, so that National Qualifications remain credible over time.

### **National Qualification results**

Results Day took place on 8 August 2023, when SQA issued Scottish qualifications certificates to around 140,000 learners across Scotland.

There were significantly different circumstances and awarding approaches in each year since 2019, which do not allow for conclusions to be drawn on changes in performance during this time, but learners in 2022–23 achieved a strong performance overall.

In addition to National Qualifications, learners achieved a wide range of awards and certificates, including National Progression Awards, National Certificates, Skills for Work courses and SQA Awards. The 2023 results showed strong attainment across these qualifications, as learners continued to engage positively with our growing range of qualifications. This included qualifications in areas such as Mental Health and Wellbeing, Computer Games Development, Sports and Fitness: Team Sports, Employability, Personal Finance, Modern Languages for Life and Work, and Sports Development.

### **Appeals**

An appeals service was provided in 2023 as part of the overall package of support for learners. It was discussed in detail with stakeholders via the National Qualifications working and steering groups and with SQA's Learner Panel.

Of the 548,049 entries in 2022–23, there were 39,645 appeals. Of these, 3,980 results were upgraded and five resulted in a downgrade. All other appeals resulted in no change to the final grade.

As was the case in 2022, learners could appeal directly to SQA or via their centres. Appeals were free and could be submitted from Certification Day (8 August). Appeals were processed with the support of schools, colleges and training providers.

Appeals 2023 consisted of learners SQA-marked course assessments, such as their exams and coursework, having a marking review carried out by experienced markers — the teachers and lecturers appointed and trained by SQA.

A marking review is a check to make sure that all parts of an SQA assessment have been marked correctly; that the marking is in line with national standards; that the marks given for each answer have been added up correctly; and finally, that the correct result has been entered on SQA's system.

## **Understanding Standards**

The Understanding Standards programme supports the teachers and lecturers who deliver SQA qualifications. The programme is designed to help teachers and lecturers develop their understanding of the standards required for assessment, which aligns with Outcome 1: 'We provide a credible qualifications system'.

The programme includes some face-to-face events, live webinars and the publication of new audio and video resources, complementing the range of material already available. Teachers and lecturers were kept informed about any newly published materials and webinar sessions through regular updates in SQA News.

## **Conduct an evaluation of the 2023 awarding programme**

SQA's Policy, Analysis and Standards directorate carried out an [evaluation of awarding](#) of graded National Courses in 2023. As in previous years, the evaluation included: surveys and interviews with learners, practitioners, senior appointees and SQA staff; and statistical analyses. For the first time we also carried out detailed analysis of the views of different parts of the learner population, and looked at the longer-term impact of the COVID-19 pandemic on Scottish education.

Findings of the evaluation informed the decision to retain the appeals and exceptional circumstances systems used in 2023 for future years. It also contributed to SQA's understanding, as we emerge from the pandemic, of the current educational environment that schools and colleges are operating in. Additionally, the research provided helpful information on the extent to which teachers and lecturers understand and apply the national standard, and gave us a much more detailed picture of learner views than in previous years.

## **Higher National, Vocational and International delivery to plan**

### **Delivering HN and SVQ qualifications**

SQA's quality assurance of vocational qualifications ensures that the centres that deliver them assess candidates in line with national standards, and that assessment decisions comply with our quality assurance criteria.

The number of verification activities, and the decisions made by external verifiers, are carefully monitored, as is the resolution of any issues that emerge. Verification performance of HN and vocational qualifications has remained consistent over the previous four periods. For the period April 2023–March 2024, 2,026 verification activities were completed (for comparison: 2022–23: 2010 activities). Of the 2,026 activities, 1,903 (93.93%) fully met national standards.

### **Vocational qualifications**

In addition to NQs, SQA offers a wide range of qualifications that help people progress on their individual learning journeys. These include:

- Scottish Vocational Qualifications (SVQs)
- Higher National Qualifications — Certificates (HNCs), and Diplomas (HNDs)
- National Progression Awards (NPAs)
- Professional Development Awards (PDAs)
- National Certificates (NCs)

Our [Guide to Scottish Qualifications](#) gives more information on these qualifications and what they could lead to.

The following table summarises recent development/revision of vocational qualifications in the period covered by this report:

	HNC/Ds, PDAs, ACDs	Regulated Qualifications	Awards, NPAs, NCs	Total
New course/group award	11	16	6	33
Revalidation/re-accreditation	9	13	2	24
Withdrawal	4	20	2	26

New or revised qualifications include NC in Childhood Practice at SCQF level 6, PDA in Ecological Surveying at SCQF level 7, SVQ in Digital Marketing at SCQF level 7 and Digital Passport NPAs at SCQF levels 4, 5 and 6.

Withdrawal decisions were made as a result of regular user uptake analysis, carried out to identify low-uptake qualifications. These included a number of qualifications where the regulator encourages awarding bodies to remove low-uptake qualifications from their portfolio.

Incremental change improved a number of group awards, and freestanding units were also created or revised following feedback from stakeholders.

	HNC/Ds, PDAs, ACDs	Regulated Qualifications	Awards, NPAs, NCs	Total
Extension to accreditation period	n/a*	131	n/a	131
Incremental change to group award	46	n/a	14	60
Units created/revised	196	254	30	480
Assessment support materials created or revised	132	24	42	198

\*n/a = not applicable to this qualification type

The numbers of certificates issued in the period covered by this report were:

Qualification	2022–23	2023–24	Year-on-Year Change
SVQs	24,353	24,902	549
Higher National Certificates	11,800	11,097	-703
Higher National Diplomas	6,973	5,446	-1,527
NPAs	23,969	28,604	4,635
PDAs	7,421	8,800	1,379
Skills for Work	11,777	13,757	1,980

Qualification	2022–23	2023–24	Year-on-Year Change
Awards	33,226	36,676	3,450
National Certificates	5,949	5,896	-53
National Workplace	24,001	23,165	-836
Customised Awards	5,287	10,260	4,973
Advanced Certificates/Diplomas	4,884	4,688	-196

### Customised Awards

We currently have 304 active Customised Awards (2022–23: 339). We offer Customised Awards as a service. Employers and organisations contract us to develop qualifications that meet their particular requirements. SQA certifies and quality assures these qualifications, which have a validation period of five years (though this can be extended).

### International delivery

There continues to be a demand for SQA qualifications and services globally. As well as offering our qualifications through designated SQA centres in a wide range of countries, we also liaise with overseas governments and their agencies on projects that aim to develop and improve the skills, education and training of our global learners. As our customers come out of lockdown, we hope to retain our existing customers and increase our levels of engagement.

### Range of work

The areas in which we work include, but are not limited to: awarding qualifications, qualification framework development, technical and vocational education and training reform, the setting of skills standards, and qualification and assessment development.

### Human rights

SQA is committed to promoting and supporting internationally recognised human rights. In all its operations, SQA prioritises engagements that promote human rights and access to education for all.

### Making connections

As travel restrictions are lifted, we have begun to travel internationally to ensure face-to-face connections are made to support our business development activities.

### Benefits of international engagement

SQA's international engagement activities bring many additional benefits beyond the financial contribution that they generate. They go some way towards supporting the Scottish Government's international strategy (as currently outlined in [Scotland's Global Affairs Framework](#) and [Vision for Trade](#)), and its plans to engage with specific countries, as well as promoting Scotland and Scottish education worldwide, placing us in front of new audiences across the world where we can demonstrate our depth of skills and expertise, and showcase our qualifications and the work of the organisation and Scotland. SQA is highly regarded internationally, with requests for engagement still being received.

SQA's arrangements with international partners, organisations and agencies also ensure that we continue to enhance our expertise and skills in many areas of our business.

## **Maintain, develop and improve our portfolio of qualifications**

### **NextGen: HN**

Design, development and pilot delivery of our Next Generation Higher National qualifications continued during the period covered by this report. The piloting of 11 HNC continued as planned and the number of HND qualifications grew to nine. One HND qualification was in development and five other subject areas were prioritised for development.

### **Digital assessment and learning services**

Throughout the past year the Digital Assessment Services (DAS) team has focused on the progression, improvement and expansion of the services and resources they offer.

#### **Digital assessment**

The DAS team has:

- progressed work towards moving digital assessment into the National Qualification space. During this year discovery work has begun in this area.
- collaborated across the organisation to enhance development and delivery processes and procedures to build in greater scalability for expansion of digital assessment across SQA.
- launched new digital assessments through SOLAR, our primary digital assessment platform, while continuing to review and improve existing assessments.
- begun work to develop a digital assessment vision and strategy for SQA/the New Qualifications Body.

#### **Digital learning**

- Through SQA Academy, our primary digital learning platform, we have significantly expanded our library of learning modules and resources to support SQA staff, appointees, centres and beyond.
- Furthermore, the digital learning team has focused on key service improvement areas, including the use of data and reporting functionality to enhance greater user engagement and the impact of learning.
- There has been a clear focus on enhancing the end-to-end user experience journey, with key updates made to the SQA Academy site and all new learning resources.
- This year the Understand Standards team resumed service delivery that reflected what was available pre-pandemic. Highly regarded across the Scottish Education community, this year's events and digital service were well received and the team is looking to build on this next year.
- The Understanding Standards team has also started a number of new pilots for future service delivery, including a collaboration with the SQA Academy team.

#### **User support and accessibility**

The Digital Services Development and Support team has:

- expanded their support and built in key services and the use of tools such as PowerBI to enhance cross-service user support.

- maintained a strong focus on user-centred service enhancement and continuous improvement of digital accessibility across all DAS services.

### **Deliver and refine the work-based learning strategy**

The HNVQ policy team has worked since 2021 to develop a work-based learning (WBL) strategy and associated action plan. The team has conducted widespread research among awarding bodies, centres and other stakeholders to identify how work-based learning is understood in the current education landscape. This has led to our model which aims to provide more clarity to learners and employers about what WBL options are available.

The strategy seeks to:

- ensure the Scottish education system produces skilled, knowledgeable learners
- have a qualifications system which recognises WBL in a wide range of ways
- increase positive destinations for Scottish learners aiming for WBL recognition
- drive parity between WBL and academic learning/qualifications

### **Deliver against agreed commissions in support of the Scottish Government's Education Reform Programme regarding the establishment of a new qualifications body and the review of qualifications and assessment**

As part of the Scottish Government Education Reform Programme SQA is working towards a replacement national qualifications body, as set out in the commission SQA agreed with Scottish Government in 2021. The seven deliverables contained in that commission have been completed as far as possible, including a review of SQA's current operating model, work on key customer journeys, and a number of proposals for improvement as set out in the draft target operating model (TOM) update provided at 30 June 2023. Completion of work on the TOM will include actions recommended by the National Discussion, Hayward and Withers reviews.

In June 2023, the programme as a whole was paused by the Cabinet Secretary for Education and Skills. Work has continued on planning and preparation for transition to the new qualifications body, as well as on transforming SQA's services, products, culture and ways of working, while further consultation, in particular with teachers, was completed by Scottish Government. A new governance model for the Schools and Post Schools Education Reform programmes was agreed and put in place from March 2024.

On 19 September 2024, Scottish Government published its response to the Hayward review. External exams will mostly be retained, including at National 5, though there will be consultation on whether external written examinations are appropriate for some practical subjects. As we progress towards Qualifications Scotland, a secondary headteacher will be seconded to SQA, to enhance our engagement with teachers, pupils and other professional bodies.

We continue with planning for transforming SQA into the new qualifications body. We are working on the strategies and plans needed to deliver SQA's 2024–27 Corporate Plan, and we will communicate these to colleagues as they are developed during Spring and Summer 2024. We are also undertaking scoping work on potential changes to our qualifications in

areas that are consistent with the broad direction set out in the Hayward and Withers reports.

We have developed a transition plan to create a new body with all necessary contractual, legal, digital and people capabilities in place for Day 1 across four main themes — brand and identity, organisation infrastructure, digital infrastructure and stakeholder management — with twelve projects ready to start from April 2024.

## **Secure and deliver contracts in line with service level agreements**

### **Services**

Our Contract Operations and Test Operations teams deliver a range of services on behalf of our commercial clients, principally focusing on the administration of assessments in the transport and education sectors.

Working in partnership with testing specialists PSI, we continue to offer Secure English Language Test (SELT) in over 120 countries around the world. The test is offered on behalf of the UK Home Office for the purposes of UK Visas and Immigration.

In partnership with Capita, SQA is responsible for the marking of all Key Stage 2 tests in England on behalf of the Department of Education.

Our long-standing contracts with the Department for Transport (DfT), Driver and Vehicle Standards Agency (DVSA) and Maritime and Coastguard Agency (MCA) continue to deliver services in line with contractual service level agreements. We have also managed the successful delivery of the Item Validation Trial (IVT) on behalf of the Standards and Testing Agency (STA).

## **Accreditation delivery**

SQA has a statutory responsibility, through its accreditation function, to set and maintain standards for awarding bodies, and for accredited qualifications. The accreditation function is accountable to the Accreditation Committee — a statutory committee established by the Education (Scotland) Act 1996.

Our primary efforts remain focussed on independently accrediting, quality assuring and regulating approved awarding bodies and qualifications, thereby safeguarding the interests of all stakeholders. In addition to learners, these include employers, Awarding Bodies, Standard Setting Organisations, parents, funding bodies, training providers, SCQF Partnership, Skills Development Scotland and the Scottish Government. It also assists us in delivering against the Corporate Performance Framework.

	<b>2022–23</b>	<b>2023–24</b>
<b>Approved awarding bodies</b>	35	36

## **Regulation**

SQA Accreditation’s regulatory activity is carried out to ensure that awarding bodies comply with the Regulatory Principles and Directives. SQA Accreditation carried out a number of audits and provider monitoring visits in 2023–24:

	2022–23	2023–24
<b>Audits</b>	13	11
<b>Provider monitoring reports</b>	18	12
<b>Provider monitoring visits</b>	41	40

Our regulatory activity has slightly decreased from the previous year. In part, this was due to illness but also difficulty in arranging provider monitoring visits, in terms of identifying suitable dates for the provider to be monitored.

### **Accreditation of qualifications**

At the end of 2023–24, SQA Accreditation had a total of 732 accredited qualifications (2022–23: 729). The breakdown of accredited qualifications is as follows:

	2022–23	2023–24
Scottish Vocational Qualifications (SVQs)	399	374
Other qualifications (such as competence-based or regulatory qualifications)	330	358

### **National Occupational Standards**

SQA Accreditation performs a critical role in the Standards and Framework programme, where part of its remit is to quality assure National Occupational Standards (NOS), thus ensuring their fitness for purpose for inclusion in Scottish Vocational Qualifications. By the end of March 2024, 16 NOS projects had been completed out of a total of 40, and 24 of those remaining are nearing completion.

### **Scottish Apprenticeships**

The Head of Accreditation is a member of the Apprenticeship Approval Group (AAG), and is the Vice-Chair of AAG, while the Senior Accreditation Manager continues to be a member of the AAG sub-group. SQA Accreditation has a remit to accredit the main mandatory qualification in Modern Apprenticeships, and also acts as the credit rating body for apprenticeships.

SQA Accreditation continues to engage with relevant quality assurance staff in Skills Development Scotland (SDS) with a view to sharing intelligence and thus minimising the audit burden on providers delivering apprenticeships.

Over the course of 2023–24, a joint working group from SQA Accreditation and SDS was set up to look at the process used to develop NOS, and the process used by SDS to develop apprenticeships. This review has resulted in a single process which can be used to develop NOS, SVQs and MAs in a single financial year. This will be piloted in 2024–25.



## **Outcome 2: We are flexible in meeting customer needs**

**What this means:** SQA needs to ensure it can deliver its products, services and support in a way that works for the individuals who need them.

SQA wants to ensure it satisfies its customers. To do this we need a good understanding of what their needs are, and good two-way engagement with customers to ensure that we meet our commitments. If we do not, we need to take responsibility for this and put things right.

SQA understands that to do this we need to be open to new ways of working, both in terms of technology and how we operate. We need the capability to consider new markets and opportunities, and to alter our products and services to meet new or emerging customer needs, basing our decisions on research and insight.

In this section we cover the following deliverable:

- continue to deliver and implement SQA's research and analysis strategy

### **Continue to deliver and implement SQA's research and analysis strategy**

SQA's Policy, Analysis and Standards directorate was established to ensure that research, analysis and evidence informs our policy and decision making. The first phase of our research and analysis strategy provided a road map of how to build on previous work to embed robust evidence and research at the heart of all of SQA's work.

Since the first phase of the strategy was developed, the Research and Evaluation team has been established, with all posts now filled. The team has developed and published a Code of Research Practice based around ethics, equality and sustainability, as well as introducing processes for research commissioning and ethical review. We intend to produce a revamped research and analysis strategy in 2024, which builds on progress made so far, and also takes into account the changes in the Scottish educational environment since the first phase of the strategy was written. We will focus on extending best practice to all research carried out by SQA, and on how we can best ensure that SQA makes the best possible evidence-based decisions across the full range of our activities. We recently published the 2023 Evaluation of Graded National Courses, and are looking at the best approach to provide robust research and analysis on National Qualifications as we continue to move out of the pandemic.

### **Outcome 3: We have a sustainable operating model that is appropriately resourced in order to deliver our remit now and in the future**

**What this means:** As a public body, SQA has a duty to the people of Scotland to use its resources sensibly and carefully, in ways that deliver best value. SQA must therefore deploy its resources as effectively as possible and must always be alert to opportunities for improving efficiency and reducing costs.

Our environmental strategy aims to maximise opportunities to reduce environmental impact across all our activities by always considering sustainability when making decisions.

SQA must organise itself to maximise the impact of its resources to ensure that we both deliver today and improve our delivery for tomorrow. We must invest wisely in our people, technology and processes to build resilience and ensure we have a sustainable future.

SQA knows that dialogue with the Scottish Government is a vital part of this. We must continue to make the case for the resources we need both for ongoing operations and in order to facilitate change, including in relation to the transition to new organisations as announced by the Scottish Government on 10 March 2022.

SQA also looks for appropriate opportunities to use what it does best to generate income from commercial activity. SQA must therefore also be competitive, alert for opportunities, and willing to take proportionate risks.

In this section we cover the following deliverables:

- ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)
- review and update all policies to ensure they are (i) up to date; (ii) consistently applied
- deliver financial balance in line with available resources
- enhance SQA's cyber maturity and resilience to ensure we are well equipped to withstand, defend against, manage, recover quickly, and learn from cyber incidents
- through effective use of our organisation's resources, implement the duty of Best Value in line with the Scottish Public Finance Manual

#### **Ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)**

SQA continues to ensure that it complies with all legislation relating to employment, corporate parenting, freedom of information, data protection, complaints handling, records management and equalities. SQA continues to receive and respond to regular requests for information and personal data.

#### **Requests for information and personal data**

We received 166 freedom of information (FOI) requests, six more than in 2022–23. The number of requests for internal review went down from 15 in 2022–23 to eight in 2023–24. We answered 99% of requests within the required timescale (2022–23 response rate: 94%). The average response time per request was nine days (2022–23 average response time: 12

days). One appeal was submitted to the Scottish Information Commissioner, compared to nine in 2022–23. The appeals for both 2022–23 and 2023–24 have still to be concluded.

Subject access requests (SARs) have increased to 1,622 (2022–23: 658). This is a significant increase on the number of requests received both last year [658] and in 2019–20, when the previous high of 758 requests was received. Most of these requests were received from NQ candidates and may reflect an increased demand from them for information about their performance over and above that provided on certificates. This includes information about marks and comments from examiners (where available), which can only be provided by SQA. All requests for personal information were dealt with within the required timescale.

### **Public Records (Scotland) Act 2011**

The Public Records (Scotland) Act requires all public authorities in Scotland to prepare and implement a records management plan (RMP). This plan has to be agreed with the Keeper of the Records of Scotland and be reviewed regularly. As part of this process, SQA undertook a self-assessment for evaluation by the Keeper’s assessment team. In this, we gave details of the continued development and implementation of SQA’s RMP. Feedback has yet to be received from the assessment team due to a current backlog of self-assessment submissions.

### **Anti-corruption and anti-bribery**

SQA has a system of financial controls in place to promote the effective use of financial resources and to safeguard against loss. This includes a robust budgeting and forecasting process that is closely aligned to the corporate planning process and which is supported by a monthly management review of actual results. Regular reports on financial outturn are also provided to the sponsor department.

Controls are in place to ensure that financial transactions are authorised in line with the Scheme of Delegation. Duties for staff are segregated, where possible, to ensure effective financial controls.

As with 2022–23, there were no instances of suspected financial irregularity identified in 2023–24. SQA has available a Fraud Response Group (FRG) that is attended by senior and executive team members of SQA. The FRG convenes on a case-by-case basis whenever a fraud referral is made, and seeks legal advice where required to assess each referral and to take appropriate next steps. SQA’s Addressing Financial Irregularity policy covers the role of the FRG and has recently been refreshed and republished.

Overall, this area is given a high priority in internal communications, and is also part of our induction programme for new staff. Fraud risk assessment is integrated in our annual review of internal controls and informs our training and communication strategy.

### **Review and update all policies to ensure they are (i) up to date; and (ii) consistently applied**

The review and update of policies is distributed among several parts of SQA.

### **HR**

HR have responsibility for 41 policies, and there is an established programme to review them. Under this programme, all policies are updated through SQA’s policy review group.

This is a subgroup of SQA's joint engagement forum which undertakes consultation of each policy with SQA's recognised trade unions. Each policy has an up-to-date equality impact assessment which includes input from SQA's staff networks. All SQA's HR policies are up-to-date, published and accessible to all staff on the SQA intranet, and all equality impact assessments are published and accessible to everyone on SQA's website.

Policies are reviewed on a rolling 2–3 year cycle, with interim reviews to implement any statutory changes in relevant legislation or other matters of importance that SQA is required to act upon.

### **Policy, Analysis and Standards**

The policy review programme was completed and all policies were assessed for their impact on equality. The directorate will now carry out business as usual maintenance and review of all policies and develop new policies as required.

### **Other policies**

There are 38 policies in the category of 'Governance and other'. As of April 2024, 31 of these policies are up-to-date and in the updated policy template. Seven policies are not up-to-date and are being followed up with policy owners.

### **Application of HR policies**

Where appropriate, there is staff training and guidance for specific policies, and for the induction of staff new to line management. The consistent application of HR policies is overseen by SQA's Human Resources team, who undertake quality assurance, and the People and Culture Group have oversight of the governance of all HR policies.

### **Deliver financial balance in line with available resources**

SQA's activities are not self-financing and the net expenditure requirement after taking into account all fees, charges and commercial income is funded by grant-in-aid from the Scottish Government. Any capital expenditure incurred is funded via capital grant-in-aid from the Scottish Government.

All figures relating to SQA's financial performance in 2023–24 can be found in the Financial Performance report on page 51 and in section C Accounts starting on page 83.

### **Charging**

Under the Education (Scotland) Act 1996, SQA has the power to fix and recover charges for services provided by it, but only in accordance with criteria determined by Scottish Ministers.

Ministers need to agree any charging framework, including the charges levied by SQA. The cost to SQA of delivery of qualifications in Scotland is covered by income from:

- local authorities (fixed charge as agreed in 2013–14)
- colleges, training providers and independent schools (based on prices held since 2010)
- Scottish Government grant-in-aid

Each year, SQA informs its customers (normally in advance of the academic year) of its fees structure for the coming year. These charges, which do not cover the full costs of running the

system, have been frozen since 2010, resulting in the need for additional grant support from the Scottish Government. This has been carried forward from the introduction of Curriculum for Excellence (CfE) in the financial year 2013–14.

### **Accreditation budget**

SQA Accreditation is funded via grant-in-aid from Scottish Government. The current level of funding for 2023–24 is £1.025m. The budgeted expenditure on accreditation for 2023–24 is £1.225m.

Scottish Government has determined that accreditation is a free of charge public good and that we are not permitted to charge for any of our activities. This is similar to the other qualification regulators in England, Wales and Northern Ireland.

### **Enhance SQA’s cyber maturity and resilience to ensure we are well equipped to withstand, defend against, manage, recover quickly, and learn from cyber incidents**

The landscape of cyber security is constantly changing. There is an increasing risk of ‘social engineering’ attacks, where users are tricked into divulging sensitive information which can then be used to exploit systems and processes using stolen (but legitimate) credentials. This shift from electronic attack methods (which are still widely used) to methods directed at people introduces a different set of risks for us to address.

In the past year we have introduced a cyber awareness learning platform to help combat the threat of social engineering attempts. This aims to help colleagues identify ‘phishing’ attempts (such as bogus emails, texts or phone calls which try to extract sensitive information) and other social engineering threats.

The imminent launch of our corporate cyber resilience program will allow us to undertake cyber resilience activities at an organisational level, and not just at a technical or IT level.

We have also been working with our security partners to increase the level and scope of security assurance assessments, which will help us identify and understand as many of our risks as possible.

### **Through effective use of our organisation’s resources, implement the duty of Best Value in line with the Scottish Public Finance Manual**

#### **Financial model**

As we noted in the description of our business model in the overview at the start of Part A, many of our activities do generate significant income and provide a positive contribution to meeting our costs, thereby reducing the need for grant support from the public purse. Our comprehensive portfolio of qualifications supports the people of Scotland across a broad range of academic and vocational sectors. Schools, colleges, and training providers pay for the services they receive from SQA on the basis of a qualification entry fee charged for each candidate. At the same time, there are SQA qualifications and awards which support key sectors of the economy and culture of Scotland, but which may have low uptake. The entry fees we charge do not cover the costs of developing and delivering such qualifications.

SQA has the potential to generate other income by providing awarding services, consultancy work, and commercial contracts in markets outside Scotland. We have delivered a number of projects on behalf of other organisations, institutions, and government services in the UK and internationally. By taking advantage of these opportunities, SQA can reduce its dependence on the public purse, and reduce the level of grant required from the Scottish Government, in line with our third strategic outcome.

SQA continues to focus on embedding a culture of efficiency and continuous improvement across the organisation, while maintaining outputs and quality of service. We have processes and procedures in place to identify both time-releasing and cash-releasing savings, although the latter are becoming more challenging to identify due to a challenging financial context in the absence of transition funding.

## **Outcome 4: We are a thriving organisation, with quality jobs and a fair work environment for all our people**

SQA's purpose is to help people achieve their full potential, and this applies to our workforce as much as it does to our customers, stakeholders and partners.

Our staff are in a unique position to influence education in Scotland, so SQA will thrive through successfully attracting and retaining talented people. We will take the wellbeing and skills of our workforce seriously by providing a positive working environment through good quality, fair work, training and support for all our people. This requires a commitment to the dimensions of the Fair Work Framework, robust workforce planning, and mainstreaming equalities. As set out in our Equality Outcomes 2021–25, we aim to have an increasingly diverse workforce that fully embraces equality, diversity and inclusion in all that we do. We will provide responsive leadership, fostering the right workplace culture and giving our workforce an effective voice through our recognised trade unions and local directorate communication channels.

A thriving organisation has people doing the right things the right way. It must therefore be our shared priority to recognise, understand, and reinforce the behaviour and attitudes that create the right culture for success.

Our Smarter Working Programme is now well established will allow us to deliver our activities more efficiently while providing flexible working options for our people. As an organisation we need to continue to adapt to meet the changing needs both of our colleagues and of society, and this is critical to successful delivery in the future.

In this section we cover the following deliverables:

- ensure SQA has an engaged and diverse workforce which meets the needs of the organisation
- deliver the people strategy

### **Ensure SQA has an engaged and diverse workforce which meets the needs of the organisation**

#### **Employee engagement**

To encourage employee engagement and, ultimately, improve performance, SQA makes significant efforts to ensure that staff members have a clear understanding of our strategic outcomes and how our individual efforts contribute to achieving these goals.

#### **Communication and feedback**

In 2024, regular Colleague Engagement Surveys have been introduced to replace the annual People Survey (last held in October–November 2022, with results published in January 2023). These will allow SQA to identify areas for improvement and address them more quickly, providing a more frequent check-in with colleagues and a better understanding of how they are feeling.

The first survey in May 2024 was completed by 72% of all staff, and identified positive aspects of work, including:

- other SQA colleagues and appointees
- a supportive working environment
- a feeling of impact on education in Scotland
- variety offered by their role

At the same time, legacy systems were seen as impeding effectiveness. Staff also expressed concern about decision-making, communication and clarity on education reform.

Because staff have a variety of working patterns, it has been more important than ever to keep our colleagues engaged with what is happening in SQA, as well as supporting them to keep connected with each other as we move forward to a hybrid working model.

Colleagues continue to have regular opportunities to engage with the Executive Management Team through 'Ask EMT' sessions, where colleagues can put questions to EMT and discuss SQA activities and goals. These sessions have been attended on average by 550 colleagues. Two hybrid 'Ask EMT' events were also held across the period of this report, allowing over 120 colleagues to attend in-person and engage with EMT in our two office locations, while hundreds more took part through Microsoft Teams. Other in-person engagement opportunities have been provided, including workshops attended by 120 colleagues focusing on SQA's transition to a new qualifications body.

There have been separate online events including:

- reflections on the 2023 Results Day with EMT
- colleague engagement events to gather feedback on SQA's new Corporate Plan
- a session with the Cabinet Secretary for Education and Skills
- an introductory event with the new Chair of SQA and sessions focusing on key parts of the Scottish Government's Education Reform Programme — including the Education Bill and updates on reviews around the future of qualifications and assessment and the skills delivery landscape in Scotland

SQA has a line management programme which empowers line managers to help their team members perform effectively in their roles. This has been refreshed for 2024. It equips line managers with the required skills, knowledge and behaviours. The MyReview process enables line managers to have regular quality conversations with their team members and support performance and career development.

### **Employee voice**

Employees' views are sought in a variety of ways on an individual and collective basis. We have continued to utilise our monthly Internal Communications Steering Groups, which are in place across directorates, to showcase highlights from teams and celebrate the achievements of colleagues. Directorates hosted annual in-person events for colleagues in each department to collaborate and discuss key issues. These are led by the steering groups.

Throughout 2023 we continued to champion the voice of colleagues through our monthly in-house newsletter, Inform, which has colleague-focused content and also includes updates



from our employee networks and responsible business activities. The average readership for Inform was 628 colleagues. We also send a weekly intranet digest of corporate-focused news directly to colleagues via email.

Viva Engage, a Microsoft social media tool for workplaces, enables colleagues to have conversations on a range of topics, both work-related and on a more informal basis. In 2023, colleagues created over 2500 posts, which were 'liked' 6,350 times and viewed over 460,000 times.

SQA's community networks are employee-led volunteer groups that enable and support equality, diversity, and inclusion within the organisation. These networks provide a platform for colleagues to highlight matters important to specific groups, including disabilities, LGBT+, race and ethnicity and environment.

On a collective level, we have a Joint Engagement Forum for consultation between management and our two recognised trade unions, Unite and Unison. This allows us to consult on matters of mutual interest and to commission work from short life working groups which report back to the forum for further discussion and decision making.

### **Fair Work Framework**

SQA has been a signatory to the Fair Work Convention's Fair Work Framework since 2016. This commits us to the core principles (the five 'dimensions') of the Framework, which we incorporate into our policies and management practices. The Dimensions are listed below, with some examples of relevant practice:

- effective voice — Regular staff surveys; use of Short Life Working Groups (SLWG) which draw on the input of staff from various backgrounds and grades (see also previous section, 'Employee voice').
- opportunity — Apprenticeship, training, internal secondment and mentoring schemes support staff members at all stages of their career.
- security — SQA is a Scottish Living Wage employer, provides a good pension scheme, and has a transparent pay structure.
- fulfilment — SQA staff members can be supported through SVQ qualifications as part of their professional development and can become involved in CPD memberships and request financial support for further training.
- respect — SQA actively promotes equality, and supports workplace support networks.

## **Deliver the people strategy**

### **Developing our organisational design and culture**

Building on the foundations established in 2023, we undertook a Best Value maturity assessment across the seven characteristics of the Scottish Government Best Value framework. Outputs from the assessment will help us create a programme of work to address the gaps identified.

We have evaluated how effectively we collate and act upon our people engagement information. A new approach to this was designed and agreed with a wide range of internal stakeholders, and was launched in May 2024.

The executive team has expressed its ambition for the new organisation and shared this with the organisation as part of the corporate planning process. Building on this, we have been working with the senior leadership team to identify leadership capabilities for the new organisation with a view to preparing for significant culture change.

### **Being a responsible business**

We developed a hybrid work experience programme and launched it to all schools in Midlothian, where pupils from various schools completed the week-long programme. We also redeveloped the content of our employability workshop for delivery in Glasgow and Midlothian schools in the Aug–Dec term. We established our MCR (motivation, commitment and resilience) mentoring programme to support young people who have experienced disadvantage to realise their full potential through education. This is now underway with volunteers from across the organisation.

Volunteering opportunities available to all staff were set to support our environmental commitments and the UN Sustainable Development goals. For example, a number of teams took part in beach cleans and Clyde clean-up days throughout the year.

A full programme of health and wellbeing activities, including Cancer in the workplace and Food and Mood workshops were offered to SQA colleagues during the year, with high levels of engagement being achieved.

### **Smarter Working Programme**

As an organisation we need to continue to adapt to meet the changing needs both of our colleagues and of society, and this is critical to successful delivery in the future. Our Smarter Working Programme is now well established and allows us to offer flexible working options to colleagues and to deliver our activities more efficiently.

We recognised that changes to how we work have continued to evolve alongside social attitudes, technology and the environment as a whole. Through continuous review, we identified the need to adapt our smarter working provisions to respond to these changes and launched our hybrid working guidance in early 2024. This provides a framework for working arrangements and some key considerations for both hybrid and home working. We believe that if colleagues have flexibility over where they work, and can blend in-person and in-office interactions with other colleagues, this will help maintain a healthy balance and create teams in which hybrid workers can flourish and everyone can benefit.

## **Outcome 5: We are trusted, respected and valued by our customers, stakeholders and partners**

Central to our value proposition is the confidence that an SQA qualification can be trusted to mean the holder has the skills and abilities we say they do. In short, trust is the currency that gives SQA's qualifications value.

Without the trust of those we work with and for, we cannot fulfil our mission. Consequently, understanding, nurturing and maintaining our reputation are of critical importance.

Trust is built through the work of our people, so we will seek to become increasingly influential through our research, data reporting and other contributions to public debate. We will not shy away from a public presence and will use our expertise to tell our story and be a thought leader.

Being trusted to do what we say we will do underpins SQA's relationships. We must therefore be serious about driving customer satisfaction, engaging with stakeholders at a strategic level, and building partnerships of mutual respect.

All of this comes together to ensure SQA is truly valued. In all markets, sectors and relationships, SQA will demonstrate the value we uniquely bring. This will build confidence, encourage ambition, and make sure SQA's positive contribution to Scotland, and further afield, is acknowledged. This will further enhance trust and our ability to deliver on our purpose and mission.

In this section we cover key results from our customer and stakeholder surveys and the deliverables:

- Build credibility and trust in SQA and continue the journey towards ensuring the new organisation is user-centred and based around strong communication, deep engagement and meaningful collaboration.
- Deliver SQA's Environmental Impact Strategy.

### **Build credibility and trust in SQA and continue the journey towards ensuring the new organisation is user-centred and based around strong communication, deep engagement and meaningful collaboration**

#### **Communication and engagement**

SQA is committed to continually improving its communications and engagement in order to build credibility and trust in the organisation and its qualifications.

Our communications strategy is based on:

- telling a clear and resonant story
- taking a bold and proactive approach, guided by audience insight
- engaging and collaborating with customers and stakeholders

The Communications Directorate teams work together with the rest of the organisation to:

- listen to what our customers and stakeholders need
- create clear and relevant communications and marketing to help meet those needs
- develop and use channels, particularly digital channels, to communicate and engage in the most appropriate way

Work this year has included developing bespoke learner materials, running social media campaigns, and media and parliamentary engagement. These have reached audiences in Scotland, the rest of the UK and overseas:

- 130,000 copies of Your National Qualifications issued
- activity to support recruitment of 20,000 appointees
- campaigns and partnerships to promote SQA's qualifications around the world

We recognise the importance of two-way engagement and welcome feedback which is used to continually improve the way we do things. We collect views from a wide range of sources, including:

- the learner panel, run for SQA by the Scottish Youth Parliament to ensure young people's views are heard
- visits led by our Chief Executive to schools and colleges across Scotland to listen to 'the voice of the staffroom' and to learn from learners
- the National Qualifications (NQ) Group and Higher National and Vocational Qualifications (HNVQ) Group — membership is made up of representatives from across the whole education system and has discussed and provided advice regarding the development of approaches to assessment and certification
  - a survey of over 1,000 of those teaching practical subjects such as Cookery, Electronics and Metalworking, with follow-up focus group work, led directly to changes in the balance of practical and written components in assessment of the subjects
- direct contact with schools, colleges and training providers through our dedicated teams of liaison and regional managers, as well as through qualifications teams
- further information regarding practitioner feedback in 2023 can be found [here](#) within the Practitioner Experiences report.
- online events with SQA co-ordinators, local authority contacts, subject-specific Understanding Standards webinars, and online appointee meetings
- ongoing engagement with stakeholders and partners, such as teaching unions, directors of education and college principals, and parent bodies
  - our most recent annual Key Audience Research saw a large increase in scores for engagement and consultation from classroom teachers, school leaders and learners across Scotland

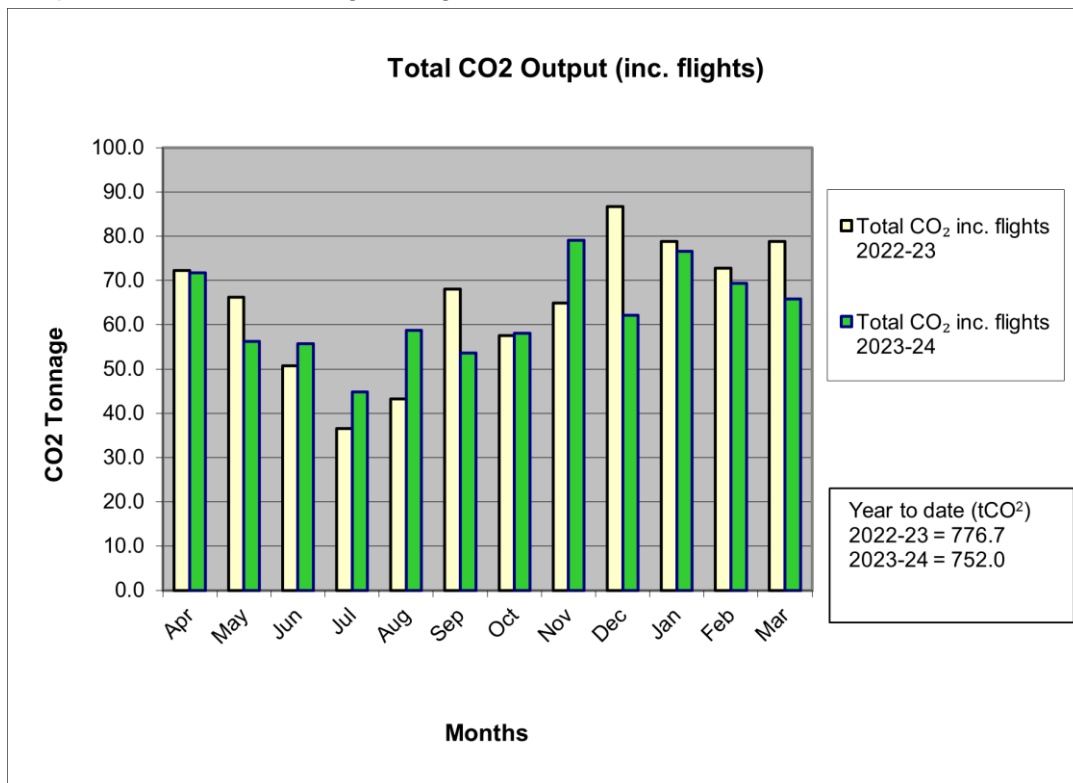
## **Deliver SQA's Environmental Impact Strategy**

### **Environmental performance**

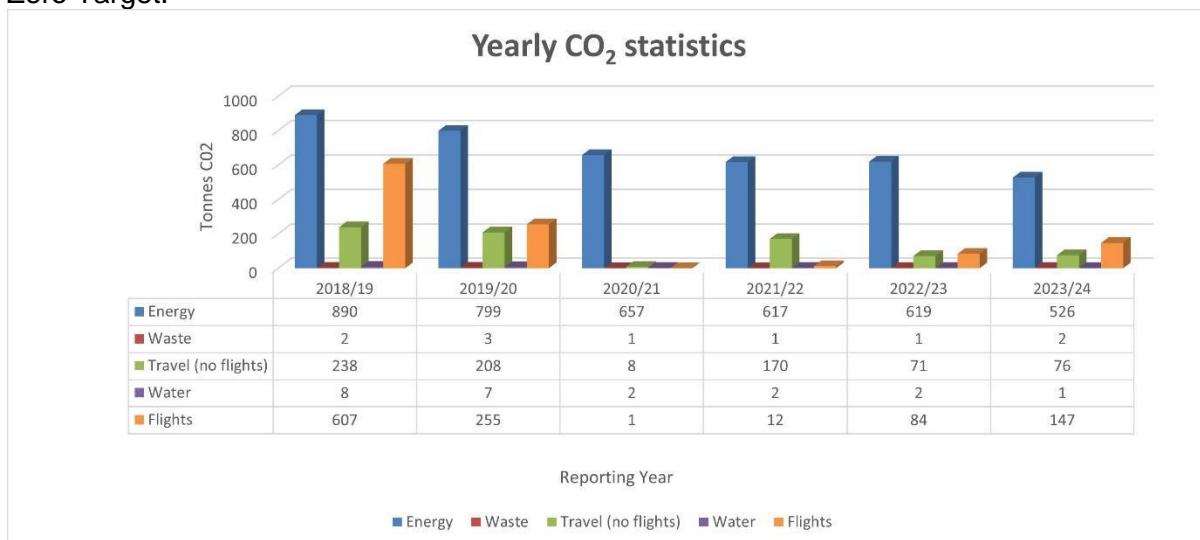
#### **Carbon emissions**

As a responsible business, we seek to minimise our contribution to climate change, and

work hard to reduce our impact on the environment. This not only reduces our carbon footprint, but can also bring savings and other benefits to SQA.



Our efforts to reduce our carbon emissions align with the climate change emergency declared by the Scottish Government in May 2019, and both the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 and the Scottish Government policy on ‘Decarbonisation in the public sector’. We report annually to the Scottish Government on our carbon emissions. We initially took part voluntarily, but this has since been made a requirement for all public bodies under the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, in line with the Government’s 2045 Net Zero Target.



2023–24 saw a small saving from 2022–23 of 24.7 tCO<sub>2</sub>e (tonnes of carbon dioxide equivalent). Our commitment over recent years has been to maintain our carbon emissions at or below the level of the baseline year 2013–14 (1,643 tCO<sub>2</sub>e). Our 2023–24 figure of 752 tCO<sub>2</sub>e is less than half this level.

Positive measures taken during the year have included:

- decarbonising our fleet by one vehicle
- our mechanical and electrical overhaul continues (as reflected in the lower energy figure):
  - lighting is being replaced with LEDs
  - UPS and AC has been upgraded

### Travel

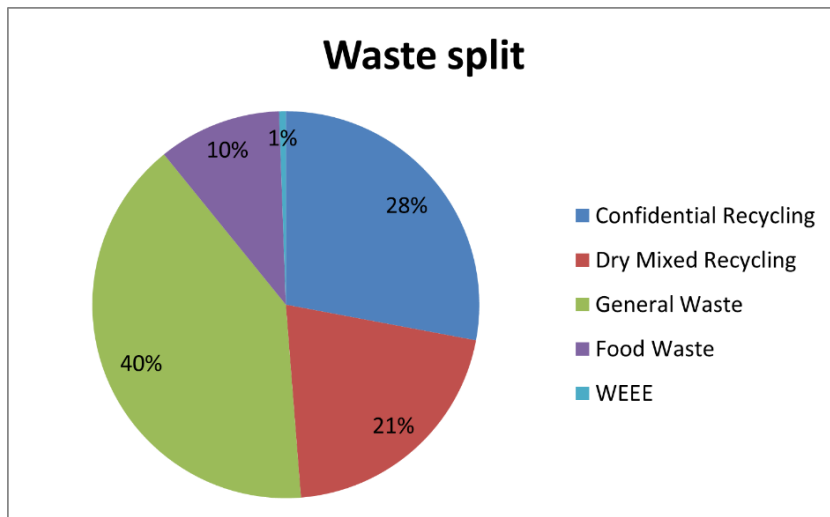
Flights have increased from 83.7 tCO<sub>2</sub>e to 146.9 tCO<sub>2</sub>e as SQA business has fully resumed. While this increase is largely attributed to rural and island domestic trips, there is a significant increase in international flights also.

Most colleagues have chosen to work from home as part of the Smarter Working programme and this has kept overground travel low, though travel required for diet 2024 has increased. There has been a slight increase of 4.9 tCO<sub>2</sub>e since last year.

- We are committed to using the changing work landscape as an opportunity to reduce our environmental impact and further improve the sustainability of the organisation.

### Recycling

The 1.4 tonnes recycled in 2022–23 can be compared to 1.7 tonnes in 2023–24. As always, we aim to put as little of our waste as possible in landfill. Most of our waste is now recycled in some way. 19.4 tonnes went to landfill in 2021–22 and 35.2 tonnes in 2023–24. This is attributable to the office refurbishment project.



All SQA's IT equipment is recycled when it is no longer of use to us, and up to 75% of the materials can be reused. The total waste-related carbon equivalent has increased by 0.3 tonnes CO<sub>2</sub>e (2023–24) also due to changes in the emissions factors, which are provided annually.

# Financial performance

## Financial overview

The results for the year to 31 March 2024 are given in the attached accounts (see section C), which have been prepared in accordance with the 2023–24 Government Financial Reporting Manual (FReM).

A budget (known as Departmental Expenditure Limit or DEL) is agreed with Scottish Government. This is to cover costs, being accrued expenditure (capital and operating) net of income from other sources such as income from activities, and non-cash cost of depreciation and impairments.

Given the operating environment facing the organisation, the financial position in 2023–24 had to be closely managed throughout the year in partnership with Scottish Government.

### Performance against Departmental Expenditure Limit (DEL) in 2023–24

Performance	Final DEL £m	Actual drawdown £m	(Under allocation) £m
Resource DEL	52.713	52.358	0.355
Capital DEL	2.500	2.542	(0.042)
<b>Total DEL</b>	<b>55.213</b>	<b>54.900</b>	<b>0.313</b>
Ring-fenced DEL	4.390	3.787	0.603
Annually Managed Expenditure	10.260	NIL	10.260
HM Treasury Resource	NIL	(0.434)	0.434
<b>Total</b>	<b>69.863</b>	<b>58.253</b>	<b>11.610</b>

### Annually Managed Expenditure

Post-employment benefits (pensions) are accounted for using IAS 19. Each year, an actuarial calculation is carried out and SQA must make provision on our Statement of Comprehensive Net Expenditure (SOCNE) to reflect its share of the movement in overall provision. SQA's surplus for pensions in 2023–24 was £12.528m, with the previous year surplus being £96.368m. Due to the size of the pension surplus, we are required by IFRIC 14 to place an asset ceiling on the amount declared in our statement of financial position (SOFP). We requested an additional calculation from our actuary, Hymans Robertson, and this has reduced the asset carried on the SOFP to £NIL. This is the difference of the Net present value of future service costs, less the Net present value of future contributions. Any surplus/deficit in relation to pensions is recorded through Annually Managed Expenditure (AME) in the table above. Full supporting information and calculations are contained in note 18 to the accounts.

### HM Treasury Resource

This relates to the employee benefit accrual which takes into account the additional days annual leave carried forward by staff. The increase is a direct consequence of the COVID-19 pandemic, with increased levels of leave carried forward and the unwinding of higher levels

of carry forward allowed in accordance with SQA's policies during the height of the pandemic. The reduction in 2023–24 is due to a reduction in the average number of days carried forward by staff. Levels have now returned to pre-pandemic levels and the carried forward amount returned to the normal level.

### **Key DEL income and expenditure categories**

#### **Income (2024 £49.959m, 2023 £49.084m)**

SQA's income is generated from charging for the delivery of its products and services. Total income of £49.959m was earned in 2023–24, being entry charges £40.458m (2022–23 £41.037m) and other income £9.501m (2022–23 £8.047m).

The decrease in entry charges of £0.579m is mainly due to a slight decrease in NQ entries in the year, particularly within National 4 qualifications. The increase in other income of £1.454m is due to a number of factors including the ongoing recovery post COVID-19, inflation and increased income due to a change in contractual terms with existing contracts.

#### **Expenditure (2024 £107.541m, 2023 £106.698m)**

Operational costs were £107.541m, being staff costs £57.825m (2022–23: £60.340m); other expenditure £45.929m (2022–23: £42.000m); and depreciation £3.787m (2022–23: £4.358m). Most of the expenditure exceeding our annual income of £49.959m is funded through our Resource DEL total of £52.358m.

#### **Staff Costs (2024 £57.825m, 2023 £60.340m)**

As disclosed in the Remuneration and Staff Report, total staff costs of £58.316m were incurred in year, of which £0.491m related to capitalised employee costs. The decrease in staff costs from FY 2022–23 is mainly attributable to an improvement in the performance of our pension scheme compared to the previous year (£0.038m, 2023 £9.600m). This has been partially offset by an increase in salary costs and social security payments in line with the Scottish Government pay policy.

#### **Other Operating Expenditure and Taxation (2024 £45.929m, 2023 £42.000m)**

Other expenditure increased by £3.929m from FY 2022–23. The main movements were seen in the following:

- appointee fees and expenses saw an increase of £1.365m, most of which can be attributed to return of assignments and projects to be externally marked
- other examination-related expenditure saw a combined increase of £1.477m
- IT costs saw an increase of £1.655m with the bulk of this relating to increased prices for software maintenance contracts
- miscellaneous expenditure saw an increase of £0.917m, mainly due to internal catering costs, as more meetings were held in person, an increase in bad debt provision, and a slight increase in our legal services costs

#### **Depreciation (2024 £3.787m, 2023 £4.358m)**

Depreciation and amortisation costs of £3.787m represent a decrease of £0.571m over the previous year. Most of this reduction is due to written back depreciation relating to asset revaluations.



## **Property, plant and equipment**

Expenditure on capitalised property, plant and equipment during the year totalled £1.246m. The bulk of this was spent on IT hardware (£1.075m) with the remainder being Furniture and fittings (£0.163m) and Plant and machinery (£0.008m).

## **Intangible assets**

Expenditure on intangible assets during the year totalled £1.296m. This was used to acquire IT software (£0.362), to purchase software licences (£0.160m), and to develop assets under construction (£0.774m), which mainly consist of new system implementations. Total capital spend includes £0.491m of staff costs which were capitalised in developing the assets.

## **Auditors**

The accounts for the year ended 31 March 2024 are audited by Audit Scotland, who were appointed by the Auditor General for Scotland. Further details on audit remuneration can be found in note 4 to the accounts.

## **Disclosure of information to auditor**

The directors who held office at the date of approval of this year's Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the organisation's auditor is aware of that information.

## **Public Services Reform (Scotland) Act 2010**

Statements of expenditure for 2023–24 in relation to the following can be found on SQA's website:

- public relations
- overseas travel
- hospitality and entertainment
- external consultancy
- payments in excess of £25,000

## **Supplier payment policy**

SQA aims to pay suppliers within 10 days of receipt of a valid invoice and SQA achieved 94% in 2023–24 (93% 2022–23).

## Looking forward

As noted at the start of this performance analysis section, SQA is currently the subject of major changes. In due course, its functions will be taken up by a new non-departmental public body. As announced by the Scottish Government in March 2022, SQA's awarding function will transfer to the new qualifications body, as will the accreditation function (confirmed in November 2022). The Government's indicative timeline anticipates that Qualifications Scotland will be established by November 2025.

*Fiona Robertson*

**Fiona Robertson**  
**Accountable Officer and Chief Executive**  
**Scottish Qualifications Authority**

**29 November 2024**

# B: Accountability Report

## Corporate governance

### Directors' report

#### Directors and their interests

The directors who held office during the year and to the date of signing of these financial statements were:

##### Chair

David Middleton (to 30.11.2023)

Shirley Rogers (from 01.12.2023)

##### Chief Executive

Fiona Robertson

##### Non-Executive Board Members

Anna Davis

Seán Hagney

Jane Handley

Dr Wendy Mayne

Grahame Smith

Prof Ken Thomson

Michelle Wailes

##### Executive Management Team

Michael Baxter, Director of Finance and Corporate Services (to 06.05.24)

Jean Blair, Director of Operations

John Booth, Director of Communications

Martin Campbell, Director of Business Systems

Dawnne Mahmoud, Director of People

John McMorris, Director of Business Development

Dr Gill Stewart, Director of Qualifications Development (to 27.09.24)

Donna Stewart, Interim Director of Qualifications Development (from 16.09.24)

Martyn Ware, Director of Policy, Analysis and Standards

Information on salary and pension entitlements can be found in the Remuneration Report.

#### Conflict of interest procedures

SQA has comprehensive procedures for dealing with potential conflicts of interest. These include holding, and updating at least annually, registers of Board members' interests. These [registers are available on our website](#) to any member of the public who wishes to examine them. Interests that must be registered, in terms of the name and nature of the organisation in which the interest is held, includes: remuneration, related undertakings, contracts, houses, land and buildings, shares and securities, and non-financial interests. Declarations by Board members of any conflicts of interest are recorded in the minutes of the appropriate Board meetings.

#### Personal data-related incidents

Section 6.4.3(f) of the Government Financial Reporting Manual (FreM) requires that organisations report on personal data-related incidents. In 2023–24, one breach was reported to the ICO.

## Statement of the Accountable Officer's responsibilities

Under Section 16 of the Education (Scotland) Act 1996, Scottish Ministers have directed SQA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accrual basis, and must give a true and fair view of the state of affairs of SQA and of its income and expenditure, statement of financial position, and cash flows for the financial year.

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

- observe the Accounts Direction issued by 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 Government FrM have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going-concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

Scottish Ministers have appointed the Chief Executive as the Accountable Officer of SQA. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records, and for safeguarding the SQA's assets, are set out in the Scottish Public Finance Manual published by the Scottish Ministers.

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that SQA's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

## 2023–24 Governance statement

In this section, SQA's Chief Executive sets out her approach to, and responsibility for, risk management, internal control, and corporate governance. The statement aims to give assurance that our resources are appropriately managed and controlled, and provides an opportunity to highlight action being taken to maintain an effective internal control system.

More generally, SQA is committed to continuous development and improvement, and seeks to improve its systems, processes and capability in response to any relevant reviews and developments in best practice.

### Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of SQA's policies, aims, and objectives set by Scottish

Ministers, while safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

The Scottish Public Finance Manual is issued by Scottish Ministers to provide guidance to the Scottish Government and other bodies on the proper handling and reporting of public funds. It sets out the statutory, parliamentary, and administrative requirements; emphasises the need for economy, efficiency, and effectiveness; and promotes good practice and high standards of propriety.

## **Purpose of the system of internal control**

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the organisation's policies, aims, and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness with some improvement required around cyber security and contract management activities and controls

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the organisation's policies, aims, and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively, and economically.

The process within the organisation accords with guidance from Scottish Ministers provided by the Scottish Public Finance Manual and has been in place for the year ending 31 March 2024 and up to the date of approval of the Annual Report and Accounts.

## **Governance and management structures**

SQA's Corporate Office continues to be responsible for ensuring that appropriate governance and management structures are in place, as detailed below, to ensure the effectiveness of operations.

### **Sponsor**

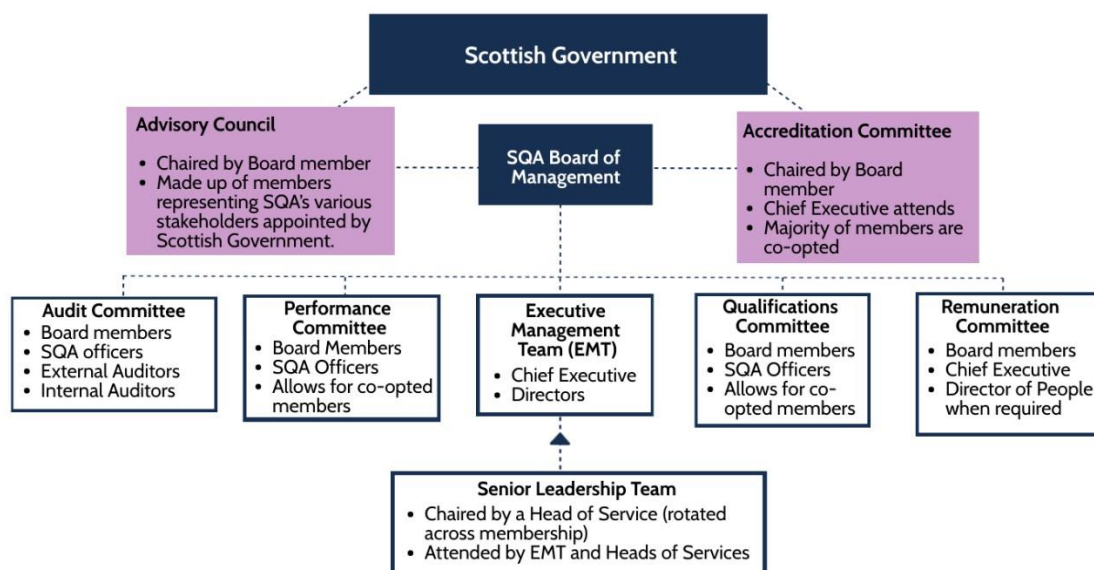
SQA is sponsored by the Scottish Government's Education Reform Directorate. As Accountable Officer, I and members of the Executive Management Team meet regularly with Ministers and/or colleagues at the Scottish Government, to provide an update on the organisation's progress. These meetings include discussion on matters such as policy development, performance, risks, and financial position.

### **Board of Management**

The following diagram outlines the current governance structure, which supports the achievement of SQA's objectives.

The Board of Management consists of SQA's directors — the Executive Management Team (EMT) — and non-executive board members. It is convened by SQA's Chair. The Board has collective responsibility for ensuring that SQA's statutory functions and the Scottish Government's policies and priorities are being fulfilled, and that the use of resources is appropriate and effective. The Board sets the strategic direction for the organisation through a robust process of review, and approval of the Corporate Plan which is submitted to Scottish Ministers.

## SQA Committee Structure



The Board is supported by a group of committees with specific remits who work together to deliver the objectives and policies of SQA: the SQA Accreditation Committee, the SQA Qualifications Committee, the SQA Performance Committee, the SQA Audit Committee, and the SQA Remuneration Committee. In line with statute, the SQA Accreditation Committee and the SQA Advisory Council are directly responsible to Scottish Ministers. The Board receives verbal updates on the considerations and decisions reached at the meetings of these committees, along with copies of the minutes.

EMT oversees the day-to-day operations of SQA's work. It is assisted in this by the Senior Leadership Team (SLT), which consists of our heads of service.

### Advisory Council

The Advisory Council's primary role is to consider and advise SQA on the needs and views of our stakeholders in relation to our qualifications and awards. This advice helps us to develop, maintain, and deliver our portfolio. The Advisory Council comprises Jane Handley (convenor), Seán Hagney (deputy convenor), Grahame Smith, Diane Greenlees, Sonia Kordiak, David McDonald, Tim Frew, Stuart McKenna, Dr Colm Harmon, Dr Sally Smith and Stewart Nicholson. Further information on the remit and membership of [SQA's Advisory Council](#) can be found on SQA's website.

The [Accreditation Committee \(AC\)](#) meets in January, April, July and October. AC members are appointed from the training and industry sectors; their input helps us ensure that we meet the needs of Scottish industry and those tasked with delivering SQA accredited qualifications. AC discusses strategic issues which impact on our work. This includes Scottish and UK Government policy, the work of other qualifications regulators, and educational development overseas. AC comprises Grahame Smith (convenor), Valerie Mann (vice convenor), Jane Handley, Angela Newton, Elaine Hutton, Alister Clark, Ian Wilson, Kirsty Summers, Ryan Reed and Fiona Robertson. Further information regarding the AC members and the [minutes](#) of AC meetings are publicly available on the SQA Accreditation website.

The duties of the Remuneration Committee include setting the annual performance plan for the Chief Executive and members of the Executive Management Team (EMT) for each calendar year and reviewing that performance annually. The Remuneration Committee membership can be found in the Remuneration and Staff Report.

The remit of the Performance Committee is to support the Board in monitoring progress towards, and successful delivery of, our corporate objectives; to monitor performance of all SQA's activities; to monitor the achievement of best value in the public services; and to review and support the continued development of key performance indicators in alignment with the Scottish Government's National Performance Framework. The Performance Committee meets quarterly and comprises Anna Davis (convenor), Jane Handley, and Michelle Wailes.

The Audit committee provides the Board with an independent and objective review of the effectiveness of control systems and the reporting scrutiny of corporate performance and risk management. In particular, the Audit Committee discusses SQA's Corporate Risk Register quarterly and considers reports from internal and external audit. The Board discusses risk as part of its strategic focus and sets the risk appetite profile for the organisation. The Audit Committee comprises of Michelle Wailes (convenor), Anna Davis, Dr Wendy Mayne, and Prof Ken Thomson.

The Qualifications Committee is a working group with a remit based on SQA's Outcomes to make strategic and policy qualifications-related decisions on behalf of the Board; ensure that qualifications and related activities comply with relevant criteria, design principles and policies; and ensure that SQA carries out its self-regulation functions appropriately and oversees the ongoing monitoring of standards. It comprises of Dr Ken Thomson (convenor), Prof Jo-Anne Baird, Seán Hagney, Jane Handley, Dr Wendy Mayne, Jon Reid, David Swinney, Simon Hewitt, Stuart McKenna, Peter Bain, and Jennifer Davies. .

The number of meetings held by the Board of Management and the committees in the reporting period are:

	No. of ordinary meetings held	No. of extraordinary meetings held
Board of Management	8	1
Audit	4	0
Performance	4	0
Qualifications	6	0
Advisory Council	4	1
Accreditation	4	0
Remuneration	3	0

Each committee provides an overview of business covered to the Board of Management on their activities at each meeting. Summaries can be found in the minutes published on SQA's website: <https://www.sqa.org.uk/sqa/138.2326.html>

## Assessment of corporate governance

SQA’s Board of Management reviews its performance annually and considers the implications of this assessment for improving its effectiveness. The Chair of SQA’s Board of Management undertakes annual appraisals with individual members of the Board. As part of the performance process, the Chair and Board members also discuss and evaluate the performance of the Board and its committees in fulfilling their statutory functions.

## Internal audit

SQA undertook a three-year plan for internal auditing, which ran from 2021 to 2024. The 2023–2024 audit plan was approved as part of this plan. The plan was subject to ongoing and annual review to ensure that it reflects changes in business requirements and takes account of any changes in SQA’s risk profile. The internal auditors continue to provide a clear and objective view of the effectiveness and efficiency of our business processes, and to monitor progress with the implementation of agreed actions to address areas for improvement. SQA is committed to continuous improvement and to the timely implementation of agreed audit actions.

Grant Thornton are currently appointed to fulfil internal audit functions and undertook a total of ten internal audits in 2023–24. Specifically, these were:

Audit	Conclusion
Finance systems income and receivables	Reasonable assurance with improvement required (one medium and three low rated findings)
Fixed assets and prepayments	Reasonable assurance with two low rated findings
Procurement and tendering	Reasonable assurance with four low rated findings
Smarter Working arrangements	Reasonable assurance with two low rated findings
User engagement (learners, parents and teachers)	Partial assurance with improvement required (two medium and one low rated findings)
IT strategy	Reasonable assurance with six low rated findings
Network management	Partial assurance with improvement required (one high and five medium rated findings)
Third-party risk management (renamed external IT systems governance)	Partial assurance with improvement required (five medium and two low rated findings)
Qualifications Development management information	Reasonable assurance with improvement required (one medium and two low rated findings)
Management of QDS contracts	Partial assurance with improvement required (two medium and three low rated findings)
Whistleblowing (part of the 2024–25 internal audit plan)	Reasonable assurance with improvement required (one medium, four low and one Improvement)



In addition, follow-up reviews to assess the extent to which management has implemented agreed audit actions were undertaken.

As well as this outsourced audit activity, SQA has an in-house ISO audit programme operated by trained staff. The in-house auditors conducted seven audits relating to ISO 27001 (Information Security) and three audits relating to ISO9001 (Quality Management Systems) during 2023–24.

## **Internal controls**

The Finance and Corporate Services Directorate supports SQA directors in their responsibility for ensuring that appropriate internal controls are applied within their directorates. Key controls include:

- a robust corporate planning and performance framework to ensure the economical and effective use of resources
- operation of an effective risk management framework
- compliance with applicable policies, procedures, laws, and regulations
- safeguards against losses, including those arising from fraud, irregularity or corruption
- mechanisms to ensure the integrity and reliability of information and data

The internal control statement for 2021–22 highlighted a compliance issue raised in correspondence from Ofqual and Qualifications Wales in early 2022. The issue concerned compliance requirements regarding centre malpractice cases from 2018–19, and activity planned to address these requirements.

During 2023–24, Ofqual's investigation into historic malpractice cases was ongoing. As of August 2024, Ofqual has concluded its investigation into malpractice cases and on 15th October 2024 published its findings [here](#).

## **Planning and performance framework**

The SQA Corporate Plan originally covered the period from April 2020 to March 2023, and was developed by the SQA Board and EMT, in line with ministerial guidance. It has been developed to align with Scotland's National Performance Framework (NPF). The Corporate Plan was extended for a year (to March 2024) following the Scottish Government's announcement that SQA would be replaced by a new qualifications body in 2025 as part of wider education reform.

SQA's Corporate Performance Framework consists of a set of outcomes supported by a series of deliverables. These have been identified as the key corporate activities that we will prioritise in the year ahead.

The corporate plan informs the development of separate business plans for each financial year between corporate plans. The Board of Management approved the 2023–24 business plan in March 2023. The business plan includes key deliverables, targets, milestones and indicators for the year immediately ahead, aligned to the NPF, and linked to budgeting information so that resources have been allocated to achieve specific deliverables.

The organisation's business areas have prepared detailed yearly operational plans, including financial plans which underpin the published Corporate Plan and associated business plans.

Progress towards our Outcomes is subject to review by the Performance Committee through Quarterly Performance Reports. The Performance Committee reviews progress and reports any matters of interest to the Board of Management for their consideration.

Of the 15 deliverables we identified in 2023–24, some are a continuation from last year, while some new ones have been added as we continue to adapt and deploy new and innovative ways to deliver for all our customers. It has never been more important to ensure we focus on the right things so that we can continue to deliver what matters most, while working with others to shape the changes that lie ahead.

## **Programme management**

SQA continues to review projects based on its overall business priorities. This is achieved by having a single approval process and governance framework. Resources and budgets are managed and allocated using this approach. This ensures that resources are focused on the correct business outcomes. Programmes and projects are governed within the SQA Project Portfolio, the board of which is made up of EMT and supporting functions. Key elements of the Project Portfolio report to the Performance Committee and the Board as part of the Quarterly Reporting Pack. Additional external assurance is provided by the Digital Assurance Office (DAO), where this is required in delivering major programmes within SQA.

## **Risk management**

As recognised on page 10 of the performance report, SQA operates a risk management strategy in accordance with guidance issued by Scottish ministers. This follows the general principles set out in the Scottish Public Finance Manual.

Significant risks facing SQA are listed in **Key issues and risks** on page 8 of the performance report. To confront and mitigate these, SQA has a risk, opportunity and issues management framework. This is kept under review by the Board, the Audit Committee, the Finance and Performance Group, the Risk and Opportunity Group and our internal auditors. The risk, opportunity and issues management policy was last reviewed in March 2024.

Risks, opportunities and issues are identified, reported on, and monitored according to this framework. Each quarter, the Risk and Opportunity Group, EMT, and Audit Committee review the register of strategic risks and mitigating actions. There are operational risk, opportunities and issues registers within SQA business areas, projects, and programmes. These risks are reviewed regularly by local managers, and centrally, to determine whether any need to be escalated to the Risk and Opportunity group and EMT for inclusion in the Corporate Risk Register. This, in turn, is reviewed by the Audit Committee and escalated to the Board, if appropriate. This review process is informed by risk appetite and risk, opportunities and issues ratings which, when combined, suggest the required treatment.

SQA's Board of Management undertakes a strategic risk workshop to consider existing risks and new threats that the organisation may face in the future. We refer to this as 'horizon scanning' and ensure a holistic approach is adopted which considers aspects of both risk management and business continuity when considering strategic decisions.

During 2023–24 the SQA Corporate Risk Register continued to reflect the principal areas of risk for the organisation, to ensure successful delivery of our wide range of qualifications. It also reflects the impact of the education reform announced in June 2021 which will lead to SQA's replacement.

As part of its wider risk management framework, SQA has continued to develop its arrangements for the management of business continuity (BC). SQA has a full business continuity management system (BCMS) validation programme that includes regular maintenance of plans, exercises and reviews. Work within the IT area of our Change Programme continues, with the aim of ensuring robust resilience for our systems, and a proven disaster recovery solution in our mission critical services.

On 31 October 2023 we carried out director training as part of a rolling schedule of business continuity training. This was delivered by a third-party provider and focused on a third-party supplier failure scenario. We considered the threats, worked through impacts and assessments, and directors took part in a related scenario, which included exercising their understanding of both the Strategic Team and Incident Management Team (IMT) plans.

In 2023–24 we delivered a comprehensive business continuity training and awareness programme to all staff who have a role and responsibility in BC. IMT lead staff were trained in March 2024 by our third-party provider Inverroy, who provide crisis management fundamentals training in the managing of incidents.

## **Compliance with policies, procedures, laws, and regulations**

SQA has structures in place that provide assurance of the existence and regular review of controls. Each policy has an assigned policy owner and author, and all policies are maintained in a comprehensive policy register. We undertake comprehensive policy and practice reviews and ensure that associated equality impact assessments are published on our [website](#).

The Executive Management Team seeks legal advice where appropriate to support the achievement of SQA's objectives in a manner that complies with legal requirements and the effective management of legal risk.

SQA has a dedicated Procurement Team, which advises SQA on procurement contract arrangements and provides guidance in terms of compliance with emerging changes to procurement rules from the Scottish Government. This provides a controlled and streamlined environment to support both compliance with relevant legislation and SQA's financial regulations.

## **Safeguards against losses**

SQA uses a fraud risk assessment during its review of internal controls, which is a long-standing practice within the organisation, to provide additional support to its financial and fraud controls.

As with 2022–23, there were no instances of suspected financial irregularity identified in 2023–24 against SQA. One matter identified in 2022–23 via a centre malpractice investigation identified potential financial irregularity against third parties out with the scope

of SQA's responsibilities. Following consideration by the Fraud Response Group this matter has been referred to the relevant authorities for further investigation.

## **Integrity and reliability of information and data**

SQA has in place an information governance framework to enable compliance with relevant statutory obligations. The policies and processes within the framework aim to support the effective management and secure use of information.

Our Information Security Policy makes clear the controls necessary to protect information and information systems, as well as highlighting the responsibilities of users. Our Data Protection Policy makes clear the requirements of data protection legislation to ensure that our processing of personal data respects data protection principles. These and other information governance policies support the management of information across SQA.

SQA's Privacy Impact Review Group (PIRG) reviews data protection impact assessments (DPIAs) to ensure that any risks have been identified, along with appropriate mitigating actions, before confirming work can progress. DPIAs are used for new or changed systems, projects, contracts, policies, processes and programmes that include or have an impact on the processing of personal data.

Data sharing arrangements are in place where required.

## **Data Governance**

SQA is an organisation driven by its data, and to be successful our data must be well understood, managed and of good quality. Data governance is a proactive way of managing data and supports the business to achieve its strategy and vision. It outlines and enforces:

- planning of roles, responsibilities and actions
- defined roles and processes for decision making
- accountability for decisions and actions

The Director of Business Systems is the 'Data Governance Sponsor'. Heads of service who are responsible for managing our main data entities are represented at the Data Governance Strategic Group.

The remit of the group is to:

- drive data governance awareness and culture change within the organisation
- provide strategic direction and oversee policy, issues and communication
- act as final decision-making authority
- review execution of prior data decisions (and the related project activities)
- hold business and IT areas accountable
- resolve business policy and organisational issues relating to data based on recommendations from other data governance groups
- approve requests/initiatives. This may include approval of resources, funding, etc
- co-exist with other strategic groups
- collate critical data elements

## **Efficiency, effectiveness and economy**

SQA is committed to ensuring that arrangements are in place that will lead to an economical, efficient, and effective use of the organisation's resources. The efficiency agenda forms part of SQA's annual planning and budgeting process, and efficiency savings that are measurable and sustainable are identified, budgeted, and monitored throughout the financial year. By continuing to embed a culture of efficiency, continuous improvement, and best value across the organisation, SQA plans to make savings that continue to support the Scottish Government's efficiency agenda in this financial year. No reductions in outputs or quality of service are expected as a result of this.

## **Review of effectiveness**

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- Certificates of Assurance signed by each director who reviews the internal control checklists and certificates of assurance completed and signed by heads of service in their directorates
- the senior management within the organisation, who have responsibility for the development and maintenance of the internal control framework
- the work of the internal auditors, who submit regular reports to the SQA's Audit Committee which include an independent and objective opinion on the adequacy and effectiveness of the organisation's systems of internal control, together with recommendations for improvement
- Grant Thornton's internal audit opinion, which gives reasonable assurance
- comments made by the external auditors in their management letters and other reports

I have been advised in my review of the effectiveness of the system of internal control by the Board of Management and the Audit Committee.

I have concluded that the internal control system is operating effectively and that appropriate action plans are in place to address any weaknesses identified and to ensure the continuous improvement of the system.

# Remuneration and Staff Report

## SQA's staff

SQA's Executive Team is responsible for the management of the business. The Chief Executive is appointed by a non-executive board, subject to approval of Scottish Ministers. The Chief Executive's contract, as agreed with the Scottish Government, is a separate contract, with a notice period of six months. Other members of the Executive Team are employed on standard SQA contracts of employment, with a notice period of three months. The names and roles of these directors are given on page 55.

The remuneration for the Chief Executive is determined by SQA's Remuneration Committee in conjunction with the Scottish Government's Pay Policy Unit and SQA Sponsorship Team.

The remuneration of other members of the Executive Team is determined by the organisation complying with Scottish Government pay policy and guidance to ensure affordability. The remuneration of all other members of staff is also determined by the organisation, in conjunction with the trade unions, complying with Scottish Government pay policy and guidance to ensure affordability.

## Pension provision

Pension benefits are provided through the Local Government Pension Scheme (LGPS), administered by Strathclyde Pension Fund and the Scottish Teachers' Superannuation Scheme (STSS), administered by the Scottish Public Pensions Agency (SPPA). Both schemes are career average schemes (as of 1 April 2015). Employee contributions are based on actual pay as at 1 April for both the LGPS and STSS (see below). For 2023–24, employer's contributions of £7,901,348.25 were payable in total. These contributions were based on 19.3% for LGPS pensionable pay, and 23% for STSS.

Further details about the LGPS and SPPA arrangements can be found on their websites [www.lgps.org.uk](http://www.lgps.org.uk) and [pensions.gov.scot](http://pensions.gov.scot).

### Strathclyde Pension Fund contribution rates 2023–24

Pay tranche	Contribution rate paid on that tranche
Up to and including £25,300	5.50%
Above £25,301 and up to £31,000	7.25%
Above £31,001 and up to £42,500	8.50%
Above £42,501 and up to £56,600	9.50%
Above £56,601	12.00%

## **Scottish Teachers Superannuation Scheme contribution rates 2023–24**

<b>Full-time equivalent pensionable pay</b>	<b>Contribution rate</b>
Up to and including £32,133	7.2%
£32,134–£43,257	8.7%
£43,258–£51,291	9.7%
£51,292–£67,975	10.4%
£67,976–£92,693	11.5%
£92,694 and above	11.9%

## **SQA’s Non-Executive Board**

Members of SQA’s Board of Management, with the exception of the Chief Executive, are appointed by Scottish Ministers for a fixed period, normally four years.

The members of the Board are appointed by Scottish Ministers and come from a range of backgrounds from the public and private sectors including a number from within Scottish education. Board members are paid a monthly fee on the basis of their duties, which are set and reviewed annually by the Scottish Government (effective 1 April). The Chairman’s level of remuneration is set and reviewed annually by the Scottish Government (effective 1 April).

## **Remuneration Committee**

The Remuneration Committee sets the annual performance plan for the Chief Executive and recommends an annual pay award and bonus, where relevant, to the Scottish Government. The Committee meets a minimum of once a year. The members of the Committee during 2023–24 were:

David Middleton — SQA Chair and Convener of the Remuneration Committee (until 30 November 2023)

Shirley Rogers — SQA Chair and Convener of the Remuneration Committee (from 1 December 2023)

Grahame Smith — SQA Board Member and Member of the Remuneration Committee

Anna Davis — SQA Board Member and Member of the Remuneration Committee

Fiona Robertson — SQA Chief Executive and Officer of the Remuneration Committee

Dawnne Mahmoud — SQA Director of People and Officer of the Remuneration Committee

## Disclosure of remuneration

The salary and pension entitlements earned during the year by SQA's senior staff in the roles noted are shown in the tables that follow.

This section of the Remuneration Report is subject to audit.

	2023–24			2022–23		
	Salaries and other payments	Pension accrued in year	Total	Salaries and other payments	Pension accrued in year restated	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Chair</b>						
David Middleton <sup>1</sup>	15–20	–	15–20	25–30	–	25–30
Shirley Rogers <sup>2</sup>	5–10	–	5–10	–	–	–
<b>Chief Executive</b>						
Fiona Robertson	135–140	63	195–200	130–135	46	180–185
<b>Non-Executive Board Members</b>						
Anna Davis	5–10	–	5–10	5–10	–	5–10
Seán Hagney	5–10	–	5–10	5–10	–	5–10
Jane Handley	5–10	–	5–10	5–10	–	5–10
Dr Wendy Mayne	5–10	–	5–10	5–10	–	5–10
Hamish McKay	–	–	–	0–5	–	0–5
Grahame Smith	5–10	–	5–10	5–10	–	5–10
Prof. Ken Thomson	5–10	–	5–10	5–10	–	5–10
Michelle Wailes	5–10	–	5–10	0–5	–	0–5
<b>Directors</b>						
Michael Baxter	100–105	45	145–150	95–100	33	130–135
Elizabeth Black	–	–	–	10–15	–	10–15
Jean Blair	105–110	121	225–230	100–105	74	175–180
John Booth	100–105	39	135–140	90–95	38	130–135
Martin Campbell	105–110	58	165–170	65–70	32	100–105
Lee Downie	–	–	–	40–45	21	65–70
Margaret Farragher	–	–	–	35–40	–	35–40
Dawne Mahmoud	105–110	45	150–155	95–100	33	130–135
Elizabeth McGrath	95–100	61	155–160	50–55	130	180–185
John McMorris	105–110	148	250–260	100–105	52	150–155
Dr Gill Stewart	115–120	144	260–265	110–115	89	200–205
Martyn Ware	95–100	65	160–165	20–25	159	180–185

The total emolument of all directors, non-executive directors and the chair was £1,356,000 (2023: £1,234,000)



No benefits in kind were paid in 2022–23 or 2023–24.

There were no bonuses paid in 2023–24.

<sup>1</sup> David Middleton’s term of appointment ended on 30.11.2023. Their full year equivalent salary was £25–30k.

<sup>2</sup> Shirley Rogers commenced employment with SQA on 01.12.2023. Their full year equivalent salary was £25–30k.

	<b>2023–24</b>	<b>2022–23</b>
Band of highest paid director’s total remuneration and % increase	£135–£140k 3.8%	£130–£135k –
Average % increase of all employees	6.5%	5.9%

	<b>2023–24</b>			<b>2022–23</b>		
Percentile pay*	25th	Median	75th	25th	Median	75th
	£29,095	£39,741	£48,481	£27,295	£37,580	£45,845
Ratios**	4.73	3.46	2.84	4.85	3.53	2.89
Staff pay range	from £22,608 to £135–£140k			from £20,808 to £130–£135k		

\* Percentile pay gives the remuneration of the employee who falls at the quarter, middle and three quarter points of the SQA pay bands (excluding the highest paid employee).

\*\* These figures give the ratio of the given percentile pay to the remuneration of the highest paid director. The reduction in these pay ratios is due to the increase in the pay band of the highest paid director being lower than the average increase in the remuneration for the remaining workforce in line with Public Sector Pay Policy.

The pension entitlements earned during the year by SQA's senior staff in the roles noted are as follows:

	<b>Pensions entitlement earned 2023–24</b>						
	<b>Real increase in pension</b>	<b>Real increase in lump sum</b>	<b>Total accrued pension at 31 March 2024</b>	<b>Total accrued lump sum at 31 March 2024</b>	<b>Cash equivalent transfer value at 31 March 2023</b>	<b>Cash equivalent transfer value at 31 March 2024</b>	<b>Real increase in cash equivalent transfer value</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Chief Executive</b>							
Fiona Robertson	2.5–5	0–2.5	60–65	0–5	147	210	63
<b>Directors</b>							
Michael Baxter	2.5–5	0–2.5	45–50	0–5	96	141	45
Jean Blair	5–7.5	5–7.5	120–125	70–75	906	1,109	203
John Booth	0–2.5	0–2.5	35–40	0–5	48	84	36
Martin Campbell	2.5–5	0–2.5	55–60	0–5	106	151	45
Dawnne Mahmoud	2.5–5	0–2.5	40–45	0–5	96	153	57
Elizabeth McGrath	2.5–5	0–2.5	60–65	10–15	376	476	100
John McMorris	7.5–10	0–2.5	145–150	5–10	431	579	148
Dr Gill Stewart	5–7.5	5–7.5	140–145	95–100	1,118	1,306	188
Martyn Ware	2.5–5	2.5–5	65–70	25–30	506	637	131

**Pensions entitlement earned 2022–23**

	<b>Real increase in pension £'000</b>	<b>Real increase in lump sum £'000</b>	<b>Total accrued pension at 31 March 2023 £'000</b>	<b>Total accrued lump sum at 31 March 2023 £'000</b>	<b>Cash equivalent transfer value at 31 March 2022 £'000</b>	<b>Cash equivalent transfer value at 31 March 2023 £'000</b>	<b>Real increase in cash equivalent transfer value £'000</b>
<b>Chief Executive</b>							
Fiona Robertson	2.5–5	0–2.5	45–50	0–5	91	147	56
<b>Directors</b>							
Michael Baxter	0–2.5	0–2.5	30–35	0–5	55	96	41
Jean Blair	2.5–5	2.5–5	70–75	65–70	797	906	109
John Booth	0–2.5	0–2.5	35–40	0–5	17	48	31
Martin Campbell	0–2.5	0–2.5	30–35	0–5	71	106	35
Lee Downie	0–2.5	2.5–5	20–25	0–5	124	142	18
Dawnne Mahmoud	0–2.5	0–2.5	30–35	0–5	52	96	44
Elizabeth McGrath	5–7.5	2.5–5	125–130	10–15	331	376	45
John McMorris	2.5–5	0–2.5	50–55	5–10	357	431	74
Dr Gill Stewart	2.5–5	2.5–5	85–90	90–95	984	1,118	134
Martyn Ware	5–7.5	7.5–10	155–160	25–30	367	506	139

The Chief Executive and all the directors are ordinary members of the Strathclyde Pension Fund.

## Staff Report

Number of senior staff (or equivalent) by band:

Grade	2023–24	2022–23
	Number of staff	Number of staff
Chief executive	1	1
Director	9	9
Head of service	42	37

Staff costs comprise:

	Executive Board Members	Non-Executive Members	Permanently employed staff	Others	2023–24 Total	2022–23 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	1,085	64	42,376	2,237	45,762	39,878
Social security costs	137	2	4,476	–	4,615	4,035
Other pension costs	206	–	7,733	–	7,939	16,613
Severance and compensation	–	–	–	–	–	–
<b>Sub-total</b>	1,428	66	54,585	2,237	58,316	60,526
Less recoveries in respect of outward secondments	–	–	–	–	–	–
<b>Total net costs</b>	1,428	66	54,585	2,237	58,316	60,526

Included within wages and salaries are additional costs in relation to capitalised salary costs of £491,000 (2023: £186,000).

### Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows:

	Permanent Staff	Others	2023–24 Total	2022–23 Total
Awarding and related activities	983	78	1,061	1,010
Accreditation	20	–	20	20
<b>Total</b>	1,003	78	1,081	1,030

## Staff Composition

Our staff composition as at 31 March each year was as follows:

Grade	2024			2023		
	Male	Female	Total	Male	Female	Total
Chief Executive	–	1	1	–	1	1
Directors	5	4	9	5	4	9
Non-Executive Board Members	3	5	8	5	4	9
Senior employees	22	20	42	21	16	37
Other	393	677	1,070	375	638	1013
Total Headcount	423	707	1,130	406	663	1,069

## Absence and turnover

The work-life balance, and health and wellbeing of our employees is important to us, and to that end we provide a range of staff assistance and wellbeing programmes, such as an employee assistance programme, occupational health, eye-care support, health plans, and flexible working arrangements, including special leave and additional leave to support employees and their families.

Our absence rate in the year 2023–24 was 3.76%. This rate has decreased over the last financial year (2022–23: 3.93%; 2021–22: 3.68%). We track our absence level against a public sector benchmark of 4.60%.

Our turnover rate in the year 2023–24 was 6.34%. The rate has decreased since the last financial year (2022–23: 8.88%; 2021–22: 5.47%). We track our turnover level against a public sector benchmark of 14.60%.

Our absence and turnover rates remain below the public sector benchmark.

## Flexibility

SQA understands the benefits of flexible working practices for the organisation and its employees and is committed to supporting work-life balance through support for flexible working arrangements for staff. It is part of our commitment to the Fair Work Framework, which we signed up to in 2016.

Flexible working gives employees more options about how long, where and when they work. At the end of 2023–24, 31.53% of our organisation were on flexible working contracts. Over the past two years this figure has increased by 4.73%

## Staff policies applied

SQA continues to be a recognised Disability Confident Employer at Level 3 (Disability Confident Leader).

This means that the organisation has made a commitment to:

- actively look to attract and recruit disabled people

- provide a fully inclusive and accessible recruitment process
- offer an interview to disabled people who meet the minimum criteria for the job
- be flexible when assessing people so disabled applicants have the best opportunity to demonstrate that they can do the job
- make reasonable adjustments as required
- encourage our suppliers to be Disability Confident
- ensure employees have sufficient disability equality awareness
- promote a culture of being Disability Confident
- support our employees in managing their disabilities or health conditions
- ensure there are no barriers to development and progression of disabled staff members
- ensure managers are aware of how they can support staff who are sick or absent from work
- value and listen to feedback from disabled staff members

SQA has a recruitment policy that sets out the policy and procedure to be followed to ensure that we have a consistent approach to recruitment, and that all appointments are consistent with SQA's obligations as an employer under current legislation and in accordance with current HR best practice.

A learning and development policy is also in place that sets out how SQA will provide development for all employees to support them in delivering their operational objectives and in their career development.

SQA offers employees and their families an employee assistance programme through a confidential helpline which is open 365 days a year, 24 hours a day. Counselling is provided in a range of matters.

SQA offers an occupational health service which provides staff with medical advice to support them in resolving any medical issues which are affecting their work and career. This service is provided by an independent organisation and can be accessed either by a management or self-referral if an individual is absent from work on a long-term or intermittent short-term basis.

Occupational health will identify any assistance or modifications which may be necessary to help an employee to either return to work or continue to work effectively.

An attendance management policy is in place which includes SQA's approach to supporting employees during a period of sickness absence. This policy outlines SQA's duty to make reasonable adjustments to the workplace, workstation or working environment.

## **Other employee matters**

SQA's gender pay gap as at November 2023 was 4.9% (that is, average hourly female salary was 95.1% of average hourly male salary). This is lower than Scotland's overall median gender pay gap of 10.9%.

This is the fourth year in a row there has been a decrease in the mean gender pay gap — it is down by 0.4% from 5.3% last year, and there is a 2.1% decrease over the four-year period since 2020.

The Equal Pay Audit will be published internally this year. Data for 2024 will be published externally as part of SQA's Equality Mainstreaming Report in April 2025.

Our talent management approach applies to all employees, from candidacy to exit, and is underpinned by our corporate values. Workforce and succession planning are part of this approach. Succession plans have been developed for senior posts and our planning and processes in this area have been internally audited.

Scottish Government's announcement of the replacement of SQA means that workforce planning processes have to take particular consideration of the following financial year's capacity and capability requirements. The time horizon in planning respects has increased from one year to three years to align with corporate and operational planning activity. These plans were shared with the finance teams to support financial planning for 2024–25. The sessions took place in September, and budget submissions were made in November 2023.

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

Employees are kept informed about the organisation, its people and business through a variety of channels which include corporate communications and Meet EMT events, the staff intranet and social media streams.

There is a recognition agreement in place which sets out how SQA will consult and negotiate with our recognised trades unions (more detail in the following section). Staff also participate in staff surveys, task groups and project teams which contribute to the delivery of the Corporate Plan and departmental operational plans.

SQA is committed to ensuring equality of opportunity in access to and selection for learning and development activities. These are detailed in individual and team development needs identified through the MyReview process aligned to our core purpose and strategic objectives.

The last annual People Survey was carried out from 10 Oct to 4 Nov 2022 to take an in-depth sounding of staff opinion. The new SQA Colleague Engagement Survey took place from 1–15 May 2024, and this will now take place three times a year.

All full and part time staff on non-standard contracts have access to learning and development as appropriate for successful performance in their respective roles.

### **Trade unions**

We recognise the importance of good industrial relations and effective communication with all our colleagues. SQA recognises two trade unions: Unite and Unison. SQA and the trades unions continue to have open and honest communication and if there are issues these get resolved at the earliest opportunity. We also work collaboratively on several important matters of mutual interest, including policy review, driving diversity and inclusion, and planning our resources in response to changing circumstances and demands on the organisation. We are entering a period of significant change for SQA and therefore our

relationship with the trade unions and how we work collaboratively could not be more important. We will be working closely with the trade unions to develop methods of communication to ensure all colleagues feel connected to the organisation and their teams in these times of change.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. There are significant benefits to both employers and employees when organisations and unions work together effectively. SQA collates data on the total number of relevant union officials we employ, their working hours spent on facility time for trade union duties, and any paid time for trade union activities. The information required by the regulations are disclosed in the table below:

#### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	15
Full-time equivalent employee number	14.6

#### **Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	7
1%–50%	8
51%–99%	–
100%	–

#### **Percentage of pay bill spent on facility time**

Total cost of facility time	£38,901
Total pay bill	£58.316 million
Percentage of total pay bill spent on facility time	0.07%

#### **Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time	14.17%
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#### **Consultancy**

Consultancy for 2023–24 was £75,000 (2022–23 £83,000). Further details in relation to this can be found in the Public Services Reform (Scotland) Act 2010 information published on our website.

#### **Exit packages**

There were no exit packages during 2023–24.



# Parliamentary and Accountability Report

## Fees and charges

SQA receives the bulk of its income in charges for the delivery of its products and services. SQA charged £49.9m in 2023–24 (2022–23 £49.1m).

Income collected from fees to central government bodies, local authorities, colleges, employers, training providers, and overseas customers is as follows:

<b>Income</b>	<b>2023–24</b>	<b>2022–23</b>
	<b>£'000</b>	<b>£'000</b>
Entry charges*	40,458	41,037
Other income**	9,501	8,047
<b>Total fees</b>	<b>49,959</b>	<b>49,084</b>

\*Entry charge fees are invoiced for candidate entries made through our award processing system. These are mainly in relation to National Qualifications, Vocational Qualifications and Higher National qualifications. National Qualifications are charged to local authorities in the form of an annual levy which is not tied directly to the number of entries or the costs of certification. In agreement with Scottish Government this fee level has remained unchanged since 2012–13.

\*\*Other income is mainly from fees charged in relation to contract services, award development fees, and international consultancy income.

## Losses and special payments

The Statement of Comprehensive Net Expenditure includes losses in relation to irrecoverable debt of £26k (previous year £18k). The bad debt provision of £559k (previous year £431k) is disclosed in note 11.

## Remote contingent liabilities

There were no contingent liabilities at 31 March 2024 which require disclosure under IAS 37 or the Scottish Public Finance Manual.

*Fiona Robertson*

**Fiona Robertson**

**Accountable Officer and Chief Executive**

**Scottish Qualifications Authority**

**29 November 2024**

# **Independent auditor’s report to the members of Scottish Qualifications Authority, 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 Scottish Qualifications Authority for the year ended 31 March 2024 under the Education (Scotland) Act 1996. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers’ Equity and notes to the financial statements, including material accounting policy information. 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 2023/24 Government Financial Reporting Manual (the 2023/24 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 2024 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 2023/24 FReM; and
- have been prepared in accordance with the requirements of the Education (Scotland) Act 1996 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 3 April 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 separate 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 assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and 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 Education (Scotland) Act 1996 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.

### **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 Education (Scotland) Act 1996 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 Education (Scotland) Act 1996 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 Education (Scotland) Act 1996 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.

*Michael Oliphant*

Michael Oliphant FCPFA

Audit Scotland  
4th Floor  
102 West Port  
Edinburgh  
EH3 9DN

29 November 2024

# C: Accounts 2023–24

## Statement of comprehensive net expenditure

for the year ended 31 March 2024

	Note	2023–24 £'000	2022–23 £'000
<b>Expenditure</b>			
Staff costs	3	57,825	60,340
Depreciation and amortisation charges	8(ii)	3,787	4,358
Other expenditures	4	45,467	41,560
Tax	4	462	440
		<hr/>	<hr/>
		107,541	106,698
<b>Income</b>			
Entry charges	5	40,458	41,037
Other income	6	9,501	8,047
		<hr/>	<hr/>
		49,959	49,084
<b>Net expenditure</b>		(57,582)	(57,614)
Interest payable	7	19	(639)
		<hr/>	<hr/>
<b>Net expenditure after interest</b>		(57,563)	(58,253)
<b>Other comprehensive net expenditure:</b>			
Actuarial gain/(loss) on defined benefit pension scheme	18	(436)	29,393
		<hr/>	<hr/>
<b>Total comprehensive net expenditure for the year</b>		<b>(57,999)</b>	<b>(28,860)</b>

The notes on pages 88–111 form part of these accounts.

## Statement of financial position

as at 31 March 2024

	Note	31 March 2024 £'000	31 March 2023 £'000 (Restated)*
<b>Non-current assets</b>			
Property, plant and equipment	8(i)	27,288	29,435
Intangible assets	9	6,049	5,898
Trade and other receivables	11	68	14
Defined benefit asset	18	-	446
<b>Total non-current assets</b>		<b>33,405</b>	<b>35,793</b>
<b>Current assets</b>			
Trade and other receivables	11	24,613	25,183
Cash and cash equivalents	12	9,581	6,336
<b>Total current assets</b>		<b>34,194</b>	<b>31,519</b>
<b>Total assets</b>		<b>67,599</b>	<b>67,312</b>
<b>Current liabilities</b>			
Trade and other payables	13	(14,560)	(11,608)
Right of use of asset Lease	13	(2,719)	(2,719)
<b>Total current liabilities</b>		<b>(17,279)</b>	<b>(14,327)</b>
<b>Non-current assets plus net current assets</b>		<b>50,320</b>	<b>52,985</b>
<b>Non-current liabilities</b>			
Trade and other payables	13	(310)	(328)
Right of use of asset Lease	13	(19,343)	(22,061)
Provisions for liabilities and charges	14	(355)	(367)
<b>Total non-current liabilities</b>		<b>(20,008)</b>	<b>(22,756)</b>
<b>Assets less liabilities</b>		<b>30,312</b>	<b>30,229</b>
<b>Taxpayers' equity</b>			
General reserve		28,504	27,671
Revaluation reserve		1,808	2,558
<b>Total taxpayers' equity</b>		<b>30,312</b>	<b>30,229</b>

\*Figures above have been restated to reduce the lease term for the Optima building by 1 year. This change is also reflected in the Statement of cash flows, note 8: Property plant and equipment, note 13: Trade and other payables and note 16: Commitment under leases.



The Accountable Officer authorised these financial statements for issue on 27 November 2024.

*Fiona Robertson*

**Fiona Robertson**  
**Accountable Officer and Chief Executive**  
**Scottish Qualifications Authority**

The notes on pages 88–111 form part of these accounts.

29 November 2024

## Statement of cash flows

for the year ended 31 March 2024

	Note	2023–24 £'000	2022–23 £'000
<b>Cash flows from operating activities</b>			(Restated)*
Net expenditure after interest		(57,563)	(58,253)
<b>Adjustments for non-cash items</b>			
Depreciation and amortisation	8(ii)	3,787	4,358
Notional Optima rent	4	2,370	2,316
Decrease in revaluation reserve		(750)	(1,285)
Revaluation of property, plant and equipment	8(i)	200	570
Revaluation of intangible assets	9	550	715
Decrease in defined benefit liability cost	18	10	10,260
<b>Movements in working capital</b>			
Decrease/(Increase) in trade and other receivables	11	516	(1,065)
Increase/(Decrease) in trade and other payables	13	216	3,709
<b>Movements in provisions and long-term liabilities</b>			
Increase/ (Decrease) in provisions	14	(12)	21,673
<b>Net cash inflow / (outflow) from operating activities</b>		<u>(50,676)</u>	<u>(17,002)</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	8(i)	(1,246)	(1,349)
Purchase of intangible assets	9	(1,296)	(690)
<b>Adjustments for non-cash items</b>			
Right of use — Asset Lease		-	(27,499)
<b>Net cash outflow from investing activities</b>		<u>(2,542)</u>	<u>(29,538)</u>
<b>Cash flows from financing activities</b>			
Scottish Government Grant-in-aid Funding	15	52,359	43,225
Scottish Government Programme Funding	15	1,562	1,428
Scottish Government Capital Funding	15	2,542	2,039
<b>Net financing</b>		<u>56,463</u>	<u>46,692</u>
<b>Net (decrease)/increase in cash and cash equivalents in the period</b>	12	3,245	152
<b>Cash and cash equivalents at the beginning of the period</b>	12	6,336	6,184
<b>Cash and cash equivalents at the end of the period</b>		<u>9,581</u>	<u>6,336</u>

\*Figures above have been restated to reduce the lease term for the Optima building by 1 year. This change is also reflected in the SOFP, note 8: Property plant and equipment, note 13: Trade and other payables and note 16: Commitment under leases.

The notes on pages 88–111 form part of these accounts.

## Statement of changes in taxpayers' equity

for the year ended 31 March 2024

	Note	Revaluation reserves £'000	General reserve £'000	Total reserves £'000
<b>Balance at 31 March 2022</b>		3,843	7,506	11,349
<b>Changes in taxpayers' equity for 2022–23</b>				
Net (gain) on revaluation of non-current assets		(1,285)	–	(1,285)
Actuarial gain/(loss)	18	–	29,393	29,393
Unfunded benefits paid	14	–	17	17
Notional funding		–	2,316	2,316
Net expenditure after interest		–	(58,253)	(58,253)
Total recognised income and expense for 2022–23		2,558	(19,021)	(16,463)
Scottish Government funding	15	–	46,692	46,692
<b>Balance at 31 March 2023</b>		2,558	27,671	30,229
<b>Changes in taxpayers' equity for 2023–24</b>				
Net gain / (loss) on revaluation of non-current assets		(750)	–	(750)
Actuarial gain/(loss)	18	–	(436)	(436)
Unfunded benefits paid	14	–	(1)	(1)
Notional funding		–	2,370	2,370
Net expenditure after interest		–	(57,563)	(57,563)
Total recognised income and expense for 2023–24		1,808	(27,959)	(26,151)
Scottish Government funding	15	–	56,463	56,463
Balance at 31 March 2024		1,808	28,504	30,312

The notes on pages 88–111 form part of these accounts.

# Notes to the accounts

## 1 Statement of accounting policies

The Financial Statements for the year ended 31 March 2024 have been prepared with the direction given by Scottish Ministers, in pursuance of Section 16 of the Education (Scotland) Act 1996.

The accounts have been prepared in accordance with the 2023–24 Government Financial Reporting Manual (FReM) issued by HM Treasury. Accounting policies set out in FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where FReM permits a choice of accounting policy, the policy judged by SQA for the purpose of giving a true and fair view has been used. Policies described below have been applied by SQA consistently in dealing with items considered material to the Accounts.

### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of non-current assets and, where material, current asset investments to fair value as determined by the relevant accounting standard.

### 1.2 Going concern

The Board of SQA has no reason to believe that future sponsorship and future ministerial approval will not be forthcoming or will provide only a reduced support to SQA. The Scottish Government recognises in the Budget Allocation and Monitoring Letter that SQA will require additional core grant-in-aid to meet operational costs in addition to that provided for in the 2024–25 Budget Bill. The Board has therefore considered it appropriate to adopt a going-concern basis for preparation of these financial statements.

The accounts have been prepared incorporating requirements of the accounting standard IAS 19 and include an actuarial valuation of pension scheme liability as explained in note 18 to the accounts.

To the extent that any pension deficit is not met from SQA's sources of income, it may only be met by future grant-in-aid from SQA's sponsoring department, the Scottish Government Learning Directorate. This is because, under normal conventions applying to parliamentary control over income and expenditure, such grants may not be paid to SQA in advance of need.

### 1.3 Property, plant and equipment

Leasehold building improvements (LBIs) represent the fit-out costs for the Optima Building, Glasgow and Lowden, Dalkeith, of which SQA is tenant. Depreciated historic cost has been used as a proxy for the current value as LBIs comprise lots of individual items of relatively low value in comparison to the overall total. The depreciation charge is calculated using a rate considered to provide a realistic reflection of consumption.

Depreciated historic cost has also been used as a proxy for the current value of information technology, motor vehicles, plant and machinery, and furniture and fittings. All the assets in these categories have:

- 1 low values or short useful economic lives which realistically reflect the life of the asset (or both); and
- 2 a depreciation charge which provides a realistic reflection of consumption.

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

Assets will have their useful life estimated throughout the period they remain in use and assets where additional or reduced life has been identified have been revalued to recognise their current value in use.

The threshold for capitalising assets is £3,000.

#### **1.4 Depreciation**

Depreciation is provided on property, plant, and equipment on a straight-line basis at rates sufficient to write down their cost, less estimated residual value, over their estimated useful lives. Depreciation periods for the principal categories of assets are:

Leasehold building improvements	Over the term of lease
Information technology	3 years
Motor vehicles	4 years
Plant and machinery	4–7 years
Furniture and fittings	4–7 years

Assets may continue in use beyond their initial estimated useful life. For these assets an estimation is made of the remaining useful life along with a subsequent adjustment to recognise remaining value in use.

Assets during construction are not depreciated until brought into use.

#### **1.5 Intangible assets**

Intangible assets are valued initially at cost and subsequently at fair value using the revaluation model.

Where an active market does not exist, income-generating assets are valued at lower of depreciated replacement cost and value-in-use. Non-income-generating assets are carried at depreciated replacement cost. These valuation methods are considered to be a proxy for fair value.

Future economic benefit has been used as the criterion in assessing whether an intangible asset meets the definition and recognition criteria of IAS 38 'Intangible Assets' where assets do not generate income. IAS 38 defines future economic benefit as revenue from sale of products or services, cost savings or other benefits resulting from use of the asset by the entity.

Intangible assets are amortised on a straight-line basis at rates sufficient to write down their cost, less estimated residual value, over their estimated useful lives. The amortisation periods for categories of intangible assets are:

Software	3 years
Web costs	3 years
Licences	3 years, unless the licence term specifies otherwise.

Assets are assessed at each year end as to whether there is any indication that an asset may be impaired.

Where indications of impairment exist and any differences are estimated to be material, the recoverable amount of the asset is estimated. If this is less than the carrying amount of the asset, an impairment loss is recognised for any shortfall.

Assets will have their useful life estimated throughout the period they remain in use and assets where additional or reduced life has been identified have been revalued to recognise their current value in use.

### **1.6 Income recognition**

Income from entry charges is derived from three types of core award: National Qualifications, Higher National Qualifications, and Vocational Qualifications.

For Nationals 1–5, Higher, and Advanced Higher qualifications, income is recognised based on the level of service provision that has been delivered by 31 March in the academic year. Income from HN and VQ entries is spread over the duration it takes the candidate to complete the group award.

Income from units that are not attached to a course or group award is recognised in the month of entry.

### **1.7 Foreign exchange**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. At year-end, monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at Statement of Financial Position date. Any gain or loss arising on the restatement of such balances is taken to the Statement of Comprehensive Net Expenditure.

### **1.8 Leases**

Following implementation on 01 April 2022 of IFRS 16, SQA recognises a right-of-use (RoU) asset at the 01 April 2022, measured initially at cost. This comprises initial amount of the lease liability adjusted for any lease payments made during the year.

The RoU asset is subsequently depreciated on a straight-line basis from commencement date over the shorter of useful life of the underlying asset and lease term. The RoU asset is reduced by any impairment losses and adjusted for certain remeasurements of the lease liability. SQA presents RoU assets within non-current assets in the Statement of Financial Position and the depreciation charge is recorded within Depreciation, amortisation and provisions in the SoCNE.

The lease liability recognised at the commencement date is measured initially at the present value of the lease payments that are not paid at that date.

There are no assets held under finance leases.

### **1.9 Financial instruments**

Financial instruments are recognised in the Statement of Financial Position when an obligation is identified and released as that obligation is fulfilled. Cash, debtors, and creditors are held at cost. As SQA's income is derived mainly from public sector organisations, it is not subject to any significant liquidity risk exposure. Any cash held on deposit is with highly rated banks and there is no significant interest-rate risk. SQA operates two bank accounts denominated in foreign currencies (Euro and US Dollar). Both are reconciled monthly, whereupon any gains or losses on their translation to GBP are taken to the SoCNE. Due to low value of balances held in these accounts there is no significant currency risk to SQA.

SQA undertakes several contracts on behalf of UK and overseas customers. While most of these contracts are with other government organisations, SQA's exposure to credit risk is increased due to the value of some of these contracts and the fact they are with overseas customers.

### **1.10 Grants receivable**

Government grants of both a revenue and capital nature are credited to General Reserve in the year to which they relate.

### **1.11 Provisions**

SQA has a requirement to meet any additional costs beyond normal pension scheme benefits in respect of employees who retire early. SQA provides in full for these costs when the early retirement has been agreed.

Other provisions for liabilities and charges are recognised in accordance with the criteria and measurement bases of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

### **1.12 Taxation**

SQA is eligible under s505 of the Income and Corporation Taxes Act 1988 to seek from HMRC exemption from taxes on income arising from the pursuit of its charitable objectives.

SQA suffers withholding tax, a tax deducted at source levied by overseas countries on interest, dividends, and Royalties to a person or organisation resident outside of that country, on income earned from overseas activities.

### **1.13 VAT**

Income is accounted for net of value added tax (VAT). Expenditure is shown net of VAT where the tax is recoverable.

### **1.14 Pensions**

All eligible employees are entitled to membership of the Local Government Pension Scheme (LGPS). Existing employees who are already members of the Scottish Government Teachers' Superannuation Scheme (STSS) are entitled to maintain their membership of that scheme. Employer's contributions to the STSS are accounted for as they fall due.

Employer's contributions to the LGPS are accounted for under the requirements of IAS 19 'Employee Benefits' (see note 18).

The accounts have been prepared to reflect the inclusion of liabilities falling due in future years in respect of pension liabilities arising from the application of IAS 19 to SQA. Hymans Robertson, the actuary to the pension scheme, has collated the information from the LGPS funds in which SQA participates, and has calculated the liability arising under IAS 19. The actuary to each of the LGPS funds in which SQA participates conducts a triennial review of the funding basis of the pension scheme, along with yearly reviews when appropriate. The last formal valuation of the funds was conducted as at 31 March 2023 and the next formal valuation is due at 31 March 2026. In preparing projected pension expense for the year to 31 March 2024, the actuary has assumed employees continue to earn new benefits in line with the regulations as they currently stand, and that pensionable payroll remains stable with new entrants replacing leavers.

### **1.15 Significant estimations and judgements**

Income adjustments are made to reflect, as accurately as possible, the income that should be matched to activity within the accounting period. We adjust for HN, VQ and NQ qualifications. In each case, length of the qualification, number of entries and price are used to calculate the relevant adjustment. In the case of NQ the adjustment is split between the levy charged to local authorities and charges made to other centres.

These adjustments follow our income recognition policy to ensure consistency in our approach. Each adjustment is made to ensure that the figures show a true and fair representation of the income from candidate entries in a particular financial year.

### **1.16 Changes in estimation techniques**

Estimation of the net liability to pay pensions depends on several complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries, commissioned by Strathclyde Pension Fund, is engaged to provide the Board with expert advice about the assumptions to be applied.

The effect on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% decrease in the discount rate assumption would result in an increase in the pension liability of £3.792m.

However, the assumptions interact in complex ways. During 2023–24, the actuaries advised that the remeasured net pension asset had increased by: £106.607m attributable to the updating of financial assumptions; had reduced by £2.223m attributable to changes in demographic assumptions; and had increased £2.327m due to other experience.

### **1.17 Impending application of newly issued accounting standards not yet effective**

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 changes become applicable.

There are no new standards deemed relevant for FY 2023–24.



## **2 Analysis of net expenditure by segment**

SQA's operations are currently organised into the following operating divisions:

### **Awarding and related activities**

SQA's principal activity is awarding, maintaining, and developing qualifications within the Scottish Credit and Qualifications Framework. Entry charge levels for Scotland are agreed with Scottish Government Ministers each year. Grant funding may be available for development work within this service block.

### **Accreditation and Education Reform activities**

Accreditation and Education Reform activities are grant funded by Scottish Government. These functions of SQA are separate from its awarding body role and as such require separate funding with no cross subsidy from awarding activities.

	<b>Awarding and related activities £'000</b>	<b>Accreditation  £'000</b>	<b>Education Reform activities  £'000</b>	<b>Total  £'000</b>
<b>2023–24</b>				
Staff costs	56,161	1,127	537	57,825
Depreciation	3,787	–	–	3,787
Other expenditures	45,369	98	–	45,467
Taxation	462	–	–	462
<b>Total expenditure</b>	<b>105,779</b>	<b>1,225</b>	<b>537</b>	<b>107,541</b>
Entry charges	40,458	–	–	40,458
Other income	9,501	–	–	9,501
Scottish Government funding	54,901	1,025	537	56,463
	<b>104,860</b>	<b>1,025</b>	<b>537</b>	<b>106,422</b>
Funding credited to reserves	(54,901)	(1,025)	(537)	(56,463)
<b>Total income</b>	<b>49,959</b>	<b>–</b>	<b>–</b>	<b>49,959</b>
<b>Net expenditure</b>	<b>(55,820)</b>	<b>(1,225)</b>	<b>(537)</b>	<b>(57,582)</b>
<b>2022–23</b>				
Staff costs	58,926	1,011	403	60,340
Depreciation	4,358	–	–	4,358
Other expenditures	41,467	93	–	41,560
Taxation	440	–	–	440
<b>Total expenditure</b>	<b>105,191</b>	<b>1,104</b>	<b>403</b>	<b>106,698</b>
Entry charges	41,037	–	–	41,037
Other income	8,047	–	–	8,047
Scottish Government funding	45,264	1,025	403	46,692
	<b>94,348</b>	<b>1,025</b>	<b>403</b>	<b>95,776</b>
Funding credited to reserves	(45,264)	(1,025)	(403)	(46,692)
<b>Total income</b>	<b>49,084</b>	<b>–</b>	<b>–</b>	<b>49,084</b>
<b>Net expenditure</b>	<b>(56,107)</b>	<b>(1,104)</b>	<b>(403)</b>	<b>(57,614)</b>

SQA's awarding and related activities are conducted across the UK and internationally. The chart of accounts and customer hierarchy enable reporting on geographical segments. However, as the value of these segments is under the reporting threshold this information is not disclosed.

### 3 Staff costs

	2023–24 £'000	2022–23 £'000
Wages and salaries	45,271	39,692
Social security costs	4,615	4,035
Other pension costs	7,939	16,613
Severance and compensation	–	–
<b>Sub-total</b>	<u>57,825</u>	<u>60,340</u>
Less recoveries in respect of outward secondments	–	–
<b>Total net costs</b>	<u>57,825</u>	<u>60,340</u>

In addition to staff costs recorded above there were capitalised salary costs of £491,000 (2023: £186,000).

Additional information on staff related costs are disclosed in Remuneration and Staff Report section of the Accountability Report (section B).

### 4 Other expenditures

	2023–24 £'000	2022–23 £'000
Appointee fees	15,954	14,589
IT costs	8,943	7,288
Business development specialists' fees and expenses	5,158	6,168
Property expenses	3,233	3,033
Appointee expenses and related cost	2,309	2,061
Postage and telephone	1,765	1,567
Miscellaneous	1,718	801
Appointee release compensation	1,611	1,387
PR, marketing and publications	1,493	1,475
Miscellaneous staff costs	440	672
Staff training	172	218
Staff travel	327	132
Staff subsistence	159	97
Catering for internal and examination procedures meetings	14	14
Staff related costs	<u>1,112</u>	<u>1,133</u>
Property rent and service	728	666

Equipment and supplies	676	561
Question paper production and printing	630	457
Corporation Tax	462	440
Assessment stationery and certificates	137	374
	<u>45,929</u>	<u>42,000</u>

Included within Miscellaneous is £68,523 (2023: £65,230) relating to External Audit fees.

	<b>2023-24</b>	<b>2022-23</b>
	<b>£'000</b>	<b>£'000</b>
<b>5 Entry charges</b>		
National Qualifications:		
National Courses and Units	30,218	30,744
	<u>30,218</u>	<u>30,744</u>
Higher National Qualifications	5,897	5,980
Scottish Vocational Qualifications	4,343	4,313
	<u>40,458</u>	<u>41,037</u>

## 6 Other income

Commercial testing services	8,358	7,116
Customised award charges	378	448
Consultancy, secondments and research	293	234
Replacement certificate charges	213	224
Miscellaneous income	114	(50)
Income from investments for unfunded pensions	108	18
Royalty income	37	57
	<u>9,501</u>	<u>8,047</u>

## 7 Interest payable

Finance cost of discounted SQA unfunded pensions provision	(9)	(6)
Pension provision cost (note 18)	28	(633)
	<u>19</u>	<u>(639)</u>

## 8 Property, plant and equipment

(i) a

	Leasehold building improvements £'000	Information technology £'000	Motor vehicles £'000	Plant and machinery £'000	Furniture and fittings £'000	Right of use Asset Lease £'000	Total £'000
<b>Cost or valuation</b>							
At 1 April 2023	7,065	3,060	75	165	1,558	27,499	39,422
Additions	–	1,075	–	8	163	–	1,246
Reclassifications	–	–	–	–	–	–	–
Disposals	–	–	(22)	–	–	–	(22)
Revaluation Adjustment	(239)	75	(2)	–	(35)	–	(201)
<b>At 31 March 2024</b>	<b>6,826</b>	<b>4,210</b>	<b>51</b>	<b>173</b>	<b>1,686</b>	<b>27,499</b>	<b>40,445</b>
<b>Depreciation</b>							
At 1 April 2023	4,759	1,868	65	108	468	2,719	9,987
Charged in year	175	359	–	12	306	2,718	3,570
Reclassifications	–	–	–	–	–	–	–
Disposals	–	–	(22)	–	–	–	(22)
Revaluation Adjustment	(175)	(183)	–	(1)	(19)	–	(378)
<b>At 31 March 2024</b>	<b>4,759</b>	<b>2,044</b>	<b>43</b>	<b>119</b>	<b>755</b>	<b>5,437</b>	<b>13,157</b>
<b>Net book value</b>							
<b>At 31 March 2024</b>	<b>2,067</b>	<b>2,166</b>	<b>8</b>	<b>54</b>	<b>931</b>	<b>22,062</b>	<b>27,288</b>
<b>At 31 March 2023</b>	<b>2,306</b>	<b>1,192</b>	<b>10</b>	<b>57</b>	<b>1,090</b>	<b>24,780</b>	<b>29,435</b>
<b>Asset financing:</b>							
Owned	2,067	2,166	8	54	931	–	5,226
Finance lease	–	–	–	–	–	22,062	22,062
<b>Net book value at 31 March 2024</b>	<b>2,067</b>	<b>2,166</b>	<b>8</b>	<b>54</b>	<b>931</b>	<b>22,062</b>	<b>27,288</b>

All capital additions in the year were financed by government funding.

	£'000 Leasehold building improvements	£'000 Information technology	£'000 Motor vehicles	£'000 Plant and machinery	£'000 Furniture and fittings	£'000 Right of use Asset Lease (Restat ed)*	£'000 Total
Cost or valuation							
At 1 April 2022	7,359	3,075	89	152	510	–	11,185
Additions	–	594	–	42	713	27,499	28,848
Reclassifications	–	22	–	–	284	–	306
Disposals	–	(347)	–	–	–	–	(347)
Revaluation Adjustment	(294)	(284)	(14)	(29)	51	–	(570)
<b>At 31 March 2023</b>	<b>7,065</b>	<b>3,060</b>	<b>75</b>	<b>165</b>	<b>1,558</b>	<b>27,499</b>	<b>39,422</b>
Depreciation							
At 1 April 2022	4,759	1,931	63	103	312	–	7,168
Charged in year	175	266	–	1	187	2,719	3,348
Reclassifications	–	–	–	–	–	–	–
Disposals	–	(347)	–	–	–	–	(347)
Revaluation Adjustment	(175)	18	2	4	(31)	–	(182)
<b>At 31 March 2023</b>	<b>4,759</b>	<b>1,868</b>	<b>65</b>	<b>108</b>	<b>468</b>	<b>2,719</b>	<b>9,987</b>
<b>Net book value</b>							
<b>At 31 March 2023</b>	<b>2,306</b>	<b>1,192</b>	<b>10</b>	<b>57</b>	<b>1,090</b>	<b>24,780</b>	<b>29,435</b>
<b>At 31 March 2022</b>	<b>2,600</b>	<b>1,144</b>	<b>26</b>	<b>49</b>	<b>197</b>	<b>–</b>	<b>4,016</b>
<b>Asset financing:</b>							
Owned	2,306	1,192	10	57	1,090	–	4,655
Finance lease	–	–	–	–	–	24,780	24,780
<b>Net book value at 31 March 2023</b>	<b>2,306</b>	<b>1,192</b>	<b>10</b>	<b>57</b>	<b>1,090</b>	<b>24,780</b>	<b>29,435</b>

All capital additions in the year were financed by government funding.

\*Figures above have been restated to reduce the lease term for the Optima building by 1 year. This change is also reflected in the SOFP, note 13: Trade and other payables and note 16: Commitment under leases.

(ii) Depreciation and amortisation charges

	<b>Note</b>	<b>2023–24 £'000</b>	<b>2022–23 £'000</b>
Depreciation charge for the year	8(i)	3,192	3,166
Amortisation and impairment charge for the year	9	595	1,192
<b>Total charge for the year</b>		<u>3,787</u>	<u>4,358</u>

## 9 Intangible assets

	Web costs £'000	Licences £'000	Software £'000	Assets under construction £'000	Total £'000
<b>Cost or valuation</b>					
At 1 April 2023	290	294	11,133	1,617	13,334
Additions	–	160	362	774	1,296
Reclassifications	–	–	–	–	–
Transfers	–	–	1,874	(1,874)	–
Revaluation adjustment	(8)	(19)	(523)	–	(550)
Disposals	–	–	–	–	–
<b>At 31 March 2024</b>	<b>282</b>	<b>435</b>	<b>12,846</b>	<b>517</b>	<b>14,080</b>
<b>Amortisation</b>					
At 1 April 2023	203	202	7,031	–	7,436
Charged in year	–	37	890	–	927
Revaluation adjustment	–	(14)	(318)	–	(332)
Disposals	–	–	–	–	–
<b>At 31 March 2024</b>	<b>203</b>	<b>225</b>	<b>7,603</b>	<b>–</b>	<b>8,031</b>
<b>Net book value</b>					
<b>At 31 March 2024</b>	<b>79</b>	<b>210</b>	<b>5,243</b>	<b>517</b>	<b>6,049</b>
<b>At 31 March 2023</b>	<b>87</b>	<b>92</b>	<b>4,102</b>	<b>1,617</b>	<b>5,898</b>
Externally generated	79	210	5,243	517	6,049

	Web costs £'000	Licences £'000	Software £'000	Assets under construction £'000	Total £'000
<b>Cost or valuation</b>					
At 1 April 2022	300	278	11,569	1,664	13,811
Additions	–	–	69	621	690
Reclassifications	–	–	–	–	–
Transfers	–	–	362	(668)	(306)
Revaluation adjustment	(10)	16	(721)	–	(715)
Disposals	–	–	(146)	–	(146)
<b>At 31 March 2023</b>	<b>290</b>	<b>294</b>	<b>11,133</b>	<b>1,617</b>	<b>13,334</b>
<b>Amortisation</b>					
At 1 April 2022	203	198	5,989	–	6,390
Charged in year	–	38	1,094	–	1,132
Revaluation Adjustment	–	(34)	94	–	60
Disposals	–	–	(146)	–	(146)
<b>At 31 March 2023</b>	<b>203</b>	<b>202</b>	<b>7,031</b>	<b>–</b>	<b>7,436</b>
<b>Net book value</b>					
<b>At 31 March 2023</b>	<b>87</b>	<b>92</b>	<b>4,102</b>	<b>1,617</b>	<b>5,898</b>
<b>At 31 March 2022</b>	<b>97</b>	<b>80</b>	<b>5,580</b>	<b>1,664</b>	<b>7,421</b>
Externally generated	87	92	4,102	1,617	5,898



## 10 Financial instruments

As any net cash requirements of SQA are met by Scottish Government through Grant in Aid, 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 SQA's expected purchase and usage requirements. SQA is therefore exposed to little credit, liquidity or market risk.

## 11 Trade and other receivables

	<b>31 March 2024 £'000</b>	<b>31 March 2023 £'000</b>
<b>Amounts falling due within one year:</b>		
Trade receivables	5,206	5,451
Other receivables	97	22
Accrued income	15,254	19,710
Prepayments	4,056	-
	<u>24,613</u>	<u>25,183</u>
<b>Amounts falling due after more than one year:</b>		
Prepayments and accrued income	68	14
	<u>68</u>	<u>14</u>

Included within trade receivables are the following intra-government balances:

Local authorities	56	57
NHS body	2	1
Other central government bodies	0	347
	<u>58</u>	<u>405</u>

Included within trade receivables is a bad debt provision of £559,000 (31 March 2023: £431,000). During the year, £26,000 of bad debt was written off (31 March 2023: £18,000). Included within other receivables are loans to staff (mainly travel pass loans) amounting to £1,000 (31 March 2023: £3,000).

## 12 Cash and cash equivalents

<b>Balance at 1 April 2023</b>	6,336	6,184
Net change in cash and cash equivalent balances	3,245	152
<b>Balance at 31 March 2024</b>	<u>9,581</u>	<u>6,336</u>

The following cash balances were held at 31 March 2024:

Government banking service	3,548	1,479
Commercial banks and cash in hand	6,033	4,857
	<u>9,581</u>	<u>6,336</u>

## 13 Trade and other payables

	<b>31 March 2024 £'000</b>	<b>31 March 2023 £'000 (Restated)*</b>
<b>Amounts falling due within one year:</b>		
VAT	1	7
Other taxation and social security	2,838	1,050
Trade payables	102	109
Other payables	4,238	3,548
Deferred income	5,425	9,613
Accruals	4,675	-
	<u>17,279</u>	<u>14,327</u>
<b>Amounts falling due after more than one year:</b>		
Other Payables	19,343	22,061
Accruals and deferred income	310	328
	<u>19,653</u>	<u>22,389</u>

\*Figures above have been restated to reduce the lease term for the Optima building by 1 year. This change is also reflected in the SOFP, note 8: Property, plant and equipment, and note 16: Commitment under leases.

Included within other payables less than and greater than one year is an adjustment to incorporate IFRS 16. Specifically, creation of a liability to recognise future lease payments for our buildings in Optima and Shawfair. Payables less than one year £2,718,000 (31 March 2023 £2,719,000) and greater than one year £19,343,000 (31 March 2023 £22,061,000).

## 14 Provisions for liabilities and charges

SQA unfunded pensions	<u>355</u>	<u>367</u>
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### (i) SQA unfunded pensions

	£'000
<b>Balance at 1 April 2022</b>	384
Provisions not required written back	(5)
Provisions utilised in the year	(17)
Unwinding of discount	5
<b>Balance at 31 March 2023</b>	<u>367</u>
Provisions not required written back	(0)
Provisions utilised in the year	(21)
Unwinding of discount	9
<b>Balance at 31 March 2024</b>	<u>355</u>

The provision for SQA unfunded pensions represents current capital cost of future unfunded pensions payable to SQA, SEB and SCOTVEC pensioners granted early retirement. The value is based on transferring any unfunded pension liability to a third party.

## 15 Government funding

	2023–24 £'000	2022–23 £'000
Scottish Government accreditation	1,025	1,025
Scottish Government development	537	403
	<u>1,562</u>	<u>1,428</u>
Grant-in-aid	52,359	43,225
Capital funding	2,542	2,039
	<u>56,463</u>	<u>46,692</u>

In addition to amounts detailed above there is Notional Funding received of £2,370,000 (2023: £2,316,000) in relation to property rental for our Glasgow office.

## 16 Commitments under leases

### Operating leases

The Scottish Government (Scottish Ministers) entered a 15-year lease in September 2005 with owners of the Optima Building in Glasgow and has sub-leased part of that accommodation to SQA. This lease was subsequently extended to 26 March 2030 in September 2020. Included within the lease extension are two break options in 27 March 2027 and 27 March 2029 and a rent-free period in year on up to the 26 August 2021. The Scottish Government pays the Optima rent and landlord's management charges for the Optima Building without recourse to SQA. The prior year's figures have been restated to reduce the remaining term by 1 year. This change is also reflected in the SOFP, note 8: Property, plant and equipment, and note 13: Trade and other payables.

Total future minimum lease payments under this operating lease are given in the table below for each of the following periods:

	<b>31 March 2024 £'000</b>	<b>31 March 2023 £'000 (Restated)</b>
Obligations under operating lease for the following periods comprise:		
Land and buildings:		
Not later than one year	1,676	1,676
Later than one year but not later than five years	6,703	6,703
Later than five years	1,676	3,352
	<u>10,055</u>	<u>11,731</u>

The Scottish Government entered into a 15-year lease in October 2011 with owners of Lowden in Dalkeith. This lease was subsequently extended to 2035 in September 2016. SQA is the tenant of the property, however, as there is no sub-lease in place, SQA pays the Lowden rent and service charges and is refunded in full by the Scottish Government.

Total future minimum lease payments under this operating lease are given in the table below for each of the following periods:

	<b>31 March 2024 £'000</b>	<b>31 March 2023 £'000</b>
Obligations under operating lease for the following periods comprise:		
Land and buildings:		
Not later than one year	1,043	1,043
Later than one year but not later than five years	4,172	4,172
Later than five years	6,792	7,835
	<u>12,007</u>	<u>13,050</u>

There are no other operating leases.

Charges in relation to leases are recorded within Note 8(ii) to the accounts under Depreciation

### **Finance leases**

There are no finance leases in operation.

## **17 Contingent liabilities**

There were no other known contingent liabilities at 31 March 2024 (31 March 2023: £NIL).

## **18 Pension costs**

The Local Government Pension Scheme (LGPS) is a group defined benefit scheme. Responsibility for management of the fund rests with Strathclyde Pension Fund administered by Glasgow City Council. The fund is administered in accordance with Local Government Pension Scheme (Scotland) Regulations 2018, Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 and Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008.

The Scottish Teachers' Superannuation Scheme (STSS) is an unfunded, multi-employer defined benefit scheme covering teachers and related occupations. It is the responsibility of Scottish Public Pensions Agency. These arrangements comply with the guidance contained in *Non-Departmental Public Bodies: A Guide for Departments*.

Both provide benefits based on final pensionable pay. Contributions during year totalled £7,901,000 (31 March 2023: £6,986,000), consisting of £7,857,000 (31 March 2023: £6,943,000) to LGPS and £44,000 (31 March 2023: £43,000) to STSS. Included within other payables (note 13) are outstanding contributions of £1,506,000 (31 March 2023: £800,000) due to LGPS and £9,000 (31 March 2023: £5,000) due to STSS. In 2024–25 total contributions to LGPS are expected to be £2,582,000.

Actuarial valuations for both schemes are prepared, with the last LGPS valuation to 31 March 2023 and the last STSS valuation being to 31 March 2016. Details of these valuations can be obtained from published reports.

An independent firm of actuaries (Hymans Robertson LLP) assesses valuation of Strathclyde Pension Fund assets and liabilities. Annual valuations are dependent on several external variables, including projected rates of return on assets, projected rates of price and pay inflation, interest rates and mortality estimates.

(a) The SQA participates in the Scottish Teachers' Pension Scheme. This is an unfunded statutory public service pension scheme with benefits underwritten by UK Government. It is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by scheme actuary. The last four-yearly valuation was undertaken as of 31 March 2016. This valuation informed an increase in the

employer contribution rate from 17.2% to 23.0% of pensionable pay from September 2019, and an anticipated yield of 9.4% from employees' contributions.

(b) The SQA has no liability for other employers' obligations to the multi-employer scheme.

(c) As the scheme is unfunded there can be no deficit or surplus to distribute on wind-up of the scheme or withdrawal by SQA from it.

(d)

(i) The scheme is an unfunded multi-employer defined benefit scheme.

(ii) It is accepted that it can be treated for accounting purposes as a defined contribution scheme in circumstances where SQA is unable to identify its share of underlying assets and liabilities of the scheme.

(iii) Employer contribution rate for the period from was 23% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.4% of pensionable pay.

(iv) While a valuation was carried out as of 31 March 2016, it is not possible to say what deficit or surplus may affect future contributions. Work on the valuation was suspended by the UK Government pending the decision from the Court of Appeal (McCloud (Judiciary scheme)/Sargeant (Firefighters' Scheme) cases) that held that transitional protections provided as part of the 2015 reforms were unlawfully discriminatory on grounds of age. The cost cap will be reconsidered once the final decision on a remedy and how this affects the Scottish Teachers' Pension Scheme is known, and its impact has been fully assessed in relation to any additional costs to the scheme.

(v) SQA level of participation in the scheme is 0.02% based on proportion of employer contributions paid in 2017–18.

SQA receives notification by LGPS of employer's contribution rates for the scheme. The LGPS, following a separate modelling exercise, has frozen employers' contribution rates at 2011–12 level of 19.3% of pay until 31 March 2024.

The following information relates to Strathclyde LGPS.

Amounts recognised in Statement of Comprehensive Net Expenditure are as follows:

	<b>2023–24</b>	<b>2022–23</b>
	<b>£'000</b>	<b>£'000</b>
Current service costs	7,366	16,535
Interest on obligation	8,128	7,024
Expected return on plan assets	(8,156)	(6,391)
	<u>7,338</u>	<u>17,168</u>

Net expense is recognised in following line items in Statement of Comprehensive Net Expenditure:

Staff costs	7,366	16,535
Interest payable	(28)	633
	<u>7,338</u>	<u>17,168</u>

The amount included in the Statement of Financial Position arising from the authority's obligation in respect of its defined benefit plans is as follows:

### Pension Assets and Liabilities recognised in Statement of Financial Position

	2023–24 £'000	2022–23 £'000 (Restated)**
Present value of defined benefit obligations	(181,548)	(168,396)
Fair value of plan assets	264,232	235,817
Asset ceiling reduction*	(82,684)	(66,975)
<b>Net asset/(liability) arising from defined benefit obligation</b>	<b>–</b>	<b>446</b>

\*The actuarial valuation of the pension fund indicated a surplus of £82,684,000. However, the full surplus is not recognised in the SOFP. An asset ceiling calculation performed by Hymans Robertson indicated a ceiling value of £NIL, and this is the value shown in the SOFP.

\*\*Prior year column has been restated to remove the asset ceiling amount from the obligation.

The following tables set out the reconciliation of scheme assets and liabilities:

<b>Reconciliation of present value of scheme liabilities</b>	<b>2023–24 £'000</b>	<b>2022–23 £'000 (Restated)*</b>
Opening balance at 1 April	(168,396)	(252,898)
Current service costs	(7,366)	(16,535)
Interest costs	(8,128)	(7,024)
Contributions by scheme participants	(2,447)	(2,390)
<b>Remeasurement (gains) and losses:</b>		
Actuarial (gains)/losses arising from changes in financial assumptions	11,803	118,410
Actuarial (gains) arising from changes in demographic assumptions	3,904	1,681
Other experience	(15,940)	(13,613)
Benefits paid	5,022	3,973
<b>Closing balance at 31 March</b>	<b>(181,548)</b>	<b>(168,396)</b>

\*Prior year column has been restated to remove the asset ceiling amount from the obligation.

## Reconciliation of movements in fair value of scheme assets

	2023–24 £'000	2022–23 £'000
Opening fair value of pension fund assets	235,817	234,211
Interest income on plan assets	11,337	6,391
<b>Remeasurement gain / (loss):</b>		
Expected return on pension fund assets	12,177	(10,110)
Actuarial gains / (losses) from changes in experience assumptions	148	–
Contributions by employer	7,328	6,908
Contributions by scheme participants	2,447	2,390
Benefits paid	(5,022)	(3,973)
<b>Closing fair value of pension fund assets</b>	<b>264,232</b>	<b>235,817</b>

## Analysis of Pension Fund's Assets:

Scottish Qualification Authority's share of the Pension Fund's assets at 31 March 2024 comprised:

	31–Mar 24				31–Mar 23			
	Quoted prices in active markets £'000	Prices not quoted in active markets £'000	Total £'000	%	Quoted prices in active markets £'000	Prices not quoted in active markets £'000	Total £'000	%
Equity securities	53,367	58	53,425	20	46,049	423	46,472	20
Private equity:	–	63,083	63,083	24	–	57,961	57,961	24
Real estate	–	20,776	20,776	8	–	19,443	19,443	8
Investment funds and unit trusts	1,085	120,965	122,050	46	1,016	106,458	107,474	46
Cash and cash equivalents	411	4,487	4,898	2	3,261	1,206	4,467	2
<b>Total Assets</b>	<b>54,863</b>	<b>209,369</b>	<b>264,232</b>	<b>100</b>	<b>50,326</b>	<b>185,491</b>	<b>235,817</b>	<b>100</b>



Amounts recognised in Statement of Changes in Taxpayers' Equity are as follows:

	<b>2023–24</b>	<b>2022–23</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial gain/(loss) arising on the defined benefit obligation	(233)	39,503
Actuarial (loss)/gain arising on the fair value of the plan assets	12,325	(10,110)
Non-recognition of income due to ceiling cap	(12,528)	–
<b>Actuarial gain/(loss) recognised in the Statement of Changes in Taxpayers' Equity</b>	<b>(436)</b>	<b>29,393</b>

The following table sets out the principal assumptions used by the actuary at 31 March 2024:

	<b>2023–24</b>	<b>2022–23</b>
<b>General assumptions:</b>		
	%	%
Rate of increase in pensions	2.75	2.95
Rate of increase in salaries	3.45	3.65
Rate for discounting scheme liabilities	4.85	4.75

**Mortality assumptions:**

Assumptions relating to longevity underlying retirement benefit obligations at the Statement of Financial Position date are based on a bespoke set of mortality rates, specifically tailored to fit membership profile of the Fund. Based on these assumptions, average future life expectancies at age 65 are summarised below:

	<b>Males</b>	<b>Females</b>
Current pensioners	20.7 years	23.5 years
Future pensioners	22.0 years	25.3 years

Sensitivities regarding principal assumptions used to measure scheme liabilities are set out below:

<b>Change in assumptions at 31 March 2024:</b>	<b>Approximate % increase to employer</b>	<b>Approximate monetary amount (£000)</b>
0.1% decrease in real discount rate	2%	3,792
1 year increase in member life expectancy	4%	7,262
0.1% increase in the salary increase rate	0%	219
0.1% increase in the pension increase rate	2%	3,642

The discount rate is derived from a corporate bond yield curve constructed from yields on high quality bonds. The discount rate is then set based on SQA's weighted average duration of 22 years.

The salary increase assumption is 3.45% pa, which is set relative to the retail price index (RPI)/consumer price index (CPI) assumption at the reporting date.

The pension increase assumption rate is 2.75% and is in line with the CPI.

## 19 Events after the end of the reporting period

There were no material events between 31 March 2024 and the date of submission that require to be reflected in the Financial Statements.

## 20 Related-party transactions

SQA is a non-departmental public body (NDPB) sponsored by Scottish Government Learning Directorate.

The Learning Directorate is regarded as a related party. During the year, SQA had various material transactions with the Directorate (note 15). At year-end, there were no balances outstanding (31 March 2023: £NIL). In addition, SQA has had material transactions with other Scottish Government Directorates. At the year-end, there were no balances outstanding (2023: £NIL).

SQA is a member of the Scottish Credit and Qualifications Framework, a company limited by guarantee with company number SC311573. The other members of the company are Colleges Scotland (formerly the Association of Scotland's Colleges); Scottish Ministers; the Quality Assurance Agency for Higher Education and Universities Scotland.

In addition, SQA has had various material transactions with the following related parties, which were all made in the normal course of business.

In addition, SQA has had various material transactions with the following related parties, which were all made in the normal course of business.

Related party and reason	Entry charges levied by SQA		Charges incurred by SQA		Amounts due (to)/from SQA at 31 March	
	2023–24 £'000	2022–23 £'000	2023–24 £'000	2022–23 £'000	2024 £'000	2023 £'000
<b>College Development Network (CDN)</b> SQA Board Member, Ken Thomson, holds the position of Interim Chair there.	7	–	3	2	–	–
<b>Forth Valley College</b> SQA Board Member, Ken Thomson, holds the position of Principal and Chief Executive there.	289	282	–	51	–	–

**Joint Council for  
Qualifications**

SQA Executive Team,  
Fiona Robertson, holds  
the position of Director  
there.

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**NHS Greater Glasgow  
and Clyde**

SQA Board Member,  
Michelle Wailes, holds the  
position of non-executive  
Director there.

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**Skills Development  
Scotland**

SQA Board Member,  
Grahame Smith, holds the  
position of Careers  
Review Programme Board  
Chair there.

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**St John's RC Academy**

SQA Board Member,  
Seán Hagney, holds the  
position of headteacher  
there.

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Apart from the above, none of the Board members or key managerial staff of SQA has undertaken any material transactions with SQA during the year.



**SCOTTISH QUALIFICATIONS AUTHORITY**

**DIRECTION BY THE SCOTTISH MINISTERS**

1. The Scottish Ministers, in pursuance of Section 16 of the Education Scotland Act 1996, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRcM) 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. The direction given on 4 October 2002 is hereby revoked.

Signed by the authority of the Scottish Ministers

Dated 31 January 2006

# Appendix 1 — SQA’s Corporate Performance Framework

## Outcomes and Deliverables 2023-24



We provide a credible qualifications system

We are flexible in meeting customer needs

We have a sustainable business operating model that is appropriately resourced in order to deliver our remit now and in the future

We are a thriving organisation with quality jobs and a fair work environment for all our people.

We are trusted, respected and valued by our customers, stakeholders and partners

### Perform

### Progress

### Transition

<p>National Qualifications delivery to plan</p>	<p>Higher National, Vocational &amp; International delivery to plan</p>	<p>Ensure SQA has an engaged and diverse workforce which meets the needs of the organisation</p>
<p>Secure and deliver contracts in line with Service Level Agreements</p>	<p>Ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)</p>	<p>Deliver financial balance in line with available resources</p>
<p>Build credibility and trust in SQA and continue the journey towards ensuring strong communication, deep engagement and meaningful collaboration are at the heart of the new organisation(s)</p>	<p>Maintain, develop, and improve our portfolio of qualifications</p>	<p>Enhance SQA's cyber maturity and resilience to ensure we are well equipped to withstand, defend against, manage, recover quickly, and learn from cyber incidents</p>

<p>Deliver the People Strategy</p>	<p>Deliver and refine the Work Based Learning Strategy</p>
<p>Continue to develop and implement SQA's Research and Analysis Strategy</p>	<p>Review and update all policies to ensure they are (i) up to date; (ii) consistently applied</p>
<p>Through effective use of our financial resource, implement the duty of Best Value in line with the Scottish Public Financial Manual</p>	

<p>Deliver against agreed commissions in support of the Scottish Government's Education Reform Programme regarding the establishment of a new Qualifications Body and the review of qualifications and assessment</p>
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