Annual Report and Accounts 2024–25

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Welcome

I am pleased to present the Annual Report and Accounts of the Scottish Qualifications Authority (SQA) for 2024–25. They provide an overview of our work, achievements, and activities over the past year.

This will be the final full year of reporting as SQA, as the organisation is transitioning to Qualifications Scotland. On behalf of the SQA Board, I would like to extend our heartfelt thanks to everyone who has contributed to our work over the past 28 years — our dedicated staff, the teachers and lecturers who set, mark and grade assessments every year, our partners, customers and other stakeholders. Above all, we want to thank our learners, whose commitment, curiosity, and achievements are at the very heart of everything we do. The support, dedication, and collaboration of everyone involved have been vital to our successes and we will reinforce that central role in the future of Qualifications Scotland.

Throughout 2024–25, our work remained focused on supporting learners to reach their full potential, in line with the Scottish Government's National Performance Framework. In doing so, we have helped build a skilled, educated society, benefiting individuals, families, communities, and the nation as a whole. SQA has been proud to play its part in this journey, and we look forward to continuing to contribute in new and exciting ways as Qualifications Scotland.

While continuing to deliver qualifications and services, as outlined in this report, we have made good progress on the commitments set out in our corporate plan, *A Prospectus for Change*.

In November 2024, I provided advice to the Cabinet Secretary for Education and Skills on how Qualifications Scotland's organisational design and leadership structures could best support education reform in Scotland. This included recommendations for a dedicated unit to strengthen relationships with schools and steps to ensure the clear separation of awarding and accreditation functions within the new organisation.

We have since seconded an experienced secondary headteacher to lead work on improving how we serve schools and teachers. She has been engaging directly with teachers and visiting schools to understand how Qualifications Scotland can best meet their needs.

Plans to strengthen the independence of the accreditation function within Qualifications Scotland have also progressed. Scottish Ministers have appointed a new convenor of the Accreditation Committee, independent of the Qualifications Scotland Board, and recruitment is underway for a chief accreditation officer, ensuring that the accreditation voice is heard very directly around the Board table.

Throughout the year, we have engaged extensively with colleges, employers, training providers, and schools, listening to their feedback and using their insights to improve our qualifications and services.

Our talented and committed employees are embracing the opportunities that the transition to Qualifications Scotland brings — from resetting relationships with learners and teachers, to

harnessing technology to streamline services, and ensuring that our qualifications and assessments reflect the fast-changing needs of society and the economy.

We look forward to continuing this journey with you — our learners, teachers, partners, and communities — as Qualifications Scotland.

Shirley Rogers CBE

Chair

Scottish Qualifications Authority

A: Performance report

(The welcome statement from the Chair on page **Error! Bookmark not defined.** 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 2024 to March 2025. 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 2024 to March 2025, 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** 2023–24, which ended with the publication of results in August 2024.

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 2024–25.

I joined SQA as its Chief Executive in July 2025. While the work reported here predates my tenure, I can attest to the commitment and dedication of all colleagues who have worked hard to deliver for Scotland's learners throughout this period.

I have found very quickly that this organisation is made up of driven professionals who play a key role in enabling individuals to succeed in life, which benefits the economy and society as a whole. The qualifications and services we develop and deliver, in partnership with the education and skills community, make a positive difference to lives and communities across Scotland.

Our organisation does not work alone but as part of a thriving community of professionals that are committed to delivering for Scotland's learners. I would like to take this opportunity to thank our appointees, the many thousands of education and skills 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.

Our corporate plan, *A Prospectus for Change*, sets out how we are already changing as we prepare to become Qualifications Scotland — and will continue to do so in the months and years ahead. It sets out how we work with others across the education and skills community, and how we design and deliver our products and services.

The key pledges in the *Prospectus* include resetting relationships with educators and learners, and reforming qualifications and assessments so that they keep pace with rapid changes in society and the economy. This report provides examples of progress, including the following:

- Your Voice, our flagship engagement programme, has included visits to schools, colleges and training providers across the country, digital partnership panels of learners, parents, carers and educators, and in-person learner workshops.
- The National Qualifications awarding programme has continued to identify and deliver ways of enhancing our interaction with learners and centres. It has delivered projects this year related to the quality assurance of the exam diet and certification processes.
- The Higher National and Vocational Qualifications programme has continued to progress the first phase of the Digital Awarding Programme, which will provide a new technical platform for the delivery of the next generation of Higher National Qualifications in the next financial year.

These activities demonstrate our determination to ensure that we capture the 'voice of the staffroom', learn from learners, and understand the lived experience of those we serve. This is informing current qualifications and the design of Qualifications Scotland.

I am very proud to lead SQA colleagues as we make the transition to Qualifications Scotland, ensuring that it delivers for every learner, every educator, and every community. I want to thank all colleagues for their ongoing commitment. It is their expertise and experience that will give learners, educators, and the public confidence in the work we do now and in the future.

Nick Page
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 *Prospectus for Change*, is developed by EMT, with strategic direction provided by the non-executive members of the Board of Management, and in consultation with Scottish Government. 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 *Prospectus for Change 2024–27* 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 2024–27:

- we provide a credible qualifications system
- we are flexible in meeting user and customer needs
- we have a sustainable business operating model that is appropriately funded 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 2024–27. This consists of a series of deliverables, identifying key corporate activities that SQA has prioritised for 2024–27.

A Prospectus for Change serves as SQA's Annual Business Plan for 2024–25. Scottish Government confirmed that SQA is exempt from producing an Annual Business Plan for 2025–26 due to the transition to Qualifications Scotland occurring part way through the financial year.

We updated our Corporate Performance Framework (Appendix 1) during the development of the *Prospectus for Change 2024–27*, 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 2024–25:

Type	Description	Risk Appetite*	Key mitigations
People and Resources	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 Scottish Government to promote SQA, our role, brand and function.
	SQA appointees currently contracted on an annual basis with no worker / employee status	Balanced risk appetite	Options paper prepared for consideration by EMT. 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. Review of processes to develop and approve assessments. Develop a plan of policies and practices to address risk, putting in place monitoring and reporting arrangements to ensure compliance.
Financial	Income insufficient to cover costs	Minimal risk appetite	Carefully analysed budget. Continue to work with Scottish Government to ensure adequate funding.
	Significant funding risk 2025–26 due to no budget confirmation from Scottish Government – relates to	Cautious risk appetite	Continue to work with Scottish Government to ensure adequate funding before 2026–27 budget cycle.

Type	Description	Risk Appetite*	Key mitigations
	Budget Allocation and Monitoring letter		
Operational	Major incident disrupts operations	Cautious risk appetite	A range of contingency plans in place. Audit of Disaster Recovery identified improvement actions. These have been actioned. Investment in network resilience.
Reputational/ Operational/ Business Continuity	Mission critical system failure	Cautious risk appetite	SQA's investment proposal Improved disaster recovery capability Contingency plans to mitigate critical systems failure(s)

* '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. On 25 June 2025, Scottish Government announced the passing of the Education (Scotland) Bill, which included the establishment of a new qualifications body, Qualifications Scotland, which is set to replace SQA.

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 2025–26 recognises that SQA will require additional core grant-in-aid to meet

operational costs in addition to that provided for in the 2025–26 Budget Bill. The Budget Bill agreed will cover the transition year in full and there will be a continuation of functions across both bodies. 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 and Qualification Scotland's sources of income, it may only be met by future grant-in-aid from the 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 2024–March 2025, we continued to make progress in delivering on our plans. With the support of colleagues across SQA and through engagement with EMT and the Board, we developed our *Prospectus for Change* 2024–27.

EMT and heads of service reviewed SQA's corporate outcomes and 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 13 deliverables for us to work towards during the 2024–27 operating period. Some of these deliverables continue from last year, while some were added or modified as we continue to adapt and deploy new and innovative ways to deliver for all our customers.

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.

This performance report reflects our progress in the period 2024–25. The report is structured by each outcome, with activity under each of the 13 deliverables set out in our *Prospectus for Change* 2024–27 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:

- Qualifications, assessments and quality assurance delivered to plan
- Maintain, develop and improve our portfolio of qualifications

We are flexible in meeting user and customer needs:

- Secure and deliver contracts in line with service level agreements
- Transform our business model to deliver digital services that support learners and educators in the future

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

- Support the development and delivery of Qualifications Scotland
- Embed SQA's cyber resilience and response capabilities
- Deliver Best Value in line with the Scottish Public Finance Manual

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

- Ensure people can be the most effective in their job by delivering relevant learning and development activities
- Deliver our people strategy by developing our organisational design and culture to: improve our performance; improve our health, wellbeing and environment; be a responsible business
- Deliver SQA's Equality Outcomes and mainstream equality throughout SQA ensuring SQA is a place where diversity is embraced

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

- Ensure SQA is an exemplary public body that is fully compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)
- Build credibility and trust among those we work with and those we work for, particularly learners and educators, through high-quality, inclusive and accessible communication and engagement
- Promote a culture of openness and evidence-based decision making within SQA and across the education community

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.

The 2024–25 period is our first year of reporting our performance against the deliverables set out in SQA's *Prospectus for Change* 2024–27 and during this period we were able to accomplish a lot as an organisation. There was also a great deal of progress made on supporting the delivery of transition to Qualifications Scotland. For example, staff lead workshops to develop our new corporate values which will form the ethos of the new organisation. The transition team set governance structures and developed the method for reporting and monitoring all of SQA's project boards. In late October, we held Qualifications Scotland week which focused on different aspects of the transition and transformation journey. This involved a series of blogs, videos and interactive sessions — the most notable of which was attended by 800 staff members. Finally, the branding and identity was finalised between SQA and the Scottish Government. As we transition to Qualifications Scotland, we

will continue to review our business-as-usual priorities and our ambition to transform the way in which our organisation works.

Primarily, the organisation reports on its performance through the Quarterly Performance Review pack, which is reviewed by SQA's Finance and Performance Group and Performance Committee. More information on how the organisation reports on performance can be found on page 63.

Throughout 2024–25, SQA progressed its corporate outcomes and deliverables in several different ways. With our portfolio of qualifications, we met 100% of our critical dates for regulated product development and maintenance, and 85% completion with our group awards. Additionally, by Q4, SQA completed 62% of tasks relating to our Apprenticeships project. Of the remainder, 10% were on track and 22% were yet to start. Only 6% were at risk and none had major issues. Confirmation of funding for digital awarding was received in late 2024, allowing planning to resume. Finally, by the end of March 2025, all of our external contracts are reporting as 'on track'. In contrast, the organisation faced a few challenges in the delivery of our outcomes and deliverables. Regarding the time it took to develop and maintain our portfolio of qualifications during 2024–25, we were slightly overdue on business case approval to end of project, with our aggregate performance across qualification types being 102% of planned (13.9 months actual against a planned 11.9 months). We experienced data quality issues with the Street Works Qualifications Register. However, following an organisation-wide incident management process and period of hypercare, we were operating back in line with our service level agreement by end of FY 2024–25.

In January 2025, we ran a short staff survey to understand how colleagues were feeling about working at SQA. While the completion rate rose by 1.8% (to 73.4%), our engagement index decreased by 9.2% (to 53.3%). The engagement index is calculated as follows: a score of 100 is equivalent to all respondents in an organisation or group saying strongly agree to all five engagement questions, while a score of 0 is equivalent to all respondents saying strongly disagree to all five engagement questions.

A summary of SQA's performance against its 13 deliverables during 2024–25 can be found in the table below. As part of the organisation's quarterly reporting cycle, each deliverable was assigned a red, amber or green (RAG) status. 'Red' indicates that work towards a deliverable experienced major issues or delays; 'Amber' indicates that work towards a deliverable experienced minor issues or delays; and 'Green' indicates that work towards a deliverable was on track.

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

Outcomes and Deliverables 2024-25

We provide a credible qualifications system	We are flexible in meeting user and customer needs	We have a sustainable business operating model that is appropriately funded 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
A	A	A	A	A
Qualifications, assessments and quality assurance delivered to plan – A	Secure and deliver contracts in line with service level agreements – A	Support the development and delivery of the New Qualifications Body – A	Deliver our People Strategy by developing our organisation design and culture to: improve our performance; improve our health, wellbeing and environment; be a responsible business – A	Build credibility and trust among those we work with and those we work for, particularly learners and educators, through high-quality, inclusive and accessible communication and engagement – G
Maintain, develop, and improve our portfolio of qualifications – A	Transform our business model to deliver digital services that support learners and educators in the future – G	Embed SQA's cyber resilience and response capabilities – A	Deliver SQA's Equality Outcomes and mainstream equality throughout SQA ensuring SQA is a place where diversity is embraced – G	Ensure SQA is an exemplar public body that is fully compliant with all legislative, statutory, and regulatory requirements (including qualifications regulators) – G
		Deliver Best Value in line with the Scottish Public Finance Manual – A	Ensure people can be the most effective in their job by delivering relevant learning and development activities – A	Promote a culture of openness and evidence-based decision making within SQA and across the education community – G

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 2023–24 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.

Higher National and Vocational qualifications

SQA's wide portfolio of Higher National and 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 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 also 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 — Next Phase

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

Our NextGen: HN qualifications:

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

Collaborating with pilot centres has allowed us to finalise the design principles and product architecture for Next Generation: HN qualifications.

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 as we transition towards Qualifications Scotland. We listen to our customers and stakeholders and create clear, relevant communications to meet their needs.

Your Voice — our flagship engagement programme — brings together activities including nationwide centre visits by our Chief Executive and senior leaders, digital partnership panels of learners, parents, carers and educators, and in-person learner workshops.

These activities ensure we capture the ‘voice of the staffroom’, learn from learners, and understand the lived experience of those we serve. This is informing current qualifications and the design of the new organisation.

Regular surveys, including our annual Key Audience Research, provide additional insight and help us identify key strengths and opportunities for improvement.

Our Advisory Council brings together a wide variety of stakeholders to scrutinise and advise on our work, ensuring external perspectives are embedded at the most senior levels.

Last but not least, our liaison team and regional managers continue to support teachers, lecturers, centres, employers and training providers every day.

Quality assurance

SQA and centres delivering SQA qualifications continue to share responsibility for the quality assurance 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 we ask centres to do the same. All allegations of malpractice are investigated consistently, fairly and impartially.

Appointees

Some 18,162 appointees (teachers, lecturers, subject experts, markers, invigilators and other roles) supported the development, delivery, and certification of SQA's qualifications in the academic year 2024–25. This is an increase of 562 on 2023–24, 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 an Investors in Young People Gold Accredited employer. We are committed to the Scottish Government's agenda to develop the workforce through the Young Person's Guarantee. In line with these commitments, we have continued to support the development of Scotland's young workforce through our qualifications and our young talent programmes.

After a successful Modern Apprentice recruitment campaign which attracted many applicants, in August 2024, we welcomed five new Modern Apprentices, working in Business and Administration, and Digital Marketing apprenticeships. 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.

In addition to Modern Apprentices, we also hosted Foundation Apprentices to allow them to collect work-based evidence for their SVQs. Through the social mobility charity Career Ready, we supported five senior phase pupils to achieve a four-week internship, who received career development advice and guidance from an SQA mentor.

Alongside our young talent programmes, we also continued to support young talent across SQA with the newly established Young Talent Corporate Forum and activities such as career development panel events, social connections and skills development.

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 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. This activity supports the Scottish Government's International Education Strategy, which is aligned to the National Performance Framework, and their commitment to United Nations Sustainable Development Goals. Crucially, our international work also enables SQA to limit its draw on the public purse. Our international income increased by 68.8% in 2024–25 compared to 2023–24.

Customer and community engagement

SQA seeks to build and reinforce relationships with those we serve, and to play an active part in our local communities in Scotland, in the rest of the UK and around the world. We give examples of engagement activities with our stakeholders under outcome 5 in the performance analysis section of this report.

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

Throughout the period covered in this report, we have:

- participated in the Children in Scotland Annual Conference in May 2024
- sponsored the 2024 annual Midlothian Volunteer Awards Ceremony, with the Equality and Diversity Award, in June 2024

- participated in the Scottish Association of Minority Ethnic Educators (SAMEE) — Recognition and Appreciation Awards in August 2024
- sponsored the Who Cares? Scotland Gala for Love event in August 2024
- sponsored the Scots Language Awards in September 2024
- participated in the Scottish Training Federation Conference in October 2024
- sponsored the Mod and its Literature Day in October 2024
- sponsored the College Development Network Annual Awards in November 2024, as sponsor of the Judges' Award. The award recognises the very best overall submission voted by the judges
- sponsored the Scottish Apprenticeship Awards in February 2025. We sponsored the Large Employer of the Year Award (the award celebrates the commitment to apprenticeships by large employers, including the public sector, with 250 or more employees)
- sponsored Lantra Scotland's Land-based and Aquaculture Learner of the Year Awards in March 2025. These awards celebrate learning opportunities in rural Scotland. We supported the HNC and HND Awards
- participated in the Scottish Teachers for Enhancing Practice (STEP) Conference in March 2025
- participated in some industry events, such as Welsh Construction Shows in May and October 2024, Utility Week Live in May 2024, Construction Plant Association and London Build in November 2024
- participated in some education and training events internationally, such as NAFSA: Association of International Educators in May 2024
- 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 2024
    - Volunteers' Week; Healthy Eating Week; Learning Disability Week in June 2024
    - College Development Network (CDN) Choose College campaign in July and August 2024
    - International Day of Sign Languages; European Day of Languages; Maths Week Scotland; Diversity Awards; Scottish Food and Drink Fortnight; British Food Fortnight; Scotland's Climate Week; SCQF Week in September 2024
    - World Mental Health Day; Care Experienced Week in October 2024
    - Scottish Careers Week in November 2024
    - Race Equality Week; Languages Week; Who Cares? Scotland Care Day; CDN Love Scotland's Colleges campaign; World Gaelic Week; Cyber Scotland Week in February 2025
    - Scottish Apprenticeship Week; World Book Day in March 2025

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. People lead on the development, review and implementation of effective

equality, diversity and inclusion (EDI) policies, processes and engagement activities. This ensures all our colleagues can bring their authentic selves to work, are valued for their uniqueness, and have a voice that is heard. We adhere to the Fair Work Framework that offers all individuals an effective voice, opportunity, security, fulfilment and respect in work.

This includes meeting requirements under the Public Sector Equality Duty, progressing work on mainstreaming equality, and meeting our equality outcomes. It also involves workforce equality monitoring and equal pay audits, including ethnicity, disability and sexual orientation pay gaps. We progress equality using a variety of equality frameworks, such as Carer Positive accreditation, Disability Confident Leader accreditation, and the BITC Race at Work Charter. We also support the work of wider accreditations, memberships and charter marks with our Corporate Equality colleagues.

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 achieve this, SQA has several staff support networks. This also aligns with our outcome, 'We are a thriving organisation, with quality jobs and a fair work environment for all our people'. 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, 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.

Supporting our communities

Our colleagues are allocated 21 hours each year to dedicate to giving back to their communities. In 2024, colleagues devoted almost 950 hours to volunteering in the community — sharing their skills while building valuable relationships.

Equality and diversity

We published our corporate plan *A Prospectus for Change* in October 2024, which was developed through extensive consultation and engagement with a wide range of stakeholders. This consultation informed the equality impact assessment (EqIA) and the new EDI deliverable within the plan: 'Deliver SQA's Equality Outcomes and mainstream equality throughout SQA ensuring SQA is a place where diversity is embraced.'

This demonstrates our commitment to EDI at a strategic level and directly links to the Scottish Government national outcome, 'We respect, protect and fulfil human rights and live free from discrimination'.

Senior leaders have been actively considering EDI when developing their operational plans. Human Resources (HR) and Organisational Development are reviewing the performance review process to specifically include an EDI objective.

This approach allows us to integrate an equality perspective into our day-to-day work across all functions.

Equality and diversity considerations are embedded in our decision-making procedures. We actively consider the equality and diversity impacts of new or revised policies and practices, and provide online training in equality and diversity impacts and EqIAs to support staff. We publish impact assessments for our workforce policies on our website.

Learning and development

Learning and development is essential to creating an inclusive workforce who understand the needs of our colleagues, learners and wider stakeholders.

To ensure an understanding of EDI legislation and responsibilities, a number of information sessions have been delivered by advisory law firm Brodies, including:

- Public Sector Equality Duty and how it applies to SQA
- United Nations Convention on the Rights of the Child (UNCRC) Act 2024
- SQA's role as a Corporate Parent under the Children and Young People (Scotland) Act 2014
- Conducting impact assessments, including EqIAs and Children's Rights Impact Assessments
- Digital accessibility

All HR colleagues received further training delivered by external providers on understanding neurodivergence in the workplace.

Senior leaders attended in-person workshops on unconscious bias with a particular focus on its potential impact in the context of the Public Sector Equality Duty and decision making.

We developed a range of online EDI training to support our inclusive culture, complemented by staff information sessions and workshops in equality-related areas, organised both by SQA and by our employee networks. This included, for example, dementia, anti-racism, unpaid carers, corporate parenting, disability, trans awareness and allies training.

Corporate parenting

Our Corporate Parenting Plan 2023–26 demonstrates our continuing commitment as a proud Corporate Parent. SQA’s Corporate Parenting Steering Group (CPSG) meets quarterly to review and monitor progress against our commitments and action plans. CPSG provides a forum for discussion, information sharing and communication.

We work closely with Who Cares? Scotland to ensure we understand and respond to the needs of care experienced people. In partnership with Who Cares? Scotland, we supported the creation of the Teacher Resource — Care Experience and Corporate Parenting: a Guide for Scotland’s Teachers. The booklet aims to provide Scotland’s teachers with insight into the lives of care experienced learners and the important role they play as a Corporate Parent.

Other important highlights of our corporate parenting journey in 2024–25 include being shortlisted for the Creating Transformation Award at Who Cares? Scotland's first ever Corporate Parenting Awards in August 2024. We also sponsored and attended the Gala for Love 2024.

In November 2024, we launched Who Cares? Scotland's Care Experience and Corporate Parenting module to all staff. The module aims to help staff develop their understanding of care experience and improve their awareness of SQA's responsibilities as a Corporate Parent, given the role all staff play in improving outcomes for care experienced people. In February 2025, Who Cares? Scotland delivered corporate parenting training to members of our Senior Leadership Team.

Children's rights

The new legal requirements to extend and protect children's rights, the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (UNCRC Act), came into effect in July 2024.

Our Children's Rights Steering Group continues to meet quarterly to review and monitor progress against our action plans to implement the UNCRC in practice. The group provides a forum for discussion, for sharing best practice and co-ordinating communications relating to children's rights.

During 2024–25, we promoted children's rights and the UNCRC Act both internally and externally. The Scottish Government's e-learning module and the Children & Young People's Commissioner (Scotland) UNCRC articles were shared with SQA colleagues and promoted via our internal UNCRC training and resources hub to inform colleagues about how to embed children's rights.

Children's rights and wellbeing impact assessments (CRWIAs) are an effective tool for ensuring that the impacts on the rights of children and young people are considered in SQA's policies and practices. We have taken steps to extend our impact assessment approach to include our obligations for Island Community Impact Assessments and work towards incorporating a broader assessment of children's rights.

SQA is represented at the Scottish Government UNCRC Peer Support Network Meeting.

We have incorporated consideration of children's rights in budgeting into operational planning guidance. To support this, we also developed a 'Making Better Financial Decisions' briefing note and published it on the intranet.

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 the learner experience, supports centres, and addresses risk and compliance via the SQA Project Portfolio.
The National Qualifications awarding programme has continued to identify and deliver ways of enhancing our interaction with leaners and centres. It has delivered projects this year related to the quality assurance of the exam diet and certification processes, and maintained robust contingency processes and solutions which can be stood up quickly in the event of future disruption to assessment and certification. It has conducted significant discovery work in preparation for the next phase of the transformational Digital Awarding Programme.

The Higher National and Vocational Qualifications programme has continued to progress the first phase of the Digital Awarding Programme, which will provide a new technical platform for the delivery of the next generation of Higher National Qualifications in the next financial year.

Within the other programmes of change, ongoing work has improved our 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 has implemented a new structure where programmes of change are aligned with our core services. This will allow requirements of change to be better articulated and aligned with the strategic direction of the service, and allow the 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.

What have we done?
Research has been undertaken as part of the approach to National Qualifications (NQ) assessment in 2024. A full report is available on the SQA website.

Key findings have been shared internally and with the wider education community to help inform their decision making. One of the questions we asked included 'How did the COVID-19 pandemic impact learners in 2023–24?'

What are the outcomes?
Key findings on the impact of COVID-19 pandemic can be found in the following four reports:

- NQ 2024 research educator experiences
- NQ 2024 research learner experiences
- NQ 2024 research senior appointee and Qualifications Development colleague experiences
- NQ 2024 research respondent experiences

These can be found at on SQA's website. In summary, findings included that a higher proportion of educators than learners expressed that teaching and learning continued to be impacted by the pandemic in 2024. For example, 38% of learners expressed agreement that the pandemic continued to affect their wellbeing, while 87% of educators expressed agreement that learners were less resilient than their predecessors prior to the pandemic, and 68% agreed or strongly agreed that learners find external assessment more stressful than their predecessors.

Education Reform — replacement of SQA

While continuing to deliver our range of qualifications, SQA has continued the process of transition to the new qualifications body, Qualifications Scotland, which will be a non-departmental public body responsible for the delivery of SQA's awarding function and accreditation. 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. 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 an SQA-led consultation on whether external examinations are appropriate for some subjects. Along with this response, the Scottish Government will consider the recommendations of the Independent Review of the Skills Delivery Landscape led by James Withers, and the National Discussion on Scottish Education. On 25 June 2025, the Education (Scotland) Bill passed, and work is underway on legislation that will enable us to transition to Qualifications Scotland.

Measuring performance

SQA's work is guided by our three-year *Prospectus for Change*. This is developed by the Executive Management Team (EMT), 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 *Prospectus for Change* 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. Further information regarding this can be found in Appendix 2. These indicators are a mix of qualitative and quantitative measures, and are reviewed regularly by SQA's EMT. 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 credible recognition of people's skills and achievements and thus support their life choices and progress. This means SQA must ensure that all stages of the design and delivery of assessments support and increase their credibility. This includes our approach to quality assurance, resulting and certification, and operational activity for all qualifications — including National Qualifications, and vocational and technical qualifications.

SQA plays a crucial role in the Scottish education and skills system, and the progression of education reform will influence that role. Even before the Scottish Government gave its response to the Independent Review of Qualifications and Assessment (IRQA) in September 2024, we had already started looking to the future, with reference to ministerial priorities set out in documents such as the 'Post-school education, research and skills — purpose and principles'. SQA are working with wider organisations to review and update the 3–18 Curriculum as part of the Curriculum Improvement Cycle. In addition, SQA plans to review our portfolio of qualifications, starting with post-school qualifications, and this work will be developed during the course of this corporate plan. It is, therefore, important that we work with others in the education and skills community, including the Scottish Government, other public bodies, schools, colleges, training providers, employers, universities, parents and, of course, learners.

We need to support our learners, as they are impacted by decisions made by SQA. To facilitate this, we involve learners in discussions and decisions so we can better understand the challenges and opportunities they face and work with them to identify areas of improvement.

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

In this section we cover the following deliverables:

- qualifications, assessments and quality assurance delivered to plan
- maintain, develop and improve our portfolio of qualifications

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'.

Qualifications, assessments and quality assurance delivered to plan

This deliverable covers both National Qualifications and vocational and technical qualifications.

National Qualifications delivery to plan

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.

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.

In the 2023–24 session, which spanned from August 2023 to July 2024, we:

- reintroduced full course assessment arrangements. This followed the modifications to assessments that were put in place to help limit the impact of disruption on learning and teaching caused by the global COVID-19 pandemic. These modifications had included the removal of coursework and practical assessments. SQA provided an Understanding Standards programme, as well as other advice and support, to help practitioners prepare learners effectively for this return to full course assessment.
- implemented an approach to awarding that represented the fairest and best way to help learners to demonstrate their knowledge, understanding and skills for each course, while also maintaining the integrity, credibility and standard of their qualifications. This included considering, as part of our well-established grading processes, any impact on learners from the reintroduction of full course assessment.
- continued to work closely with the education and skills community to deliver approaches to awarding all qualifications that ensure learners were awarded the results they deserved and have the knowledge and skills they need to progress to further learning, training or work.

On 6 August 2024, SQA published the Provisional Attainment Statistics (August) 2024 for National Courses and Awards. This contains attainment information across the National Courses (National 2 to National 5, Higher and Advanced Higher, and the Scottish Baccalaureate), together with Awards, Skills for Work courses, National Progression Awards, and National Certificates.

Support services for learners

Continuing with the approach taken in 2023, we provided the following services to support learners in 2024:

- A range of assessment arrangements to provide support to learners during exams.
- 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. Under this service learners who believed their final grade was incorrect could request a review of their SQA-marked exams and coursework.

We also offered a trial service for learners to request access to their marked exam papers from their school or college in five subjects, which could help learners decide whether to appeal.

Grading

In 2024, following adjustments to our awarding approaches in 2022 and 2023, we returned to a well-established awarding approach. However, where there was robust evidence that a return to full course assessment had impacted negatively on learner performance, we considered whether to make small adjustments to grade boundaries, particularly at Higher and Advanced Higher, while maintaining the credibility of the qualifications. This was based on evidence and drew on the experience of our senior examiners. While adjustments were made across a range of courses overall, at an aggregate level, grade boundary adjustments were similar to 2019.

Further information on our approach to awarding, including grading, is available in the National Qualifications 2024 Methodology Report. Information on component marks and grade boundaries is included on SQA's statistics webpage.

This year we introduced a process to provide 'early warning' of potential issues with an exam, before the marking stage. Where it is judged that such an issue might affect awarding, the data and analytics team will monitor the data for that subject. A pre-awarding meeting may be held to discuss the issue and any impact it may have on the grade boundary decision.

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 had 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 6 August 2024, 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 2023–24 achieved a strong performance overall.

In addition to the graded National Courses, SQA provides a wide suite of qualifications that play a critical role in meeting a range of learners' interests and abilities. These include awards in areas such as leadership, employability, and personal finance, as well as a range of Skills for Work courses, Awards, National Certificates and National Progression Awards. These are part of a broadening of the curriculum and support a range of initiatives such as the Developing the Young Workforce programme.

In 2023–24 we saw increasing engagement and attainment in some of these qualifications at SCQF levels 3, 4, 5, 6 and 7, particularly in areas such as Business with Information Technology, Computer Games Development, Electrical Engineering, Employability, Exercise and Fitness Leadership, Health and Social Care, Modern Languages for Life and Work, Photography, Sports Fitness, and Travel and Tourism.

MySQA email delivery

On results day, SQA issued paper certificates using the postal service. Approximately 58,000 learners had signed up to use the MySQA service with the option to receive results by text, email or both, in addition to their paper certificate.

The text results service operated as planned, but we identified that emails were being sent to learners with no results data included initially. There were 38,594 learners expecting to receive results via email but a subset of 7,461 were due to receive results by email only and were regrettably directly impacted by the email service failing to issue as planned. The issue was resolved in an hour, and results were correctly delivered to the affected learners.

The issue had never happened before and was unfortunately the result of human error. We have since worked with the email campaign supplier and looked at additional steps that we could build into the process to provide additional assurance.

Appeals

An appeals service was provided in 2024 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 552,695 certificated grades in 2024, there were 44,855 appeals. Of these, 3,390 results were upgraded and five resulted in a downgrade. All other appeals resulted in no change to the final grade.

Learners could appeal directly to SQA or via their centres. Appeals were free and could be submitted from Certification Day (6 August). Appeals were processed with the support of schools, colleges and training providers.

Appeals in 2024 involved a senior marker carrying out a marking review of a learner's SQA-marked assessments.

The senior marker reviewed the responses to all externally-marked questions and assignments. They checked that the marks awarded by the marker were in line with the marking standards agreed at the markers briefing and the marking instructions.

Higher History results

A review of the standards applied in the marking of Higher History in 2024 was commissioned after a number of concerns were raised about the marking standard. The review was carried out by SQA's Head of Standards with support and oversight from the Director of Policy, Analysis and Standards, neither of whom had any prior involvement in the marking or grading of Higher History.

The report, published on 6 November 2024, concluded that the standard set in the Higher History assessments was not higher than that set in previous years that this examination has run and that all stages of SQA's normal processes were followed rigorously and robustly and in accordance with SQA's established processes and procedures. Learners could be confident that the attainment rate for Higher History accurately reflected their performance. The report details the supporting evidence for this conclusion and identifies several factors likely to have contributed to the outcomes observed in Higher History this year. Independent, external scrutiny of the review by the Executive Director of Qualifications and Assessment at WJEC endorsed the findings and confirmed the evidence supported the report's conclusions.

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 live webinars and the publication of candidate evidence and commentaries, as well as 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 research on the 2024 awarding programme

SQA's Policy, Analysis and Standards (PAS) Directorate carried out research into awarding of graded National Courses in 2024. As in previous years, the research included: surveys and interviews with learners, educators, senior appointees and SQA staff; and statistical analyses.

Findings of the research, together with our engagement with the education community, will inform our work on qualification reform, as part of the Scottish Government's education reform programme.

Higher National, Vocational and International qualifications

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 2024–March 2025, 2,357 verification activities were completed (for comparison: 2023–24: 2,026 activities). Of the 2,357 activities, 2,152 (91.30%) fully met national standards.

Delivering HN and 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 higher national and vocational qualifications in the period covered by this report (April 2024–March 2025):

	HNC/Ds, PDAs	Regulated Qualifications	Awards, NPAs, NCs	Total
New course/group award	8	18	4	30
Revalidation/re-accreditation	0	2	2	4
Withdrawal	74	26	25	125

New or revised qualifications include PDA in Modern Methods of Construction at SCQF level 8, SVQ in Museums and Galleries Practice at SCQF level 7 and Data Science 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, adding additional optionality or revising units to reflect the most up-to-date standards and knowledge.

	HNC/Ds, PDAs	Regulated Qualifications	Awards, NPAs, NCs	Total
Extension to accreditation period	n/a*	130	n/a	130
Incremental change to group award	30	n/a	3	33
Units created/revised	11	264	69	344
Assessment support materials created or revised	13	4	28	45

*n/a = not applicable to this qualification type

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

Qualification type	2023–24	2024–25	Year-on-year change
SVQs	24,902	27,720	+2,818 (11.32%)
Higher National Certificates	11,097	15,015	+3,918 (35.31%)
Higher National Diplomas	5,446	7,729	+2,283 (41.92%)
NPAs	28,604	45,501	+16,897 (59.07%)
PDAs	8,800	9,128	+328 (3.73%)
Skills for Work	13,757	15,350	+1,593 (11.58%)
Awards	36,676	55,180	+18,504 (50.45%)
National Certificates	5,896	8,344	+2,448 (41.52%)
National Workplace	23,165	21,224	-1,941 (-8.38%)
Customised Awards	10,260	8,096	-2,164 (-21.09%)
Advanced Certificates/Diplomas	4,688	6,605	+1,917 (40.89%)

Customised Awards
We currently have 312 active Customised Awards (2023–24: 304). We offer Customised Awards as a service. Employers and organisations contract us to develop qualifications that meet their particular requirements. SQA certificates 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 high 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 to achieve recognition and equivalency for our awards as well as on projects that aim to develop and improve the skills, education and training of our global learners.

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.

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 (outlined in Scotland's international education strategy), and its plans to engage with specific countries, as well as promoting Brand Scotland and Scottish education worldwide. This work places 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 new 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

Our Next Generation: Next Phase project was set up from January 2025 to manage the transition from pilot delivery to eventual business-as-usual delivery in August 2026. This new phase builds on the previous successful phases with further engagement and delivery with the same centre groups in a restricted delivery model. Plans and resources have been allocated to seven new HNC developments in new subject areas, and we continue to collaborate with the sector on the product build using a service design model. We have made good progress in the development of the new Digital Awarding system that will support rollout of these new products across centres from August 2026.

Digital assessment and learning services

SOLAR, our digital assessment service, continues to deliver a significant number of assessments to learners — over 140,000 over the past year. New or revised SOLAR assessments were introduced for several key qualifications, with many qualifications now delivered via a SOLAR-only model of assessment. The delivery, security and usability benefits are valued by centres and learners. This year, further work has started on developing improved approaches to reporting, and preparations for transitioning to Qualifications Scotland are well underway with the software supplier. Although planned work around implementing remote invigilation did not start properly this year, we are expecting that those types of tools will be an important feature of SOLAR next year and into Qualifications Scotland.

Over the past year, our digital learning service has continued to successfully maintain and enhance the provision of our accessible digital learning course across all our learning groups; including staff, appointees, centres, and for bespoke stakeholders. We continue to support specific core business projects with tailored digital resources, ensuring effective knowledge transfer and skill development. Furthermore, we have significantly expanded our reach and impact by undertaking direct work for Scottish learners. Our team has also supported work related to organisational transition. In addition to our core activities, we have actively explored and implemented new pilot areas to drive innovation in digital learning. This includes investigating various use cases for applying generative artificial intelligence, as well as progressing the Brightspace project to explore the use of a learning management system (LMS) in gathering a portfolio of assessment evidence. In preparation for the transition, we have placed a significant focus on back-end innovation, streamlining our service and processes to ensure a robust and scalable digital learning provision moving forwards.

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 focused 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.

	2023–24	2024–25
Approved awarding bodies	36	35

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 2024–25:

	2023–24	2024–25
Audits	11	12
Provider monitoring reports	12	16
Provider monitoring visits	40	38

Our regulatory activity has stayed roughly the same as the previous year.

Accreditation of qualifications
At the end of 2024–25, SQA Accreditation had a total of 692 accredited qualifications (2023–24: 732). The breakdown of accredited qualifications is as follows:

	2023–24	2024–25
Scottish Vocational Qualifications (SVQs)	374	348
Other qualifications (such as competence-based or regulatory qualifications)	358	344

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 2025, 28 NOS projects had been completed out of a total of 55, and 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.

Outcome 2: We are flexible in meeting user and customer needs

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

SQA wants to ensure it satisfies its service users and customers. To do so it needs good quality insight into what those needs are, and good two-way engagement with users and customers to ensure that the commitments we make are met and, if they are not, that we take responsibility 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 be able to alter our products and services to meet new or emerging user and customer needs, basing our decisions on research and insight.

In this section we cover the following deliverable:

- secure and deliver contracts in line with service level agreements
- transform our business model to deliver digital services that support learners and educators in the future.

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.

Transform our business model to deliver digital services that support learners and educators in the future

The digital transformation of SQA's services is aligned to the Digital Awarding Programme.

Digital Awarding investment was approved in February 2025 to allow the beta phase of delivery to commence in April 2025 and complete in March 2026. The first three milestones (3/12) have been achieved on target and to business satisfaction.

Over time this deliverable will report on the overall digital transformation roadmap for SQA and Qualifications Scotland, with the initial focus being to kickstart that work aligned to the

delivery of SQA's NextGen HN qualifications, provisioning generic digital capabilities to deliver these qualifications with a view to extending the capabilities to all SQA qualifications.

The current programme can be broken down into three key phases, namely

- Stage 1 Discovery — a definition phase to understand the full landscape of SQA's business delivering clarity on both the scope to be delivered in Stage 2 and a business case to support an investment request from Scottish Government.
- Stage 2 Delivery of NextGen HN — a delivery phase to implement the core digital capabilities and associated business change events to support the rollout and ramp up of the NextGen HN qualifications.
- Stage 3 Wider Digital Transformation — To extend the implemented capabilities and continue with the implementation of other digital capabilities to support SQA's entire business model.

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

What this means: SQA is a public body that has a duty to the people of Scotland to use the money it receives sensibly, carefully and in a way that is sustainable. So SQA must be mindful of committing funds in ways that deliver best value. SQA must always be alert to opportunities for improving efficiency and reducing costs.

At the same time, SQA seeks to take advantage of opportunities it may have to utilise its core capabilities to generate income from commercial activity. SQA must therefore also be competitive, opportunity-focused, and have an appropriate appetite for risk.

SQA knows that the commercial revenue we generate lowers our overall reliance on the public purse, so we are committed to pursuing additional income and returning that to Scotland.

SQA also knows that dialogue with the Scottish Government is vital, and that we must continue to make the case to secure the support we need both for ongoing operations and to facilitate change.

In this section we cover the following deliverables:

- support the development and delivery of Qualifications Scotland
- embed SQA's cyber resilience and response capabilities
- deliver Best Value in line with the Scottish Public Finance Manual

Support the development and delivery of Qualifications Scotland

As part of the Scottish Government's Education Reform Programme, SQA is working towards the transition to a replacement national qualifications body, Qualifications Scotland.

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 an SQA-led consultation on whether external written examinations are appropriate for some practical subjects. As we progress towards Qualifications Scotland, a secondary headteacher has been seconded to SQA to enhance our engagement with teachers, pupils and other professional bodies.

In October 2024 Scottish Government responded to the Education Children and Young People Committee's Stage 1 report on the Education Bill. Subsequently, a debate on 18 December 2024 saw completion of Stage 1 of the Education (Scotland) Bill, with the Scottish Parliament agreeing to its general principles. The main points raised in the debate in relation to Qualifications Scotland were in line with those which were brought up in the evidence sessions. Some of the key themes were:

- location of the accreditation function
- culture and leadership
- membership and representation through revised board and governance structures.

In November 2024 Scottish Government approved our funding request for transition costs for financial year 2024–25 and issued a letter of comfort in December 2024 for financial year 2025–26.

In March 2025, we appointed an experienced secondary headteacher to a seconded senior adviser position. This crucial role will lead the development of a dedicated schools unit, delivering on SQA's ambition to improve its support for schools, teachers and learners, as set out in our *Prospectus for Change*.

Following discussion of Government amendments between Scottish Government officials, SQA and SQA trade unions, the Education (Scotland) Act was passed by Parliament on 25 June 2025.

The Transition Board is in place, jointly chaired by SQA and the Scottish Government, and meets monthly to ensure progress on SQA transition to Qualifications Scotland (and beyond). Our detailed transition programme covers seven main themes — brand and visual identity; finance framework and finance systems; people; governance processes and procedures; digital (including certification); accreditation; and stakeholder management (contractual). Ten project boards have been in place since January 2025.

At the end of March 2025 the status of the seven project themes that form the transition plan was as follows:

- Accreditation — green, all activities on track
- Branding and visual identity — amber due to the dependency on third-party delivering on time
- Digital transformation (including certification) — amber due to the delay in the recruitment of project managers and starting mobilisation phase
- Financial framework and systems — green, all activities on track
- Governance, processes and procedures — green, all activities on track
- People — green, all activities on track
- Stakeholder management — green, all activities on track

Embed SQA's cyber resilience and response capabilities

The launch of our corporate cyber resilience program is a major step towards embedding the principle that cyber resilience must be part of our corporate-wide culture. The program will help focus resilience activities and continue to enhance the maturity of our cyber security. Having baselined our cyber maturity against the NIST 2.0 Cyber Security standard, we can measure and report our progress in an objective and quantifiable manner. The sensitive nature of these measures prevents them being public, but full details of progress will be reported to our Performance Committee and executive groups.

We continue to develop our close ties with Scottish Government's SC3 cyber team.

Deliver 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.

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

Through the activities within our people strategy, we will continue to ensure that the Fair Work Framework is fully embedded and each aspect — respect, effective voice, security, opportunity, and fulfilment — is intrinsic in our employment practices.

SQA's purpose is to help people achieve and demonstrate their full potential, and this applies to our workforce as much as it does to our users, 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 — and we will take the wellbeing and skills of our workforce seriously by providing good quality, fair work, training and support for all our people. This requires a commitment to sustainable workforce planning, mainstreaming equalities, responsive leadership, and fostering the right workplace culture.

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

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.
- 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 continuing professional development (CPD) memberships and request financial support for further training.
- respect — SQA actively promotes equality, and supports workplace support networks.

In this section we cover the following deliverables:

- ensure people can be the most effective in their job by delivering relevant learning and development activities
- deliver our people strategy by developing our organisational design and culture to: improve our performance; improve our health, wellbeing and environment; be a responsible business
- deliver SQA's Equality Outcomes and mainstream equality throughout SQA ensuring SQA is a place where diversity is embraced.

Ensure people can be the most effective in their job by delivering relevant learning and development activities

We are committed to ensuring our people can be as effective as possible in their roles by offering a wide range of learning and development opportunities tailored to both individual and organisational needs. Our blended learning model includes self-paced e-learning modules, in-house workshops, custom-designed training, and external development opportunities where specialist expertise is required.

This comprehensive approach ensures that learning is relevant, timely, and aligned with our organisational objectives and the wider Fair Work principles.

Recruitment training programme

Our mandatory recruitment training programme ensures that all recruiting managers are fully equipped to make fair, informed, and inclusive hiring decisions.

This approach helps to create a more diverse, engaged, and productive workforce, and to lay the foundation for long-term trust, engagement, and career fulfilment.

Line Manager Fundamentals programme

Our Line Manager Fundamentals programme is a mandatory development journey for all people managers. It aims to build managerial confidence and capability, helping to standardise practices, reduce bias, and foster a more inclusive and trusting work environment. It covers dealing with discipline and grievance, performance management, feedback conversations, and attendance management.

Modern Apprentice programme

Our Modern Apprentice (MA) programme offers young people meaningful employment and learning opportunities, leading to a nationally-recognised qualification. It combines a structured development plan including real responsibilities, decision making and problem-solving, with a strong support network of trained line managers, workplace buddies, coaches and mentors.

Deliver our people strategy by developing our organisational design and culture to: improve our performance; improve our health, wellbeing and environment; be a responsible business

We believe that providing a healthy and safe working environment allows colleagues to flourish.

We have continued to enhance our office working environment to offer healthy and flexible working options to colleagues. We completed our LED upgrade in Lowden during the year and the upgrade for the Optima Building is due for completion in 2025–26. Ongoing upgrade works to the toilet facilities and general improvements to communal areas in Optima continue.

We reviewed our support for all aspects of active travel (such as walking and cycling) during the year, to ensure they continue to meet colleagues' needs.

Our Hands Up Volunteering Scheme allows our colleagues to volunteer and share their skills, learn new skills and work with colleagues across the business to support and give back to their local communities. In 2024–25, our colleagues have collectively volunteered 937 hours across various initiatives, including:

- paired reading sessions in local primary schools
- mentoring senior pupils on employability and life skills
- litter picking alongside pupils from a local primary school
- beach clean-up efforts in colleagues' local areas

These initiatives have not only supported our local communities, but allowed our colleagues to feel inspired and refreshed, having a positive impact on their wellbeing.

In June 2025, we were awarded the Investors in Wellbeing award by Investors in People, in recognition of the support within the organisation for colleagues' wellbeing. This is part of our commitment to colleagues, offering a broad range of help for social, financial, physical and psychological wellbeing. Our strategy and this award reflect our dedication to fostering a healthy and supportive work environment.

Deliver SQA's Equality Outcomes and mainstream equality throughout SQA ensuring SQA is a place where diversity is embraced

SQA Mainstreaming Report 2023–25

The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 requires SQA to publish a report that demonstrates the progress of our Equality Outcomes (2023–25) and what steps we have taken to mainstream the three elements of the general equality duty (GED):

- eliminate discrimination, harassment and victimisation
- advance equality of opportunity between different groups
- foster good relations between different groups

The SQA Equality Mainstreaming Report 2023–25 was published in April 2025 and provides a snapshot of our progress since our last Equality Mainstreaming Report 2021–23 and outlines our priorities for the future.

SQA's detailed Workforce Equality Monitoring Report and Summary of Equal Pay Audit should be read alongside the SQA Equality Mainstreaming Report 2023–25.

To enhance accessibility, an easy read version of the Equality Mainstreaming Report has also been published.

SQA Equality Outcomes 2025–29

A key legal requirement relating to equality in Scotland is the publication and delivery of equality outcomes every four years. Equality outcomes are strategic and express results we will achieve to improve people's life chances.

SQA undertook consultation exercises to involve people who share a relevant protected characteristic, or those who represent their interests. Analysis of the consultation results and existing evidence allowed SQA to develop and publish SQA Equality Outcomes 2025–29 in April 2025.

The SQA Equality Outcomes 2025–29 document is also published in Gaelic.

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

Trust is a necessary component of the education and skills system; it is the currency that gives SQA's qualifications value. The belief that an SQA qualification can be trusted to mean the holder has the skills and abilities we say they do is central to our value proposition**.**

Consequently, trust is vital to SQA. 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.

SQA maintains and enhances trust through the work of our people, as well as our products, 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 but will tell our own story in a conscious attempt to be a thought leader.

Being trusted to do what we say we will do underpins SQA's relationships. So SQA must be serious about driving user and 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 unique value we bring. This will build confidence, drive ambition, and make sure SQA's positive contribution to Scotland and elsewhere is acknowledged — and this will further enhance trust and thus 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:

- ensure SQA is an exemplary public body that is fully compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)
- build credibility and trust among those we work with and those we work for, particularly learners and educators, through high-quality, inclusive and accessible communication and engagement
- promote a culture of openness and evidence-based decision making within SQA and across the education community
- deliver SQA's Environmental Impact Strategy.

Ensure SQA is an exemplary public body that is fully compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)

Requests for information and personal data

We received 223 freedom of information (FOI) requests, 57 more than in 2023–24. The number of requests for internal review went up from eight in 2023–24 to 18 in 2024–25. We answered 90% of requests within the required timescale (2023–24 response rate: 99%). The average response time per request was 12 days (2023–24 average response time: nine days). There were no appeals submitted to the Scottish Information Commissioner,

compared to one in 2023–2024. One appeal report was received from an appeal submitted in 2022–23. One appeal from that year is still to be concluded.

Subject access requests (SARs) have increased to 2,135. This is a 32% increase on the number of requests received the previous year (2023–24: 1,623). There was a significant increase in the number of requests received immediately following the publication of NQ results in August with 483 requests received on results day alone. This represents 23% of all requests received in 2024–25. Most requests were received from NQ candidates requesting information about their performance over and above that provided on their certificates. This includes information about component and item marks. 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 2023–24, there were no instances of suspected financial irregularity identified in 2024–25. 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.

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.

Build credibility and trust among those we work with and those we work for, particularly learners and educators, through high-quality, inclusive and accessible communication and engagement

Communication and engagement

SQA is dedicated to enhancing communications and engagement to build credibility and trust with learners and educators. Our strategy focuses on clear, proactive, and user-centred communication, demonstrating the tangible impact of our work.

This year, our successful efforts have included:

- **'Digital first' for learner resources:** Successfully rolled out a new 'digital first' model for learner resources such as 'Your Exams', supporting more than 100,000 learners across Scotland.
- **'Your Voice' partnership panels:** Launched in November 2024, these panels directly engage learners, educators, and parents, allowing their experiences to shape qualifications. This initiative, in tandem with our 'Your Voice' annual programme of centre visits led by our Chief Executive and senior leadership colleagues, is crucial for resetting relationships and building trust.
- **Generative AI in assessment engagement:** We engaged extensively with hundreds of teachers, lecturers, training providers and learners through events, surveys and focus groups to develop new guidance on the acceptable use of generative AI tools in assessments for the 2025–26 session. This collaborative approach ensures the guidance is practical and supports the integrity of our qualifications.
- **Improved Key Audience Research scores:** Our annual Key Audience Research findings, released in December 2024, showed a notable increase in satisfaction with SQA's communications and engagement across various groups.
    - School audiences (classroom teachers, school leaders, parents or carers) rated their contact with SQA at an average of 7.22 out of 10 in November/December 2023, a rise from 6.32 in February/March 2023.
    - Specific engagement scores also showed improvements for classroom teachers (from 2.56 to 3.97) and school leaders (from 4.73 to 6.33).
    - Learners' engagement scores improved from 4.25 to 4.70.

Promote a culture of openness and evidence-based decision making within SQA and across the education community

Led by SQA's Policy, Analysis and Standards Directorate, we have continued work to ensure that research, analysis and evidence is at the heart of our policy and decision making. We have shared this analysis elsewhere in the education system, in the interests of transparency and informing decision making. We have continued to develop, deliver and refine a research programme aligned to the ambitions set out in the *Prospectus for Change*, and to strengthen our internal approach to undertaking and managing research.

Research undertaken and published during the period includes:

- key stakeholder research into perceptions of SQA and our qualifications
- centre experiences of using SQA's assessment arrangements
- use and perceptions of AI to support assessment of SQA qualifications

This last work fed directly into updated guidance on the use of AI to support delivery of our qualifications. We also published an evaluation of our Access to Marked Exams Papers trial. This revealed stakeholder concerns about workload and focus, which informed our decision

to pause the trial in 2025. However, providing access to marked exam papers remains a priority for us, as we recognise the benefits this gives to both learners and educators. We have heard the concerns around workload and it's important that we now take some time to work in partnership with others to deliver a service that addresses these concerns. We will continue to engage with stakeholders and share more information in due course.

As part of our work with stakeholders on qualifications and assessment reform, we researched the most appropriate approach for a number of practical subjects. This led us to remove question papers from National 5 courses in Practical Cake Craft, Practical Metalworking, and Practical Woodworking from 2025–26, and replace them with alternative forms of assessment. The research findings also led us to retain the question paper for Practical Electronics. We are now undertaking similar research and engagement for a range of other national courses.

We are preparing for publication the results of our research into the experiences of National Qualifications in 2024. This includes research into the return to full course assessment following the removal of the COVID-19 modifications to assessment. We are also finalising an update to our 2024 analysis of patterns of dual entry for national courses at National 4 and National 5, and double entry in Mathematics and Applications of Mathematics.

To support transparent decision making, our default position is now to publish all research. We also share and discuss the findings of our research with key stakeholders at a range of forums, including our Advisory Council, Qualifications Committee, National Qualifications 2025 Strategic Group, and our Equality and Inclusion Key Partners Group.

To strengthen the quality of our research we have published a Code of Research Practice and established an internal network to support staff undertaking research in accordance with the Code.

Deliver SQA's Environmental Impact Strategy

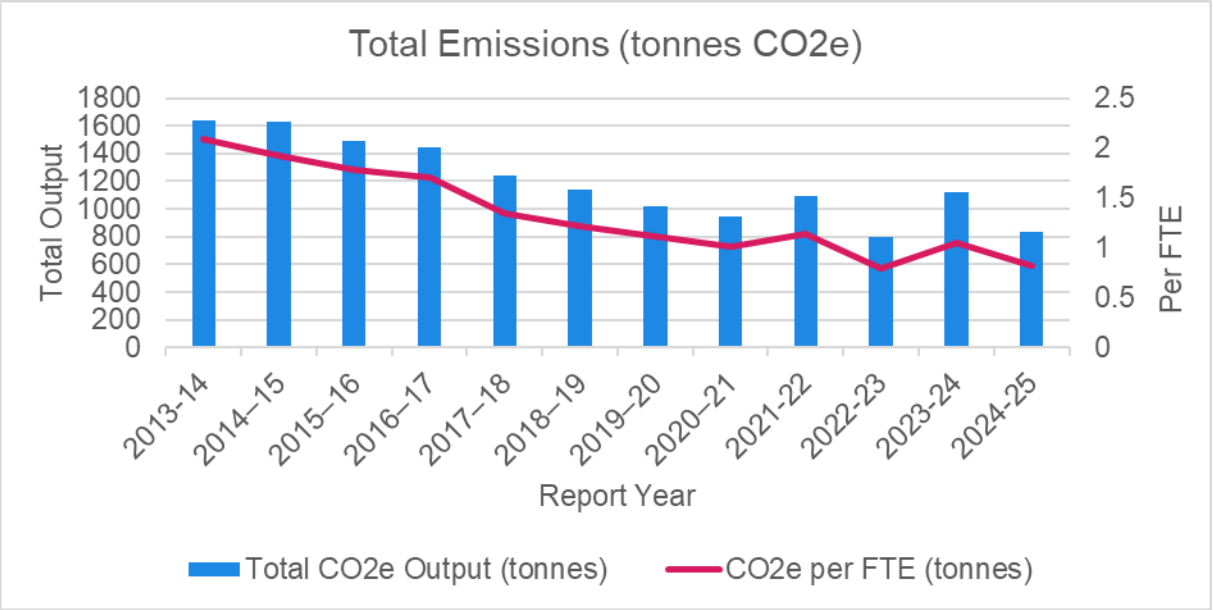
Environmental performance

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.

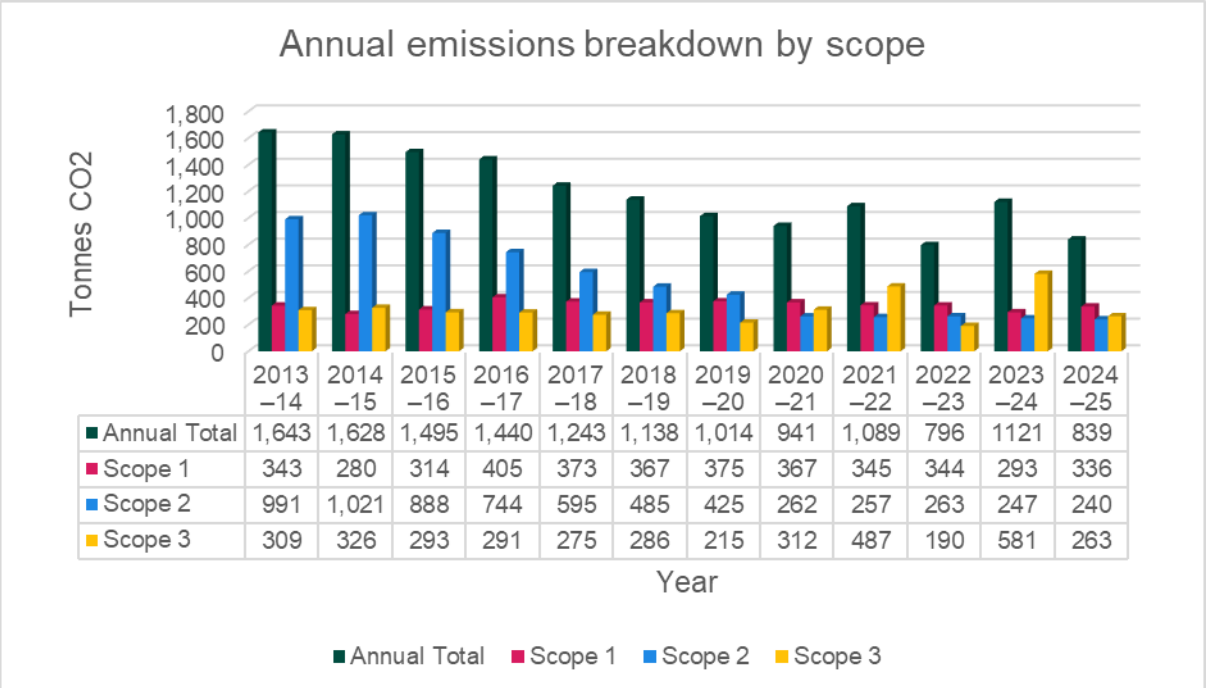
Our efforts to reduce our carbon emissions align with the climate change emergency declared by the Scottish Government in May 2019, and both the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 and the Scottish Government policy on 'Decarbonisation in the public sector'. We report annually to the Scottish Government on our carbon emissions, under the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, in line with the government's 2045 Net Zero Target.

Our commitment over recent years has been to maintain our carbon emissions at or below the total for the baseline year 2013–14 (1,643 tCO_2e). Our 2024–25 total of 839 tCO_2e is almost half this level. We also break down our emissions by office-based full-time equivalent (FTE) to account for fluctuations in staffing levels. By this measure, our emissions per FTE for 2024–25 were 0.8 tCO2e, compared to 1.1 tCO2e for 2023–24.



In analysing our emissions, we group them under three categories (or 'scopes') according to source, as follows:

Scope 1: direct combustive emissions — gas and fleet vehicles
Scope 2: indirect emissions from purchased energy/heat — electricity
Scope 3: supply chain emissions — waste, water, business travel, flights, homeworkers



	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25
Annual Total	1,643	1,628	1,495	1,440	1,243	1,138	1,014	941	1,089	796	1121	839
Scope 1	343	280	314	405	373	367	375	367	345	344	293	336
Scope 2	991	1,021	888	744	595	485	425	262	257	263	247	240
Scope 3	309	326	293	291	275	286	215	312	487	190	581	263

Emissions from **electricity** use have decreased by 1.9 tCO2e across all sites since 2023–24, mainly because of our ongoing change to lighting with LED panels, and the new data centre air conditioning at Lowden. The recent introduction of similar air conditioning at Optima, and further LED lighting replacements, are likely to continue this reduction into future years.

Our **waste** and **water** emissions across all sites have decreased by a total of 0.8 tCO_2e in comparison to 2023–24, a reduction of 27%.

For 2024–25, contracted **homeworkers** accounted for 20 tCO2e, compared to 2023–24's emissions of 356 tCO2e. This is due to a reduction in the number of contracted homeworkers at SQA. However this area is currently under review given difficulties in calculating the figure for hybrid workers.

For a complete breakdown of emissions sources, as reported to the Scottish Government, see our Sustainability Report 2024–25.

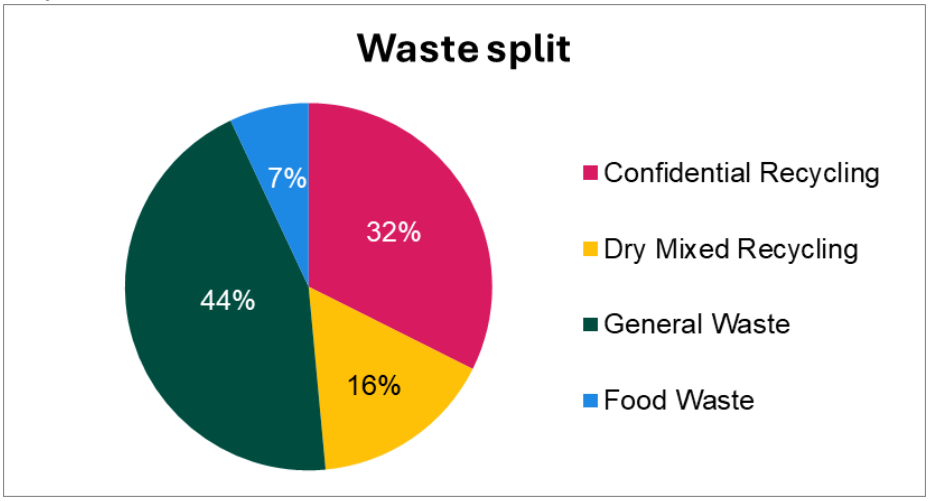
Travel

Flight emissions have increased overall by 42.5 tCO2e. A 38 tCO2e reduction from domestic and short haul flights was outweighed by an 80.5 tCO2e increase from long-haul and international flights. This follows an increased push to drive international business development for SQA, and many international locations do not have workable alternatives to flight in terms of travel. The overall figure is still a reduction of 82% in comparison to our baseline year.

Travel by road has reduced by 23.6 tCO_2e overall compared with 2023–24, with a 19 tCO_2e reduction in business mileage and a 4 tCO_2e reduction in inter-site mileage. Travel for business by train had a small increase of 0.6 tCO_2e.

Recycling

SQA recycles two types of waste: confidential recycling, which is comprised of paper, and dry mixed recycling, which is comprised of plastic and metal. Food waste is collected from our canteens and staff kitchenettes and is composted by our waste handler. General waste accounts for any waste that is not recyclable or food. The majority of SQA's waste is recycled or composted, with a breakdown of these amounts show below:



For 2024–25, the amount of waste compared to 2023–24 increased, primarily due to a large clear out of archives, and SQA bringing the majority of appointee events in house. Due to a decrease in emissions factors, which are updated yearly, there was still a 36% reduction in emissions in 2024–25 in comparison to 2023–24. As emissions from waste are relatively low, this accounted for a reduction of 0.6 tCO_2e.

Financial performance

Financial overview

The results for the year to 31 March 2025 are given in the attached accounts (see section C), which have been prepared in accordance with the 2024–25 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 2024–25 had to be closely managed throughout the year in partnership with Scottish Government.

Performance against Departmental Expenditure Limit (DEL) in 2024–25

Performance	Final DEL £m	Actual drawdown £m	(Over) / Under spend £m
Resource DEL	50.225	50.390	(0.165)
Capital DEL	3.970	4.042	(0.072)
Total DEL	**54.195**	**54.432**	**(0.237)**
Ring-fenced DEL	4.707	5.386	(0.679)
Annually Managed Expenditure	10.260	5.097	5.163
HM Treasury Resource	NIL	(0.146)	0.146
Total	**69.162**	**64.769**	**4.393**

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 2024–25 was £25.722m, with the previous year surplus being £12.528m. 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. 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 annual leave and flexitime carried forward by staff. The reduction in 2024–25 is due to a decrease in headcount partially offset by a small increase in the average number of days carried forward.

Key DEL income and expenditure categories

Income (2025 £50.071m, 2024 £49.959m)

SQA's income is generated from charging for the delivery of its products and services. Total income of £50.071m was earned in 2024–25, being entry charges £41.784m (2023–24 £40.458m) and other income £8.287m (2023–24 £9.501m).

The increase in entry charges of £1.326m is mainly due to more Higher National and Vocational Qualification entries. The decrease in other income of £1.214m is mainly due to reductions within Commercial Testing Services and Street Works Qualifications Register (overall reductions of £1.311m and £0.218m respectively), offset by increased income from Customised Awards of £0.312m.

Expenditure (2025 £112.147m, 2024 £107.541m)

Operational costs were £112.147m, being staff costs £78.238m (2023–24: £73.911m); other expenditure £28.523m (2023–24: £29.843m); and depreciation £5.36m (2023–24: £3.787m). Expenditure exceeding our annual income is funded through our Resource DEL.

Staff costs (2025 £78.238m, 2024 £73.911m)

As disclosed in the Remuneration and Staff Report, total staff costs of £78.704m were incurred in year, of which £0.466m related to capitalised employee costs. The increase in staff costs from FY 2023–24 is mainly attributable to an increase in salary costs and social security payments, in line with the Scottish Government pay policy.

Other operating expenditure and taxation (2025 £28.523m, 2024 £29.843m)

Other expenditure decreased by £1.320m from FY 2023–24. The main movements were seen in the following:

- There was a £0.287m increase in Appointee Expenses and Related costs.
- IT costs saw an increase of £2.501m, with the bulk of this relating to higher hosting and WAN payments, offset by lower licensing, maintenance and support and partner costs.
- PR, marketing and publications reduced by £0.557m from the previous year.
- Business development specialists' fees and expenses reduced by £2.839m.
- Property Expenses External Venue reduced by £0.668m due to more meetings being held in house.
- Withholding tax reduced by £0.504m mainly due to timing of when 2024–25 liability became due.

Depreciation (2025 £5.386m, 2024 £3.787m)

Depreciation and amortisation costs of £5.386m represent an increase of £1.599m over the previous year. This increase is due to an increased capital spend and a reduction in written back depreciation relating to asset revaluation.

Property, plant and equipment

Expenditure on capitalised property, plant and equipment during the year totalled £0.739m. The bulk of this was spent on plant and machinery (£0.352m), IT hardware (£0.319m), with the remainder being furniture and fittings (£0.068m).

Intangible assets

Expenditure on intangible assets during the year totalled £3.303m. This was used to acquire IT software (£0.534), to purchase software licences (£0.005m), and to develop assets under construction (£2.764m), which mainly consist of new system implementations. Total capital spend includes £0.466m of staff costs which were capitalised in developing the assets.

Auditors

The accounts for the year ended 31 March 2025 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 2024–25 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 90% in 2024–25 (94% 2023–24).

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, Qualifications Scotland. 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.

Nick Page

Accountable Officer and Chief Executive
Scottish Qualifications Authority
26 November 2025

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

Shirley Rogers

Chief Executive

Fiona Robertson (to 23.02.2025)

John Booth, Interim Chief Executive (from 26.02.2025 to 06.07.2025)

Nick Page (from 07.07.2025)*

Non-executive board members

Anna Davis

Ronnie Erskine (from 28.10.2024)

Seán Hagney

Simon Hewitt (from 28.10.2024)

Jane Handley (to 14.08.2024)

Caroline McFarlane (from 28.10.2024)

John Morton (from 06.05.2024)

Dr Wendy Mayne (to 14.08.2024)

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 (to 26.02.2025), Chief Operations Officer (from 26.02.2025)

John Booth, Director of Communications (to 26.02.2025)

Martin Campbell, Director of Business Systems

Dawnne Mahmoud, Director of People

Stuart McLaren, Director of Communications (from 18.03.2025)

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) and Chief Examining Officer (from 26.02.2025)

Declan Walsh, Director of Finance (from 05.03.2025)

Martyn Ware, Director of Policy, Analysis and Standards

*As Chief Executive from 07.07.2025, Nick Page is the Accountable Officer at the date of signing these accounts.

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, include: 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 2024–25, three breaches were 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 (FReM), 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 FReM 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.

2024–25 Governance statement

In this section, SQA's Chief Executive sets out his 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 2025 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

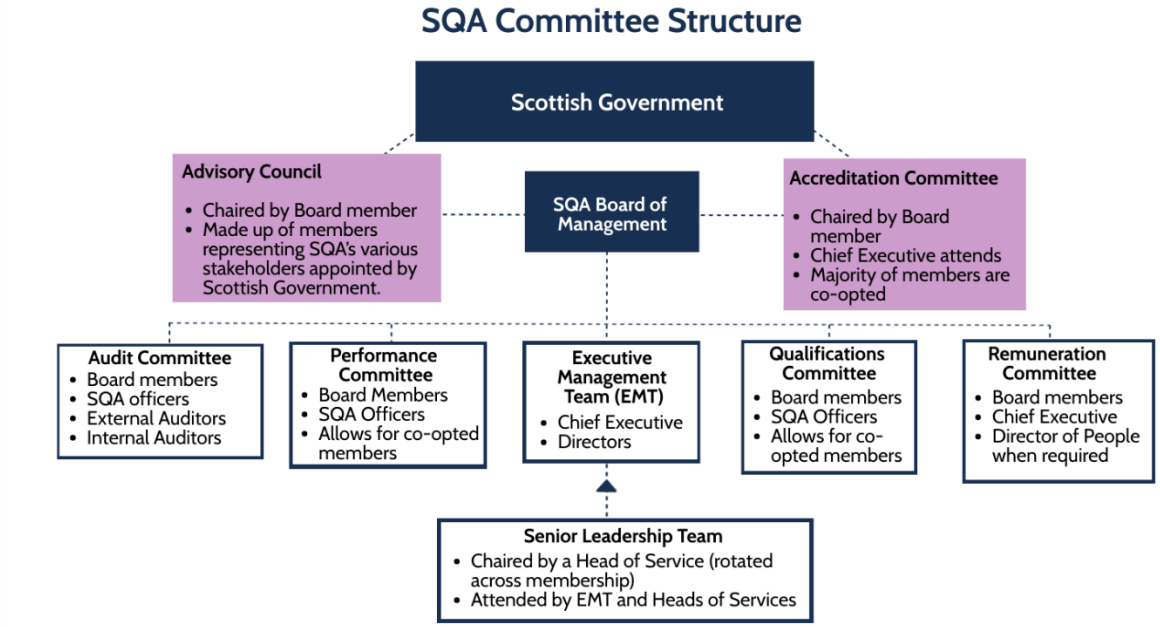
SQA is sponsored by the Scottish Government's Education Reform Directorate. As Accountable Officer, I and members of the Executive Management Team meet regularly with Ministers and/or colleagues at the Scottish Government, to provide an update on the

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 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.



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 (to 14.08.24), John Morton (from 28.10.24) (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, May, 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), Elaine Hutton (vice convenor), Angela Newton, Ian Wilson, Kirsty Summers, Ryan Reed, Angela Hamilton, Caroline MacFarlane, Simon Hewitt, Laura Lamb and John Booth. 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 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 (until 14.08.2024), Michelle Wailes and Ronnie Erskine (from 28.10.2024).

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 (until 14.08.2024), Prof Ken Thomson and Ronnie Erskine (from 28.10.2024).

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 is comprised of Dr Ken Thomson (convenor), Prof Jo-Anne Baird, Jane Handley (to 14.08.24), Dr Wendy Mayne (to 14.08.24), Caroline McFarlane (from 28.10.24), Jon Reid, David Swinney, Simon Hewitt, Stuart McKenna, Peter Bain, Yasmeen Hussain 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	5	0
Accreditation	4	0
Remuneration	4	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.

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's Strategic audit plan for 2024–26 was approved at the March 2024 Audit Committee meeting. The 2024–2025 audit plan was approved as part of this. The plan is 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 is currently appointed to fulfil internal audit functions and undertook a total of seven internal audits in 2024–25. In overall terms these audits provided reasonable assurance with some improvements required. Specifically, these were:

Audit	**Conclusion**
Payroll	Reasonable assurance with some improvement required (one medium, two low rated findings and one improvement)
Risk management	Reasonable assurance with some improvement required (one low and two medium rated findings)

Audit	Conclusion
Whistleblowing	Reasonable assurance with some improvement required (one medium, four low rated findings and one improvement)
Income generation	Reasonable assurance with some improvement required (five low rated findings)
ISO 27001 IT controls	Partial assurance with improvement required (two high, four medium and three improvement findings)
International benchmarking	Partial assurance with improvement required (two medium and two low rated findings)
Ofqual compliance	Advisory (two medium and two low rated findings)

In addition, follow-up reviews were undertaken to assess the extent to which management has implemented agreed audit actions. Progress against management actions is reported quarterly by Grant Thornton to our Audit Committee through follow-up progress reports.

As well as this outsourced audit activity, SQA has an in-house ISO audit programme operated by trained staff. The in-house auditors conducted five audits relating to ISO 27001 (Information Security) and one audit relating to ISO9001 (Quality Management Systems) during 2024–25.

Internal controls

The Corporate Strategy and Business Development 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

SQA's Corporate Planning Team coordinate the completion of the Internal Control Checklist provided by Scottish Government. The team ensure that business areas consider and respond to each question by selecting a level of confidence that demonstrates their assurance that internal control are operating effectively. These responses are collected and analysed by the Corporate Planning Team and recommendations and actions are agreed if any gaps or weaknesses are identified.

One failure of internal control that was identified was the security incident whereby one of our externally-managed systems was breached and information downloaded. An Incident Management Team was established and proper procedures were followed to ensure swift action was taken to address the situation.

In March 2025 Ofqual formally closed an enforcement action which related to compliance requirements regarding centre malpractice cases from 2018–19. Ofqual had previously published a report of the findings of its investigation into these cases on 15 October 2024.

Planning and performance framework

A new corporate plan, *A Prospectus for Change* 2024–27, was published in November 2024. Work to develop this new plan started in July 2023, involving internal and external stakeholders who helped to challenge the corporate outcomes and deliverables committed to within the *Prospectus*.

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, both as SQA and after the transition to Qualifications Scotland.

The *Prospectus for Change* informs the development of separate business plans for each financial year between corporate plans. The Board of Management approved the 2024–27 *Prospectus* in March 2024. 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 *Prospectus for Change* 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 13 deliverables we identified in 2024–25, 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 are reported 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 May 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 2024–25 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 – Qualifications Scotland.

As part of its wider risk management framework, SQA has continued to develop its arrangements for the management of business continuity. 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 1 September 2024 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 breach of credentials and gaining unauthorised access to a network file 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 plans.

In 2024–25 we delivered a comprehensive business continuity training and awareness programme to all staff who have a role and responsibility in business continuity. Incident Management Team lead staff were trained in August 2024 by our third-party provider Inverroy, who provide a LIVEX scenario-based exercise.

Compliance with policies, procedures, laws, and regulations

We undertake comprehensive policy and practice reviews to ensure that associated equality impact assessments are published on our website.

Where appropriate, the SQA's Executive Management Team seeks legal advice 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 that 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 2023–24, there were no instances of suspected financial irregularity identified in 2024–25 against SQA.

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 2024–25, employer's contributions of £2,958,293.70 were payable in total. These contributions were based on 6.8% for LGPS pensionable pay, and 26% for STSS.

Further details about the LGPS and SPPA arrangements can be found on their websites www.lgps.org.uk and pensions.gov.scot.

Strathclyde Pension Fund contribution rates 2024–25

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 2024–25

Full-time equivalent pensionable pay	Contribution rate
Up to and including £34,286	7.35%
£34,287–£46,155	8.88%
£46,156–£54,728	9.90%
£54,729–£67,975	10.61%
£67,976–£92,693	11.73%
£92,694 and above	12.14%

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 2024–25 were:

Shirley Rogers — SQA Chair and Convener of the Remuneration Committee

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 (until 23 February 2025)

John Booth — SQA Interim Chief Executive and Officer of the Remuneration Committee (from 24 February 2025)

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.

	2024–25			2023–24		
	Salaries and other payments	Accrued pension benefits	Total	Salaries and other payments	Accrued pension benefits	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Chair						
David Middleton	–	–	–	15–20	–	15–20
Shirley Rogers	25–30	–	25–30	5–10	–	5–10
Chief Executive						
Fiona Robertson[1]	130–135	59	185–190	135–140	63	195–200
John Booth[2]	100–105	32	135–140	100–105	39	135–140
Non-Executive Board Members						
Anna Davis	5–10	–	5–10	5–10	–	5–10
Ronnie Erskine[3]	0–5	–	0–5	–	–	–
Seán Hagney	5–10	–	5–10	5–10	–	5–10
Jane Handley[4]	0–5	–	0–5	5–10	–	5–10
Simon Hewitt[5]	0–5	–	0–5	–	–	–
Dr Wendy Mayne[6]	0–5	–	0–5	5–10	–	5–10
Caroline McFarlane[7]	0–5	–	0–5	–	–	–
John Morton[8]	5–10	–	5–10	–	–	–
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	5–10	–	5–10
Directors						
Michael Baxter[9]	10–15	15	25–30	100–105	45	145–150
Jean Blair	105–110	69	175–180	105–110	121	225–230
Martin Campbell	110–115	33	145–150	105–110	58	165–170
Dawnne Mahmoud	105–110	34	140–145	105–110	45	150–155
Stuart McLaren[10]	0–5	61	60–65	–	–	–
Elizabeth McGrath[11]	40–45	49	90–95	95–100	61	155–160
John McMorris	110–115	84	190–195	105–110	148	250–260
Donna Stewart[12]	50–55	33	85–90	–	–	–
Dr Gill Stewart[13]	60–65	33	90–95	115–120	144	260–265
Declan Walsh[14]	5–10	2	5–10	–	–	–
Martyn Ware	100–105	50	150–155	95–100	65	160–165

The total emolument of all directors, non-executive directors and the chair was £1,098,000 (2024: £1,356,000)

No benefits in kind were paid in 2024–25.

There were no bonuses paid in 2024–25.

[1] Fiona Robertson left SQA on 23.02.2025. Their full year equivalent salary was £140–145k. In addition to the salary payments recorded above Fiona was paid a compensation payment of £20,000 and a contractual payment in lieu of notice of 6 months' salary.

[2] John Booth became the interim chief executive director on 25.02.2025. Their full year equivalent salary was £100–105k.

[3] Ronnie Erskine's term of appointment began on 28.10.2024. Their full year equivalent salary was £5–10k.

[4] Jane Handley's term of appointment ended on 30.08.2024. Their full year equivalent salary was £5–10k.

[5] Simon Hewitt's term of appointment began on 28.10.2024. Their full year equivalent salary was £5–10k.

[6] Wendy Mayne's term of appointment ended on 30.08.2024. Their full year equivalent salary was £5–10k.

[7] Caroline MacFarlane's term of appointment began on 28.10.2024. Their full year equivalent salary was £5–10k.

[8] John Morton's term of appointment began on 01.11.2024. Their full year equivalent salary was £5–10k.

[9] Michael Baxter left SQA on 06.05.2024. Their full year equivalent salary was £105–110k.

[10] Stuart McLaren became a director on 18.03.2025. Their full year equivalent salary was £90–95k.

[11] Elizabeth McGrath left their role as director of SQA on 31.08.2024. Their full year equivalent salary was £100–105k.

[12] Donna Stewart became a director on 16.09.2024. Their full year equivalent salary was £100–105k.

[13] Gill Stewart left SQA on 27.09.2024. Their full year equivalent salary was £120–125k.

[14] Declan Walsh joined SQA on 05.03.2025. Their full year equivalent salary was £95–100k.

	2024–25	**2023–24**
Band of highest paid director's total remuneration and % increase	£140–£145k 3.6%	£135–£140k 3.8%
Average % increase of all employees	4.18%	6.5%

	2024–25			2023–24		
Percentile pay*	25th	Median	75th	25th	Median	75th
	£30,986	£40,993	£50,008	£29,095	£39,741	£48,481
Ratios**	4.60	3.48	2.85	4.73	3.46	2.84
Staff pay range	from £24,108 to £140–£145k			from £22,608 to £135–£140k		

* 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.

SQA has a consistent pay, reward and progression policy for all its employees which is reflected in the movement in remuneration and ratios for the median and upper quartile.

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

Pensions entitlement earned 2024–25

	Real increase in pension	Real increase in lump sum	Total accrued pension at 31 March 2025	Total accrued lump sum at 31 March 2025	Cash equivalent transfer value at 31 March 2024	Cash equivalent transfer value at 31 March 2025	Real increase in cash equivalent transfer value
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive							
Fiona Robertson	2.5–5	0–2.5	15–20	0–5	210	264	54
John Booth	0–2.5	0–2.5	5–10	0–5	84	121	37
Directors							
Michael Baxter	0–2.5	0–2.5	5–10	0–5	141	154	13
Jean Blair	2.5–5	0–2.5	55–60	70–75	1,109	1,184	75
Martin Campbell	0–2.5	0–2.5	10–15	0–5	151	198	47
Dawnne Mahmoud	0–2.5	0–2.5	10–15	0–5	153	186	33
Elizabeth McGrath	2.5–5	0–2.5	30–35	10–15	476	538	62
Stuart McLaren	2.5–5	0–2.5	25–30	20–25	404	456	52
John McMorris	2.5–5	2.5–5	40–45	5–10	579	681	102
Donna Stewart	0–2.5	0–2.5	0–5	0–5	36	63	27
Dr Gill Stewart	0–2.5	0–2.5	65–70	95–100	1,306	1,405	99
Declan Walsh	0–2.5	0–2.5	0–5	0–5	0	4	4
Martyn Ware	2.5–5	0–2.5	35–40	25–30	637	695	58

Pensions entitlement earned 2023–24

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

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

*Figures for accrued pension restated.

All figures above are bound by the decision from the Court of Appeal (McCloud (Judiciary scheme)/Sargeant (Firefighters' Scheme)). Further details are reported in Note 18 Pension Costs.

Staff Report

Number of senior staff (or equivalent) by band:

Grade	2024–25 Number of staff	2023–24 Number of staff
Chief executive	1	1
Director	8	9
Head of service	36	42

This section of the Remuneration Report is subject to audit.

Staff costs comprise:

	Executive Board Members	Non-Executive Members	Permanently employed staff	Others	Appointees	2024–25 Total	2023–24 Total (Restated)*
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	1,035	72	43,308	2,089	19,426	65,930	61,716
Social security costs	123	3	4,503	–	–	4,629	4,615
Other pension costs	64	–	7,869	–	164	8,097	8,071
Severance and compensation	20	–	28	–	–	48	–
Sub–total	1,242	75	55,708	2,089	19,590	78,704	74,402
Less recoveries in respect of outward secondments	–	–	–	–	–	–	–
Total net costs	1,242	75	55,708	2,089	19,590	78,704	74,402

*The figures above have been restated to transfer our Appointee Fees from OOE to Staff Costs.

Included within wages and salaries are additional costs in relation to capitalised salary costs of £466,000 (2024: £491,000).

Average number of persons employed

This section of the Remuneration Report is subject to audit.

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

	Permanent Staff	Others	2024–25 Total	2023–24 Total
Awarding and related activities	1,025	45	1,070	1,061
Accreditation	19	1	20	20
Total	1,044	46	1,090	1,081

In addition to the staff numbers above some 18,162 (2024:17,600) Appointees (teachers, lecturers, subject experts, markers, invigilators and other roles) supported the development, delivery, and certification of SQA's qualifications in the academic year 2024–25. 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.

Staff composition

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

	2025			2024		
Grade	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Chief Executive	1	–	1	–	1	1
Directors	5	3	8	5	4	9
Non-executive board members	6	4	10	3	5	8
Senior employees	18	18	36	22	20	42
Other	366	624	990	393	677	1,070
Total headcount	396	649	1,045	423	707	1,130

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 2024–25 was 3.67%. This rate has decreased over the last financial year (2023–24: 3.76%; 2022–23: 3.93%). We track our absence level against a public sector benchmark of 4.40%.

Our turnover rate in the year 2024–25 was 5.23%. The rate has decreased since the last financial year (2023–24: 6.34%; 2022–23: 8.88%). We track our turnover level against a

public sector benchmark of 9.7%, a reduction from the previous year's benchmark of 12.70%.

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 2024–25, 30.07% of our organisation were on flexible working contracts. This figure has decreased by 1.46% since the last financial year.

Staff policies applied

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 by a manager 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.

A carer's policy was introduced in April 2025 to support employees who are balancing work and caring responsibilities.

SQA continues to be an accredited Carer Positive Employer at the Engaged level.

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

Other employee matters

SQA's gender pay gap as at November 2024 was 6.2% (that is, average hourly female salary was 93.8% of average hourly male salary). This is lower than Scotland's overall median gender pay gap of 13.1%.

The Equal Pay Audit was published externally at the end of April 2025 as part of SQA's Equality Mainstreaming Report.

A review of appointee employment status was conducted by SQA, the output of this review concluded that appointees should be engaged as workers. This was confirmed by an employment tribunal as a result of an appointee succeeding in a claim for holiday pay. SQA have since paid appointees holiday pay for 2025, and all new contracts for appointees going forward provide for worker status.

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 transition to Qualifications Scotland 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 2025–26. The sessions took place in September, and budget submissions were made in November 2024.

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.

We have an employee engagement pulse survey, developed in collaboration with our recognised trade unions, which took place three times in the period May 2024 to April 2025. The survey measures five factors of engagement: Pride, Advocacy, Attachment, Inspiration and Motivation. The results are discussed in small focus groups led by members of the Executive Team and in business area teams to fully explore the results and to look at implementing any suggested improvement measures. A new supplier has been sourced to provide surveys in Qualifications Scotland.

Trend data for the three surveys:

Date	Engagement score (%)	Response rate (%)
May 2024	63.53	72
January 2025	54.29	73.44
April 2025	55.46	64.4

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 we aim to resolve 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	16
Full-time equivalent employee number	14.6
Percentage of time spent on facility time	
Percentage of time	Number of employees
0%	6
1%–50%	10
51%–99%	–
100%	–
Percentage of pay bill spent on facility time	
Total cost of facility time	£50,316.57
Total pay bill	£59.114 million
Percentage of total pay bill spent on facility time	0.09%
Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time	34.44%

Consultancy

Consultancy for 2024–25 was £108,000 (2023–24 £75,000). Further details in relation to this can be found in the Public Services Reform (Scotland) Act 2010 information published on our website.

Exit packages

This section of the Remuneration Report is subject to audit.

There were 19 packages during 2024–25.

	2025			2024		
Exit package cost band	**Compulsory redundancies**	**Other departures agreed**	**Total exit packages by cost band**	**Compulsory redundancies**	**Other departures agreed**	**Total exit packages by cost band**
< £10,000	0	18	18	0	0	0
£10,000–£25,000	0	1	1	0	0	0
£25,000–£50,000	0	0	0	0	0	0
£50,000–£100,000	0	0	0	0	0	0
£100,000–£150,000	0	0	0	0	0	0
Total exit packages	0	19	19	0	0	0
Total cost /£	0	48,000	48,000	0	0	0

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 £50.1m in 2024–25 (2023–24 £49.9m).

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

Income	2024–25	2023–24
	£'000	£'000
Entry charges*	41,784	40,458
Other income**	8,287	9,501
Total fees	50,071	49,959

*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 £74k (previous year £26k). The bad debt provision of £458k (previous year £559k) is disclosed in note 11.

Remote contingent liabilities

There were no contingent liabilities at 31 March 2025 which require disclosure under IAS 37 or the Scottish Public Finance Manual.

Nick Page

Accountable Officer and Chief Executive

Scottish Qualifications Authority

26 November 2025

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 2025 under the Education (Scotland) Act 1996. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flows, the 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 2024/25 Government Financial Reporting Manual (the 2024/25 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 2025 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 2024/25 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. 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 FCPFA

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

C: Accounts 2024–25

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2025

	Note	2024–25 £'000	2023–24 £'000 (Restated)*
Expenditure			
Staff costs	3	78,238	73,911
Depreciation and amortisation charges	8(ii)	5,386	3,787
Other expenditures	4	28,565	29,381
Tax	4	(42)	462
		112,147	107,541
Income			
Entry charges	5	41,784	40,458
Other income	6	8,287	9,501
		50,071	49,959
Net expenditure		(62,076)	(57,582)
Interest payable	7	(124)	19
Net expenditure after interest		(62,200)	(57,563)
Other comprehensive net expenditure:			
Actuarial gain/(loss) on defined benefit pension scheme	18	5,097	(436)
Total comprehensive net expenditure for the year		**(57,103)**	**(57,999)**

The notes on pages 93–117 form part of these accounts.

*The figures above have been restated to transfer our Appointee Fees from OOE to Staff Costs.

Statement of Financial Position

as at 31 March 2025	Note	31 March 2025 £'000	31 March 2024 £'000 (Restated)*
Non-current assets			
Property, plant and equipment	8(i)	25,147	28,274
Intangible assets	9	7,249	6,049
Trade and other receivables	11	171	68
Defined benefit asset	18	–	–
Total non-current assets		32,567	34,391
Current assets			
Trade and other receivables	11	27,593	24,613
Cash and cash equivalents	12	5,529	9,581
Total current assets		33,122	34,194
Total assets		65,689	68,585
Current liabilities			
Trade and other payables	13	(13,491)	(14,560)
Right of use of asset Lease	13	(2,719)	(2,719)
Total current liabilities		(16,210)	(17,279)
Non-current assets plus net current assets		49,479	51,306
Non-current liabilities			
Trade and other payables	13	(296)	(310)
Right of use of asset Lease	13	(17,610)	(20,329)
Provisions for liabilities and charges	14	(333)	(355)
Total non-current liabilities		(18,239)	(20,994)
Assets less liabilities		31,240	30,312
Taxpayers' equity			
General reserve		30,015	28,504
Revaluation reserve		1,225	1,808
Total taxpayers' equity		31,240	30,312

*Figures above have been restated to increase the lease term for the Lowden building by 1 year. This change is also reflected through our 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 26 November 2025.

Nick Page
Accountable Officer and Chief Executive
Scottish Qualifications Authority

The notes on pages 93–117 form part of these accounts.

Statement of cash flows

for the year ended 31 March 2025	Note	2024–25 £'000	2023–24 £'000
Cash flows from operating activities			
Net expenditure after interest		(62,200)	(57,563)
Adjustments for non-cash items			
Depreciation and amortisation	8(ii)	5,386	3,787
(Gain)/Loss on non-current assets	4	–	–
Notional Optima rent	15	2,465	2,370
IAS 19 Pension cost	18	5,097	10
Movements in working capital			
Decrease/(Increase) in trade and other receivables	11	(3,083)	516
Increase/(Decrease) in trade and other payables	13	(1,069)	216
Movements in provisions and long-term liabilities			
Increase/ (Decrease) in long-term liabilities	13	(2,733)	–
Increase/ (Decrease) in provisions	14	(22)	(12)
Net cash inflow / (outflow) from operating activities		(56,159)	(50,676)
Cash flows from investing activities			
Purchase of property, plant and equipment	8(i)	(739)	(1,246)
Purchase of intangible assets	9	(3,303)	(1,296)
Adjustments for non-cash items			
Right of use — Asset Lease		–	–
Net cash outflow from investing activities		(4,042)	(2,542)
Cash flows from financing activities			
Scottish Government Grant-in-aid Funding	15	50,390	52,359
Scottish Government Programme Funding	15	1,717	1,562
Scottish Government Capital Funding	15	4,042	2,542
Net financing		56,149	56,463
Net (decrease)/increase in cash and cash equivalents in the period	12	(4,052)	3,245
Cash and cash equivalents at the beginning of the period	12	9,581	6,336
Cash and cash equivalents at the end of the period		5,529	9,581

The notes on pages 93–117 form part of these accounts.

Statement of changes in taxpayers' equity

for the year ended 31 March 2025

	Note	Revaluation reserves £'000	General reserve £'000	Total reserves £'000
Balance at 31 March 2023		2,558	27,671	30,229
Changes in taxpayers' equity for 2023–24				
Net (gain) 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 2022–23		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
Changes in taxpayers' equity for 2024–25				
Net gain / (loss) on revaluation of non-current assets		(583)	–	(583)
Actuarial gain/(loss)	18	–	5,097	5,097
Unfunded benefits paid	14	–	–	–
Notional funding		–	2,465	2,465
Net expenditure after interest		–	(62,200)	(62,200)
Total recognised income and expense for 2023–24		1,225	(26,134)	(24,909)
Scottish Government funding	15	–	56,149	56,149
Balance at 31 March 2025		1,225	30,015	31,240

The notes on pages 93–117 form part of these accounts.

Notes to the accounts

1 Statement of accounting policies

The financial statements for the year ended 31 March 2025 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 2024–25 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 2025–26 Budget Bill.

During 2025–26 SQA will be transitioning to a new body, Qualifications Scotland. The Budget Bill agreed will cover this transition year in full and there will be a continuation of functions across both bodies. 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:

- low values or short useful economic lives which realistically reflect the life of the asset (or both); and
- 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 up to:

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 up to:

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 deprecation 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 other 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 Great British Pound (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 Cash and cash equivalents

At the year end we are required by Scottish Government to have a minimum closing cash balance of £0.75m, any balances in advance of this are to allow payments to be made in April, both statutory and supplier. This position has been agreed by Scottish Government.

1.11 Grants receivable

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

1.12 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'.

1.13 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.

1.14 VAT

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

1.15 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 2025, 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.

1.16 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.

1.17 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 £3.191m.

However, the assumptions interact in complex ways. During 2024–25, the actuaries advised that the remeasured net pension asset had decreased by: £20.552m attributable to the

updating of financial assumptions; had increased by £3.599m attributable to changes in demographic assumptions; and had decreased £17.553m due to other experience.

1.18 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 2024–25.

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.

	Awarding and related activities £'000	Accreditation £'000	Education Reform activities £'000	Total £'000
2024–25				
Staff costs	76,963	1,035	240	78,238
Depreciation	5,386	–	–	5,386
Other expenditures	28,040	95	430	28,565
Taxation	(42)	–	–	(42)
Total expenditure	110,347	1,130	670	112,147
Entry charges	41,784	–	–	41,784
Other income	8,287	–	–	8,287
Scottish Government funding	54,417	1,025	707	56,149
	104,488	1,025	707	106,220
Funding credited to reserves	(54,417)	(1,025)	(707)	(56,149)
Total income	50,071	–	–	50,071
Net expenditure	(60,276)	(1,130)	(670)	(62,076)

	Awarding and related activities £'000 (Restated)*	Accreditation £'000	Education Reform activities £'000	Total £'000
2023–24				
Staff costs	72,247	1,127	537	73,911
Depreciation	3,787	–	–	3,787
Other expenditures	29,283	98	–	29,381
Taxation	462	–	–	462
Total expenditure	105,779	1,225	537	107,541
Entry charges	40,458	–	–	40,458
Other income	9,501	–	–	9,501
Scottish Government funding	54,901	1,025	537	56,463
	104,860	1,025	537	106,422
Funding credited to reserves	(54,901)	(1,025)	(537)	(56,463)
Total income	49,959	–	–	49,959
Net expenditure	(55,820)	(1,225)	(537)	(57,582)

*The figures above have been restated to transfer our Appointee Fees from OOE to Staff Costs.

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

	2024–25 £'000	2023–24 £'000 (Restated)*
Wages and salaries	65,464	61,225
Social security costs	4,629	4,615
Other pension costs	8,097	8,071
Severance and compensation	48	–
Sub–total	78,238	73,911
Less recoveries in respect of outward secondments	–	–
Total net costs	78,238	73,911

*The figures above have been restated to transfer our Appointee Fees from OOE to Staff Costs.

In addition to staff costs recorded above there were capitalised salary costs of £466,000 (2024: £491,000).

4 Other expenditures

	2024–25		2023–24	
	£'000	£'000	£'000	£'000 (Restated)*
IT costs		11,444		8,943
Property expenses		2,834		3,233
Appointee expenses and related cost		2,433		2,177
Business development specialists' fees and expenses		2,319		5,158
Postage and telephone		2,012		1,765
Miscellaneous		1,829		1,718
Appointee release compensation		1,673		1,611
Miscellaneous staff costs	533		440	
Staff travel	252		327	
Staff training	148		172	
Staff subsistence	95		159	
Catering for internal and examination procedures meetings	10		14	
Staff related costs		1,038		1,112
PR, marketing and publications		936		1,493
Property rent and service		839		728
Question paper production and printing		674		630
Equipment and supplies		322		676
Assessment stationery and certificates		212		137
Corporation tax		(42)		462
		28,523		29,843

*The figures above have been restated to transfer our Appointee Fees from OOE to Staff Costs.

Included within Miscellaneous is £70,500 (2024: £68,523) relating to external audit fees.

5 Entry charges

	2024–25 £'000	2023–24 £'000
National Qualifications:		
National Courses and Units	30,338	30,218
	30,338	30,218
Higher National Qualifications	6,882	5,897
Scottish Vocational Qualifications	4,564	4,343
	41,784	40,458

6 Other income

	2024–25 £'000	2023–24 £'000
Commercial testing services	6,852	8,358
Customised award charges	676	378
Consultancy, secondments and research	292	293
Replacement certificate charges	202	213
Miscellaneous income	122	114
Income from investments for unfunded pensions	106	108
Royalty income	37	37
	8,287	9,501

7 Interest payable

	2024–25 £'000	2023–24 £'000
Finance cost of discounted SQA unfunded pensions provision	(2)	(9)
Pension provision cost (note 18)	(122)	28
	(124)	19

8 Property, plant and equipment

(i)

	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
Cost or valuation							
At 1 April 2024	6,826	4,210	51	173	1,686	28,485	41,431
Additions	–	196	–	352	68	~	616
Reclassifications	–	123	–	–	–	–	123
Disposals	–	(365)	–	(12)	–	–	(377)
Revaluation Adjustment	(233)	(116)	–	(1)	(33)	–	(383)
At 31 March 2025	6,593	4,048	51	512	1,721	28,485	41,410
Depreciation							
At 1 April 2024	4,759	2,044	43	119	755	5,437	13,157
Charged in year	175	502	–	21	332	2,719	3,749
Reclassifications	–	–	–	–	–	–	–
Disposals	–	(365)	–	(12)	–	–	(377)
Revaluation Adjustment	(175)	(81)	1	1	(12)	–	(266)
At 31 March 2025	4,759	2,100	44	129	1,075	8,156	16,263
Net book value At 31 March 2025	1,834	1,948	7	383	646	20,329	25,147
At 31 March 2024	2,067	2,166	8	54	931	23,048	28,274
Asset financing:							
Owned	1,834	1,948	7	383	646	–	4,818
Finance lease	–	–	–	–	–	20,329	20,329
Net book value at 31 March 2025	1,834	1,948	7	383	646	20,329	25,147

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

	Leasehold building improvements £'000	Information technology £'000	Motor vehicles £'000	Plant and machinery £'000	Furniture and fittings £'000	Right of use asset lease £'000 (Restated)*	Total £'000
Cost or valuation							
At 1 April 2023	7,065	3,060	75	165	1,558	28,485	40,408
Additions	–	1,075	–	8	163	–	1,246
Reclassifications	–	–	–	–	–	–	–
Disposals	–	–	(22)	–	–	–	(22)
Revaluation Adjustment	(239)	75	(2)	–	(35)	–	(201)
At 31 March 2024	6,826	4,210	51	173	1,686	28,485	41,431
Depreciation							
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)
At 31 March 2024	4,759	2,044	43	119	755	5,437	13,157
Net book value At 31 March 2024	2,067	2,166	8	54	931	23,048	28,274
At 31 March 2023	2,306	1,192	10	57	1,090	24,780	29,435
Asset financing:							
Owned	2,067	2,166	8	54	931	–	5,266
Finance lease	–	–	–	–	–	23,048	23,048
Net book value at 31 March 2024	2,067	2,166	8	54	931	23,048	28,274

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

*Figures above have been restated to increase the lease term for the Lowden 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

	Note	2024–25 £'000	2023–24 £'000
Depreciation charge for the year	8(i)	3,483	3,192
Amortisation and impairment charge for the year	9	1,903	595
Total charge for the year		5,386	3,787

9 Intangible assets

	Web costs £'000	Licences £'000	Software £'000	Assets under construction £'000	Total £'000
Cost or valuation					
At 1 April 2024	282	435	12,846	517	14,080
Additions	–	5	847	2,966	3,818
Reclassifications	–	–	(229)	(286)	(515)
Transfers	–	–	–	–	–
Revaluation adjustment	(10)	(6)	(184)	–	(200)
Disposals	–	–	(110)	–	(110)
At 31 March 2025	272	434	13,170	3,197	17,073
Amortisation					
At 1 April 2023	203	225	7,603	–	8,031
Charged in year	–	42	1,494	–	1,536
Reclassifications	–	–	–	–	–
Revaluation adjustment	–	22	345	–	367
Disposals	–	–	(110)	–	(110)
At 31 March 2025	203	289	9,332	–	9,824
Net book value					
At 31 March 2025	69	145	3,838	3,197	7,249
At 31 March 2024	79	210	5,243	517	6,049
Externally generated	69	145	3,838	3,197	7,249

	Web costs £'000	Licences £'000	Software £'000	Assets under construction £'000	Total £'000
Cost or valuation					
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	–	–	–	–	–
At 31 March 2024	282	435	12,846	517	14,080
Amortisation					
At 1 April 2023	203	202	7,031	–	7,436
Charged in year	–	37	890	–	927
Revaluation adjustment	–	(14)	(318)	–	(332)
Disposals	–	–	–	–	–
At 31 March 2024	203	225	7,603	–	8,031
Net book value					
At 31 March 2024	79	210	5,243	517	6,049
At 31 March 2023	87	92	4,102	1,617	5,898
Externally generated	79	210	5,243	517	6,049

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

	31 March 2025 £'000	31 March 2024 £'000
Amounts falling due within one year:		
Trade receivables	5,862	5,206
Other receivables	22	97
Accrued income	15,396	15,254
Prepayments	6,313	4,056
	27,593	24,613
Amounts falling due after more than one year:		
Prepayments and accrued income	171	68
	171	68

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

Local authorities	17	56
NHS body	1	2
Other central government bodies	7	0
	25	58

Included within trade receivables is a bad debt provision of £458,000 (31 March 2024: £559,000). During the year, £74,000 of bad debt was written off (31 March 2024: £26,000). Included within other receivables are advance recovery of new loans to staff amounting to £3,000 (31 March 2024: £1,000).

12 Cash and cash equivalents

Balance at 1 April 2024	9,581	6,336
Net change in cash and cash equivalent balances	(4,052)	3,245
Balance at 31 March 2025	5,529	9,581

The following cash balances were held at 31 March 2025:

Government banking service	101	3,548
Commercial banks and cash in hand	5,428	6,033
	5,529	9,581

13 Trade and other payables

	31 March 2025 £'000	31 March 2024 £'000 (Restated)*
Amounts falling due within one year:		
VAT	56	1
Other taxation and social security	1,121	2,838
Trade payables	1,251	102
Other payables	3,180	4,238
Deferred income	6,664	5,425
Accruals	3,938	4,675
	16,210	17,279
Amounts falling due after more than one year:		
Other Payables	17,610	20,329
Accruals and deferred income	296	310
	17,906	20,639

*Figures above have been restated to increase the lease term for the Lowden 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 2024 £2,719,000) and greater than one year £17,610,000 (31 March 2024 £20,329,000).

Included within long-term liabilities is an adjustment to incorporate IFRS 16 as described above. Payables greater than one year £17,610,000 (31 March 2024 £20,329,000).

14 Provisions for liabilities and charges

	2024–25 £'000	2023–24 £'000
SQA unfunded pensions	333	355

(i) SQA unfunded pensions

	£'000
Balance at 1 April 2023	367
Provisions not required written back	–
Provisions utilised in the year	(21)
Unwinding of discount	9
Balance at 31 March 2024	355
Provisions not required written back	(7)
Provisions utilised in the year	(23)
Unwinding of discount	8
Balance at 31 March 2025	333

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

	2024–25 £'000	2023–24 £'000
Scottish Government accreditation	1,025	1,025
Scottish Government development	692	537
	1,717	1,562
Grant-in-aid	50,390	52,359
Capital funding	4,042	2,542
	56,149	56,463

In addition to amounts detailed above there is Notional Funding received of £2,465,000 (2024: £2,370,000) 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. Following implementation of IFRS 16, these leases are now treated as assets and a charge is now posted against depreciation (note 8 ii).

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

	31 March 2025 £'000	31 March 2024 £'000
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	6,702	6,703
Later than five years	–	1,676
	8,378	10,055

The Scottish Government entered into a 15-year lease in October 2011 with owners of Lowden in Dalkeith. This lease was subsequently extended to 2036 in September 2016. Included within the lease extension are two rent review dates of 31 October 2026 and 31 October 2031. 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:

	31 March 2025 £'000	31 March 2024 £'000 (Restated)*
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	6,735	7,778
	11,950	12,993

*Figures above have been restated to increase lease term for the Lowden building by one year. This change is also reflected through our SOFP, Note 8 Property, Plant and Equipment and Note 13 Trade and other payables.

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 2025 (31 March 2024: £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 (SPF) 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 £2,958,000 (31 March 2024: £7,901,000), consisting of £2,905,000 (31 March 2024: £7,857,000) to LGPS and £53,000 (31 March 2024: £44,000) to STSS. Included within other payables (note 13) are outstanding contributions of £452,000 (31 March 2024: £1,506,000) due to LGPS and £6,000 (31 March 2024: £9,000) due to STSS. In 2025–26 total contributions to LGPS are expected to be £2,952,000.

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 2020. Details of these valuations can be obtained from published reports.

An independent firm of actuaries (Hymans Robertson LLP) assesses valuation of SPF 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) SQA participates in the STSS, an unfunded statutory public service pension scheme with benefits underwritten by the 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 2020.

This valuation informed an increase in the employer contribution rate from 23% to 26% of pensionable pay from April 2024, and an anticipated yield of 9.6% 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 26% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.6% of pensionable pay.
(iv) While a valuation was carried out as of 31 March 2020, 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 2019–20.

SQA receives notification by LGPS of employer's contribution rates for the scheme. The LGPS, following latest valuation, reduced employers' contribution rates from 1 April 2024 to 6.8% of pay until 31 March 2026 when it will increase to 17.5%.

The following information relates to Strathclyde LGPS.

As at the date of the most recent valuations, the duration of the employer's funded obligation is 20 years.

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

	2024–25 £'000	**2023–24 £'000**
Current service costs	7,900	7,366
Interest on obligation	8,951	8,128
Expected return on plan assets	(8,829)	(8,156)
Total defined benefit cost recognised in Profit or (Loss)	8,022	7,338

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

Staff costs	7,900	7,366
Net interest payable	122	(28)
	8,022	7,338

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

	2024–25 £'000	**2023–24 £'000**
Present value of defined benefit obligations	(162,579)	(181,548)
Fair value of plan assets	274,995	264,232
Asset ceiling reduction*	(112,416)	(82,864)
Net asset/(liability) arising from defined benefit obligation	**0**	**0**

*The actuarial valuation of the pension fund indicated a surplus of £112,416,000. 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.

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

Reconciliation of present value of Pension Fund liabilities

	2024–25 £'000	**2023–24 £'000**
Opening balance at 1 April	(181,548)	(168,396)
Current service costs	(7,900)	(7,366)
Interest costs	(8,951)	(8,128)
Contributions by Pension Fund participants	(2,804)	(2,447)
Re-measurement gains and (losses):		
Actuarial gains/(losses) from changes in financial assumptions	32,355	11,803
Actuarial gains/(losses) from changes in demographic assumptions	305	3,904
Actuarial gains/(losses) from changes in experience assumptions	1,613	(15,940)
Benefits paid	4,351	5,022
Closing balance at 31 March	**(162,579)**	**(181,548)**

Reconciliation of movements in fair value of Pension Fund assets

	2024–25 £'000	2023–24 £'000
Opening fair value of pension fund assets	264,232	235,817
Interest income	12,839	11,337
Re-measurement gains and (losses):		
Expected rate of return on pension fund assets	(3,454)	12,177
Actuarial gains/(losses) from changes in experience assumptions		148
Contributions by employer	2,925	7,328
Contributions by scheme participants	2,804	2,447
Benefits paid	(4,351)	(5,022)
Closing fair value of pension fund assets	**274,995**	**264,232**

Analysis of pension fund's assets:

Scottish Qualification Authority's share of the Pension Fund's assets at 31 March 2025 comprised:

	31–Mar–25				31–Mar–24			
	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	56,968	178	57,146	21	53,367	58	53,425	20
Private equity:	–	63,565	63,565	23	–	63,083	63,083	24
Real estate	–	20,748	20,748	8	–	20,776	20,776	8
Investment funds and unit trusts	1,007	125,838	126,845	46	1,085	120,965	122,050	46
Cash and cash equivalents	–	6,691	6,691	2	411	4,487	4,898	2
Total assets	57,975	217,020	274,995	100	54,863	209,369	264,232	100

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

	2024–25 £'000	2023–24 £'000
Actuarial gain/(loss) arising on defined benefit obligation	34,273	(233)
Actuarial (loss)/gain arising on fair value of the plan assets	(3,454)	12,325
Non-recognition of income due to ceiling cap	(25,722)	(12,528)
Actuarial gain/(loss) recognised in the Statement of Changes in Taxpayers' Equity	5,097	(436)

The following table sets out the principal assumptions used by the actuary at 31 March 2025:

	2024–25	2023–24
General assumptions:		
	%	%
Rate of increase in pensions	2.75	2.75
Rate of increase in salaries	3.45	3.45
Rate for discounting scheme liabilities	5.80	4.85

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:

	Males	Females
Current pensioners	20.5 years	23.3 years
Future pensioners	21.4 years	24.8 years

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

Change in assumptions at 31 March 2025:	Approximate % increase to employer	Approximate monetary amount (£000)
0.1% decrease in real discount rate	2%	3,191
1 year increase in member life expectancy	4%	6,503
0.1% increase in salary increase rate	0%	187
0.1% increase in the pension increase rate	2%	3,091

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 2025 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's Directorate for Education Reform.

The Directorate for Education Reform 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 2024: £NIL). In addition, SQA has had material transactions with other Scottish Government Directorates. At the year end, there were no balances outstanding (2024: £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.

	Entry charges levied by SQA		Charges incurred by SQA		Amounts due (to)/from SQA at 31 March	
Related party and reason	**2024–25 £'000**	**2023–24 £'000**	**2024–25 £'000**	**2023–24 £'000**	**2025 £'000**	**2024 £'000**
College Development Network (CDN) SQA Board Member, Ken Thomson is Interim Chair of CDN	–	7	9	3	–	–
Dundee and Angus College SQA Board Member, Simon Hewitt is Principal of Dundee and Angus College	423	443	6	–	–	–
Jisc Services Ltd SQA Board Member, Simon Hewitt is a director of Jisc Services Ltd	–	–	2	–	–	–

Related party and reason	Entry charges levied by SQA		Charges incurred by SQA		Amounts due (to)/from SQA at 31 March	
	2024–25 £'000	2023–24 £'000	2024–25 £'000	2023–24 £'000	2025 £'000	2024 £'000
Joint Council for Qualifications Former SQA Chief Executive Officer and Interim SQA Chief Executive Officer, Fiona Robertson and John Booth, were directors of the Joint Council for Qualifications.	–	–	59	48	–	–
Lesmahagow High School Parent Council SQA Board Member, Michelle Wailes is voluntary secretary of Lesmahagow HS Parent Council.	–	–	3	–	–	–
NHS Greater Glasgow and Clyde SQA Board Member, Michelle Wailes is a non-executive director of NHS Greater Glasgow and Clyde.	6	7	–	–	1	1
Scottish Public Pensions Agency (SPPA) Police Board SQA Board Chair, Shirley Rodgers is Chair of the SPPA Police Board.	–	–	79	62	–	–
Skills Development Scotland (SDS) SQA Board Member, Grahame Smith is Careers Review Programme Board Chair at SDS.	113	–	4	6	55	–
St John's RC Academy SQA Board Member, Seán Hagney is Headteacher of St John's RC Academy.	–	–	–	7	–	–

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 (FReM) which is in force for the year for which the statement of accounts are prepared.

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

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

Qualifications, assessments and quality assurance delivered to plan.

A E

Deliver Best Value in line with the Scottish Public Finance Manual.

B C E

Support the development and delivery of the New Qualifications Body.

A B C D E

Develop our organisation design and culture to: meet our ambition; improve our performance; improve our health, wellbeing and environment; be a responsible business.

A C D

Build credibility and trust among those we work with and those we work for, particularly learners and educators, through high-quality, inclusive and accessible communication and engagement.

A B C D E

Maintain, develop, and improve our portfolio of qualifications.

A E

Embed SQA's cyber resilience and response capabilities.

C E

Promote a culture of openness and evidence-based decision making within SQA and across the education community.

C

Ensure SQA is an exemplar public body that is fully compliant with all legislative, statutory, and regulatory requirements (including qualifications regulators)

C E

Secure and Deliver contracts in line with service level agreements.

A B C E

Deliver SQA's Equality Outcomes and mainstream equality throughout SQA.

A B C D E

Transform our business model to deliver digital services that support learners and educators in the future.

A B C

Ensure that SQA is a place where difference is embraced and learning and development is relevant for people to be the most effective in their jobs.

D

Appendix 2 — High-level progress update of *Prospectus for Change* 2024–27 measures and targets

SQA Corporate Outcomes	SQA Deliverables	Measure	Target	Progress (Achieved, On Track, Behind)
We provide a credible qualifications system	Qualifications, assessments and quality assurance delivered to plan	Delivery of key business milestones for NextGen HN (digital awarding programme)	August 2025 and March 2026.	MC — On Track
	Maintain, develop, and improve our portfolio of qualifications	Portfolio development and maintenance: Completion % YTD	90%	Achieved (1)
		Portfolio development and maintenance: Months from business case to end of project: % performance vs forecast variance	90%	Achieved
		Projects progress updates	Project milestones achieved	Behind
		Complete first iteration of qualifications service strategy and roadmap	October 2024	Behind (2)
We are a thriving organisation with quality jobs and a fair work environment for all our people	Ensure people can be the most effective in their job by delivering relevant learning and development activities	Volume of training delivered each quarter including mandatory training	90% attendance at scheduled training events	On Track
		Fundamentals of line management training completion % and any feedback from sessions	100% of line managers complete	Behind (3)
		Exit data analysis	Reduction in leaver reason linked to lack of learning and development opportunities	On Track
		MyReview and development conversation completion rates at mid and end of year including those colleagues identified as non-performers	90% of mid-year and year-end reviews complete	Behind (4)

SQA Corporate Outcomes	SQA Deliverables	Measure	Target	Progress (Achieved, On Track, Behind)
	Deliver our people strategy by developing our organisation design and culture to: improve our performance; improve our health, wellbeing and environment; be a responsible business	Implementation of new Leadership development programme Q2 2025–26 and planned rollout	% to programme timeline delivery	On Track
		Implementing a new performance management approach	October 2025	Behind (5)
		Absence reporting, further analysis of absence trends included mental health related will also be reviewed	Below public sector benchmark of 3.80%	Behind (6)
		Turnover reporting, data showing colleague movement will also be reported to see whether any trends can be identified	Below public sector benchmark of 12.70%	Achieved
		Leaver (exit analysis)	Increase to positive scores received via leavers question	Achieved
		Wellbeing strategy (attainment of ILP)	Progress through levels	On Track
		Progress towards achievement of operational plan objectives	Delivered to plan	Achieved
		Health and safety award	Retain RoSPA standards and gold status Retain Investors in People accreditation	On Track
		Mentoring programme (Nos.)	100% of mentors identified to provide sufficient support as requested	On Track (7)
	Deliver SQA's Equality Outcomes and mainstream equality throughout SQA	% progress towards equality outcome deliverables	Milestones achieved	On Track
		Annual equal pay gap	Continued reduction disclosed	Behind (8)

SQA Corporate Outcomes	SQA Deliverables	Measure	Target	Progress (Achieved, On Track, Behind)
	ensuring SQA is a place where diversity is embraced		against protected characteristics	
		Protected characteristic reporting for current colleagues and applicants, highlighting any significant changes	Increase in applications from individuals with protected characteristics that representative the population of Scotland as reported through the 2022 Scotland Census (not yet reported) that then lead to an increase in diversity throughout the organisation	On Track
		Exit data analysis linked to equality	Leaver questionnaire results present no link to protected characteristics	On Track
		Equality and diversity training completion % and any feedback from sessions	100% complete	Behind (9)
		Inclusive recruitment training completion % and all recruitment managers trained ahead of undertaking recruitment	100% complete	Achieved
		% progress towards equality outcome deliverables	Milestones achieved	On Track
		Progress towards the actions to deliver SQA Corporate Parenting Plan 2023–26	Milestones achieved	On Track

SQA Corporate Outcomes	SQA Deliverables	Measure	Target	Progress (Achieved, On Track, Behind)
		Progress towards the Children's Rights Steering Group action plan to embed children's rights and the UNCRC Act 2024	Milestones achieved	On Track
		Deliver an annual equality questionnaire to all colleagues	Achieve an above average response rate of 50% or above	On Track
		ED&I ownership throughout the business	Work with colleagues throughout the business to ensure each area has at least one key ED&I deliverable within operational plans	Behind (10)
		Volume of equality impact assessments published	As per schedule	On Track
		Colleagues engage and support the development and delivery of EqIAs	100% of EqIA completed and signed off on all policy and projects	On Track
		Deliver against our Equality Outcomes	100% completed in line with timeline	On Track
We are flexible in meeting user and customer needs	Secure and deliver contracts in line with service level agreements	Service level agreements completion rate	100%	On Track
		Increase commercial income	20% by 2027	On Track (11)
	Transform our business model to deliver digital services that support learners and educators in the future	Progression towards delivery plan milestones	Milestones achieved	On track (12)
We are trusted, respected and valued by our	Ensure SQA is an exemplar public body that is fully compliant with all legislative,	Compliance activity calendar	On track	On Track
		Delivery of corporate publications and Annual Report and Accounts	Milestones achieved	On Track

SQA Corporate Outcomes	SQA Deliverables	Measure	Target	Progress (Achieved, On Track, Behind)
customers, stakeholders and partners	statutory and regulatory requirements (including qualifications regulators)			
	Build credibility and trust among those we work with and those we work for, particularly learners and educators, through high-quality, inclusive and accessible communication and engagement	Double teachers' engagement score in schools (baseline 2.6/10, Key Audience Research 2023)	2027	On Track
		Double teachers' credibility score in schools (baseline 16%, Key Audience Research 2023)	2027	On Track
		Increase learners' engagement score in schools by 50% (baseline: 4.2/10, Key Audience Research 2023)	2027	On Track
		Increase learners' credibility score in schools by 50% (baseline: 35%, Key Audience Research 2023)	2027	On Track
	Promote a culture of openness and evidence-based decision making within SQA and across the education community	Key statistical and research publications completed in accordance with planned dates	Milestones achieved	Achieved
		Publication of research and evaluation strategy	January 2025	Behind (13)
		Delivery of milestones in research and evaluation strategy	Milestones achieved	Behind (same as 13)
We have a sustainable business operating model that is appropriately funded in order to deliver our remit now and in the future	Support the development and delivery of the Qualifications Scotland	Deliver required outputs in line with Transition Board timetable	Deliver the plan	On Track
		Percentage of tasks completed aligned to plan	Aim for green RAG status	Behind (14)
	Embed SQA's cyber resilience and response capabilities	Continue to maintain and improve our security position in line with government cyber security frameworks over the period of this corporate plan to ensure we are well equipped to manage any potential cyber threats	Complete an annual self-assessment against the Scottish Public Sector Cyber Resilience Framework	On Track (15)
		Delivering outputs within agreed full year income and expenditure budgets	Delivering financial balance at year	Achieved for 2024–25

SQA Corporate Outcomes	SQA Deliverables	Measure	Target	Progress (Achieved, On Track, Behind)
	Deliver Best Value in line with the Scottish Public Finance Manual		end against agreed budget for capital and revenue	
		Outline Efficiency Programme and monitoring progress	Against the annual target	Achieved for 2024–25

(1) 95% aggregate.

(2) Behind with regards the October 2024 deadline but progress has continued to be made.

(3) Sessions currently being planned for August–December to ensure all line managers will have completed training by end of year.

(4) 85% mid-year reviews completed, 82.7% end of year reviews completed.

(5) Workshops are being scheduled to take a service design led approach to the design of the new system.

(6) Our public sector benchmark changed in January 2025 to 4.40% based on benchmarking review. In reviewing our data, 9 months out of 12 we were below our benchmark level. Sickness absence increased in last quarter largely due to increase in seasonal related illnesses.

(7) All members of young talent programmes have an assigned mentor.

(8) All pay gaps in 2024 increased, though all but the gender pay gap are less than 5% (disability, ethnicity and sexual orientation). EHRC recommends further investigation where figure is 5% or more, or any difference of 3% or more recurs from year to year. The gender pay gap increased for the first time in five years — reasons for this are explained in the 2024 Equal Pay Audit published as part of the 2023–25 Equality Mainstreaming Report.

(9) EDI module completion currently 46%. Module completion rates are now being reported to directorate areas to support engagement. The EDI module has also been reviewed and updated.

(10) The wording of this target would have us as 'behind'. It isn't necessarily a true reflection of EDI ownership though. For example, we now have five new Equality Outcomes with heads of service (HoS) as their owners.

(11) Digital awarding investment was approved in February 2025 to allow the beta phase of delivery to commence in April 2025 and complete in March 2026. The first three milestones (of 12) have been achieved on target and to business satisfaction.

(12) For the 20% growth this is dependent on winning new business so there will always be an element of uncertainty there.

(13) As a result of competing priorities and loss of staff from Research and Evaluation Team; draft strategy now ready for publication. Strategy has been broadened to cover research and analysis and so reflect the work of two PAS teams (Research and Evaluation and Data and Analytics) rather than just one as previously.

(14) Current transition programme reporting is at Amber status.

(15) Following a wide review of SQA’s technology estate by our security partner NCC, an initial version of the cyber resilience roadmap has been published in Q1 of 2025 detailing the initiatives that need to be undertaken to improve.