



SQA Annual Business Plan

2022-23



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Introduction by the Chief Executive

[SQA's Corporate Plan](#) sets out our strategic direction and outcomes for the three-year period from 2020–23 and covers both the accreditation and awarding functions of SQA.

This business plan for 2022–23, sets out SQA's priorities and deliverables which contribute to achieving those strategic outcomes alongside our budget.

This is another extraordinary year. Following Professor Ken Muir's review of the national education bodies, the Cabinet Secretary for Education and Skills announced in March 2022 that a new public body would be established with responsibility for SQA's current awarding functions, including our income-generating commercial activities and our international work. A decision is still to be made about where SQA's accreditation and regulation functions will sit.

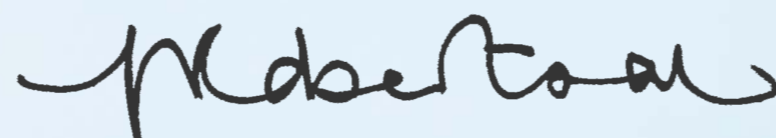
The Scottish Government has indicated that the new qualifications body will be operational after the completion of the 2024 exam diet, but the transition starts now. And transition must also be a springboard for transformation. We are ambitious for change and the new organisation provides a significant opportunity to build the future we want to see for ourselves and for those we serve, most importantly learners.

Alongside transition and transformation, we must continue to focus on delivering for our many and varied customers right now. The impact of COVID-19 continues to be felt across the education and training system, and we continue to work closely and collaboratively with partners and stakeholders to overcome the challenges and embrace the opportunities.

We have delivered well through extraordinary circumstances over the past two years and there is a great deal we should take pride in. We must also learn from the experience, ensuring the lessons shape the short- and the long-term and working hard to regain trust where it has been lost.

The pandemic has raised legitimate questions about the model of learning and teaching in our schools and colleges – and the assessment and qualifications which support that. This is a welcome debate that we can and must contribute to, given our experience and expertise.

There is much to do and much to look forward to. But we must be clear with ourselves about where we need to focus our resources and expertise. This business plan will help us prioritise and guide us through this time of change and opportunity.



Our purpose, mission, vision, outcomes and values

SQA's Purpose



We are proud of our unique role in the education and skills systems. Our work supports learners at all levels, in many different types of centre, and impacts universities, employers and the wider economy.

In delivering the strategic priorities outlined in this plan, SQA will work in partnership with our customers and stakeholders, in Scotland and elsewhere.

In doing so, we will demonstrate that we truly understand and live up to our purpose to help people fulfil their full potential.

SQA's Mission



SQA provides credible recognition of skills and knowledge through qualifications to support choice and progression in life and work.

SQA's Vision



Quality-assured qualifications provide opportunities to people, supporting progression in the labour market and a sustainable and successful economy.

SQA's Values

We will continue to live up to our purpose, mission and vision by putting our values into practice.



Trusted

We are open and transparent in our communication and decision-making.



Enabling

We challenge the status quo and embrace new ideas and ways of working.



Progressive

We set and uphold high standards of behaviour in line with our values.

Our Outcomes



To help us deliver on our purpose and mission, we have identified the following outcomes. These will be our strategic priorities for the period 2020-23.

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

SQA's core purpose and activities

SQA is the national accreditation and awarding body in Scotland.

Our purpose is to help people fulfil their full potential whilst maintaining standards across Scottish education. We are an executive non-departmental public body that reports to Scottish Ministers and the Scottish Parliament established under the Education (Scotland) Act 1996. SQA is sponsored by the Scottish Government's Learning Directorate.

Our remit and function are outlined in the amended Scottish Qualifications Act 2002. With a current staff of almost 1,000 based in Glasgow and Dalkeith, SQA engages with learners, schools, colleges and training providers across Scotland, the rest of the UK and internationally. We develop, maintain and improve a framework of qualifications, and set and maintain standards for many other awarding bodies and accredited qualifications.

Awarding

As an awarding body, SQA develops, maintains, and improves a framework of qualifications. These can be gained at Scotland's schools, colleges, employers and training providers, and at SQA approved centres in the rest of the UK and overseas. They include:

- National Qualifications. These are studied for at schools and colleges, and include National 1 to 5, Highers, and Advanced Highers
- Higher National Qualifications. These are often studied for at colleges. They are made up of units which are qualifications in their own right. They can serve as a bridge to further study at university and are currently being redesigned under the 'HN Next Gen' project
- SQA Advanced Qualifications. For use outside of Scotland, these provide learners and partners with a variety of course choices to meet the needs of employers and the requirements of education professionals
- 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.

SQA Accreditation provides extensive support and quality assurance that offers a badge of quality for awarding bodies and their customers. This includes working with standards setting organisations and other stakeholders in the development of National Occupational Standards, the development of qualification structures and associated products, and credit rating of qualifications for the Scottish Credit and Qualifications Framework.

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.

As the Scottish qualifications regulator, the accreditation function promotes itself as SQA Accreditation to minimise any potential confusion with the awarding function of SQA.



SQA response in 2022-23

At the beginning of 2020-21, we published our [Corporate Plan for 2020-23](#) setting out the strategic direction for the next three years and covering both accreditation and awarding functions. As a result of this process, we have five outcomes, which are intended to help us in our aim of maintaining, developing, and continually improving our qualifications, accreditation, and other activities. We seek to do this through continued engagement with those who use and are affected by our products and services. We are open to feedback and are very willing to respond to it.

SQA's strategic objectives are embodied in our outcomes, outlining our aims and aspirations as an organisation in making a vital contribution to the wellbeing, progress, and development of Scottish society as a whole, and of the individuals who form part of it. Despite the challenges we have faced as a result of COVID-19, we continue to work towards these five outcomes in 2022-23:

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

In response to the ongoing disruption caused by the pandemic, we continue to deliver qualifications, services, contracts and dedicated support for our customers and clients, as well as supporting staff through this period of continued home working and through a transition to new flexible working models.

We have worked closely and collaboratively with all parts of the Scottish education and training system, through the NQ22 and HNVQ22 Groups and this work will continue to support the new session.

We have and will continue to listen, respond and provide advice and support to learners and their parents or carers, during what has been an incredibly difficult year for them.



We provide a credible qualifications system

What this means

SQA's mission is to provide qualifications which give credible recognition of people's skills and knowledge, and so support their choices and progress in life and work. This means that SQA must develop a range of qualifications to support people at different stages in their education, training and work. These qualifications must also meet the present and future needs of the Scottish economy. Maintaining clear standards of assessment is vital to the credibility of SQA's qualifications and to public confidence in the system.

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



Priorities for 2022–23

National Qualifications delivery to plan

Following the confirmation from the Cabinet Secretary for Education and Skills that exams will be held for National 5, Higher and Advanced Higher courses, SQA set out the key detail on plans for assessment of National Qualifications in 2021-22. SQA exams will take place from 26 April to 1 June 2022 with results day on 9 August 2022.

In response to feedback from teachers and lecturers, and the easing of public health restrictions, SQA has adjusted the modifications in around 70 courses for 2021-22 to give learners more opportunities to demonstrate their knowledge and skills.

SQA [outlined plans detailing three scenarios](#). We have continued to closely monitor the levels of disruption to learning and teaching across the country, including learner and staff absences. As a result, following discussion with our partners across the education system, and agreement by the SQA Board, we decided to move to Scenario 2.

If the Scottish Government cancels the examinations due to public health restrictions at the time of exams, the country will enter Scenario 3. That means the evidence teachers and lecturers have gathered through normal in-year assessment for determining learners' estimates will be used to form the basis of learners' provisional results.

We are continuing to work with our partners across the education system to deliver a series of measures that, coupled with the modifications already made to course assessments and the revision support being made available, will support learners to ensure they are awarded grades that are a fair reflection of their knowledge, understanding and skills, while also maintaining the credibility and standard of the qualifications.

In recognition of the disruption that learners have faced over the last two years, and the different approaches to assessment, this year we are prepared to be more generous in our approach to grading than in a normal exam year to factor in the impact of the pandemic on learners.

In 2022, as with 2021, all learners will continue to have free direct access to the appeals service and a priority service will also be available for those applying to university, college, training or employment. This year's appeals service will involve SQA appointees – practising teachers and lecturers – who will review alternative assessment evidence that learners have completed through the year. Learners who have not performed as well as they expected on the day of the exam, can appeal their result free of charge if they are eligible, including if their awarded grade is lower than their estimated grade, and they have sat all of the formal assessments. The service will again be open for learners to appeal directly to SQA or through their school, college or training provider.

While the focus right now is on delivering the 2022 NQ diet, work is already underway to deliver for learners for the 2022-23 academic year. The key activity for 2022-23 is outlined in the table:

NQ high-level process for delivery during 2022–23 financial year											
Quarter 1			Quarter 2			Quarter 3			Quarter 4		
Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23
NQ data processing delivered January to July 2022											
NQ 2022 verification of internal assessment delivered January to May 2022.						NQ 2022 post-results service (appeals) delivered August to November 2022.					
NQ 2022 external assessment delivered March to June 2022.						NQ 2022 certification delivered July to August 2022. November for post-results service.					
NQ 2022 candidate advice line delivered April to September 2022.											
NQ 2022 malpractice cases investigated July to September 2022.						NQ 2022 appointee management delivered April to June 2022.					
NQ 2022 exceptional circumstances managed April to September 2022.											
NQ 2023 timetable prepared April to September 2022.											
NQ 2023 appointee requirements established April to June 2022.						NQ 2023 appointee management delivered July 22 to March 2023.					
						NQ 2023 assessment materials produced July to December 2022.					
						NQ 2023 procedural programme delivered July 2022 to March 2023.					
						NQ 2023 entries delivered September 2022 to March 2023.					
						NQ 2023 readiness (systems readiness, procurement, guidance preparation, Understanding Standards) October 2022 to March 2023					
						NQ 2023 verification of internal assessment commenced January 2023.					
						NQ 2023 assessment arrangements managed January to March 2023.					
						NQ 2023 external verification commenced March 2023.					

Conduct an evaluation of the 2022 Awarding Programme

Once again, it has been a year unlike any other year previously, with significant challenges across the system as a result of the continued impact of the pandemic. It is important we take the opportunity to evaluate aspects of our approach to awarding in 2022, the role of estimates, the support provided for learners, and their usage, and Appeals 2022. This evaluation will, amongst other things, help to inform our approach to awarding in 2023.

Should an Alternative Certification Model Scenario 3 be invoked, again the arrangements are different from previous years — there has been much stronger emphasis on collecting naturally occurring assessment in schools and it would be valuable to understand how this has been implemented and how it might compare with 2021. Additionally, depending on the timing of having to make such a decision (only on the basis of public health), arrangements around areas such as quality assurance will need to reflect this. As a result of this uncertainty, we have contingency plans in place to gather some evaluative insights into these arrangements and how their implementation and impacts compare with arrangements in 2021, allowing us to continue to improve as an organisation and effectively prepare for Awarding 2023.



Higher National, vocational and international delivery to plan

Assessing Higher National and Vocational Qualifications 2021-22

Alternative approaches to assessment have been developed to provide further flexibility for centres and learners, for session 2021-22, whilst maintaining the integrity of certification and public confidence.

These arrangements cover: Higher National Certificates and Diplomas, SQA Advanced Certificates and Diplomas, Professional Development Awards, National Progression Awards, National Certificates, Skills for Work, Awards and internally-assessed NQ Units.

- **Assessment Decision Tree**
The decision tree will support centres in determining the appropriate route for assessment of Group Awards, using evidence based professional judgement
- **Subject-Specific Guidance**
These approaches look to combine and reduce assessment without compromising the standard of the award.
- **Enhanced Subject-Specific Alternative Assessment Approaches**
These can be used by centres dealing with the impact of COVID-19 restrictions on teaching and learning, if required.
- **Group Award Verification**
In order to maximise centre's time for teaching and learning, we have moved to a group award verification model which will allow for less qualification verification activity whilst continuing to verify the breadth of the portfolio.
- **Pre-verification Services**
An enhanced service to centres which includes subject specialist input where there are adaptations to existing conditions of assessment and also combined assessment support.



Higher National, vocational and international delivery to plan

Assessing Higher National and Vocational Qualifications 2021–22

Graded units

As with session 2020–21 we have removed the need to complete the assessment of graded units (exam based and project based) in HNC, HND and SQA Advanced Qualifications for session 2021–22. More detail on this can be found on our website.

A small number of exceptions exist, for example, where the qualification is linked with registration with a professional association or has mandatory responsibilities under a Qualification Partnership Agreement.

Some assessment plans and related activities may already be underway in centres so, where this is the case, centres can continue with arrangements which best suit the teaching, learning and assessment needs of deliverers and candidates.

HN: Next Gen

We are now adapting our Higher National Qualifications to give learners the skills they need to thrive in the 21st century workplace.

Our Next Generation Higher National (NextGen: HN) Qualifications will:

- Be adaptable and flexible to respond to the needs of a constantly changing employment environment
- Support lifelong learning and multiple career options
- Integrate essential 21st century skills or meta-skills
- Develop critical industry and subject-specific technical skills

SQA is currently committed to two phases of NextGen: HN prototype development and pilot delivery. Phases 1 and 2 are well underway with 11 HN curriculum areas (24 HNC/D programmes) in development. 2022–23 will see pilot delivery of the following 13 qualifications commence:

1. HNC Television
2. HND Television
3. HND Radio
4. HNC Computing
5. HNC Engineering
6. HNC Accounting
7. HNC Childhood Practice
8. HNC Social Services
9. HNC Fitness, Health and Exercise
10. HNC Social Sciences
11. HNC Agriculture
12. HNC Agricultural Technology
13. HNC Horticulture

We have been piloting this with 13 centres, 12 colleges and one ETP — each programme being delivered in around two centres. The corresponding HND curriculum will be developed in 2022–23 for delivery in 2023–24.

Maintain, develop, and improve our portfolio of qualifications

Despite the ongoing disruption caused by the pandemic since March 2020, we continue to maintain, develop and improve our portfolio of qualifications. Over the course of this period, we have worked collaboratively with partners to put modifications in place to ensure we are flexible in meeting customer needs. This year, we will use our experience from the pandemic to ensure we remain responsive to our customers.

At SQA, work is underway to support Scottish Government's framework for addressing the recommendations in the Organisation for Economic Co-operation and Development (OECD) report, *'Scotland's Curriculum for Excellence: Into the Future'*. As part of this, it was announced that exams and National Qualifications are to be reformed to ensure that our approaches to curriculum and assessment are fit for purpose and so guarantee the best possible educational experience for children and young people, not least as we emerge from the pandemic. SQA looks forward to providing skills and expertise to the reference group, led by Professor Louise Hayward, Professor of Educational Assessment and Innovation at Glasgow University, which has been set up to provide advice to Ministers on the reforms.

Higher National, vocational and international delivery to plan

Assessing Higher National and Vocational Qualifications 2021–22

Take forward and implement the accepted recommendations from the Review process, in accordance with the roles and responsibilities agreed with Scottish Government

SQA remains focused in delivering its core services, supporting learners at all levels to help people fulfil their potential. While we do so, we recognise the opportunity to contribute to positive change in the education and training system, with colleagues across SQA having actively engaged in Professor Ken Muir's consultation on the reform of SQA and Education Scotland.

The Cabinet Secretary for Education and Skills' response to Professor Muir's report on 10 March 2022 confirmed the establishment of a new qualifications body, which will be a non-departmental body. The Cabinet Secretary also announced further work was to be done on the accreditation and regulation functions, the establishment of a national agency for education, and an independent inspectorate.

During 2022–23 we will work in partnership with Scottish Government and Education Scotland through the first phase of the transition period to develop operating models for the new organisations and undertake the planning required to support transition to new organisations.

Deliver contracts in line with service level agreements

Our Contract Operations team delivers a range of services on behalf of our commercial clients, principally focusing on the administration of assessments in transport and education sectors. Services include:

- The implementation and oversight of all contract requirements and key performance indicators
- Management and oversight of the it/database technology platforms used to deliver these schemes
- The management of a team of appointees used to quality assure training providers
- Management and oversight of syllabus, exams and/or question banks
- Marking assessments, publishing results and printing cards/certificates
- Ensuring the manual of practice remains current

The team also oversees all financial transactions relating to the contracts and deals with learner, training provider and employer enquiries.

SQA will deliver on our obligations under contract service level agreements. In addition, we will:

- Deliver a more effective and efficient technology platform to deliver the last stages of the StreetWorks Qualifications Register — work on this is well underway
- Begin implementing an improvement plan in 2022–23, as a result of a review of our contract operating models in 2021–22

What Accreditation will deliver

Under Scottish Government legislation, SQA Accreditation quality-assures qualifications by approving awarding bodies and accrediting their qualifications. Our work is underpinned by regulatory principles and regulatory directives, which define the standards awarding bodies must comply with.

Our deliverables for 2022–23 will be to:

- Ensure that SQA Accreditation delivers its activities in accordance with its documented key performance indicators
- Implement the Fast-track Approval Process for Awarding Bodies
- Conclude the research into the SVQ brand impact, including a report on the findings and recommendations
- Continue to organise and host awarding body forums
- Implement the outcomes of the review of the Awarding Body Self-assessment Process
- Conduct provider monitoring activity in relation to the implementation and support provided by awarding bodies for the new qualifications developed by the Technical Expert Group (TEG) Process
- Implement master version control document and associated process
- Implement the revised Awarding Body Risk Assessment Strategy
- Develop and formalise Awarding Body Withdrawal Process
- Review and revise Awarding Body Sanctions Process

We are flexible in meeting customer needs

What this means

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

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

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



Priorities for 2022–23

Implement an operational excellence methodology for SQA

Last year, progress was made to develop a common approach to examining our processes and analysing the steps they involve so we have an effective and efficient way of asking how we can improve them. We have used the ‘Lean’ improvement methodology with success so far and have developed resources for the Operational Excellence Toolkit, including guidance on:

- How to develop a process
- The ‘Five whys’ methodology
- The A3 problem solving methodology

This year, we will explore this further as part of the transition period that will follow the Scottish Government announcement on the future of SQA. Key deliverables for 2022–23 include:

- 1 Developing interactive learning content around the Define–Measure–Analyse–Improve–Control (DMAIC) model
- 2 Establishing a bank of case studies to support people engagement and education
- 3 Launch the OpEx website
- 4 Establish OpEx learning resources on SQA Academy

Implement the first phase of SQA’s Research and Analysis Strategy

SQA is working to ensure that our decisions are clearly evidence-based and to play a greater role in making research-based contributions to the debate on education and skills. In the last year, we have enhanced and strengthened our research and analysis capabilities and worked collaboratively to develop a Research and Analysis Strategy. While great progress has been made, we know that there’s much more we can do.

We support Scottish Government’s commitment in that equality, inclusion and human rights should underpin decision-making and delivery across the work of the public sector in Scotland. We will play our part in that by laying the groundwork to augment our equalities analysis and research.

In 2022–23, the focus will be to implement and embed the first phase of our Research and Analysis Strategy. A crucial element to this will be to support the work of the Hayward Review by building an evidence base for the review of National Qualifications starting in 2022. In addition to this work, we will:

- Publish and disseminate research based around our qualifications and assessments
- Augment research and analysis capacity and capability through recruitment and equipping the directorate with a wider range of analytical, literature and research tools
- Develop and share case studies of the impact of evidence on policy decision taking



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

What this means

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

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

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

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

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



Priorities for 2022–23

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

As an organisation, SQA is subject to a wide range of legal, statutory and compliance obligations. We have to meet these legal and regulatory standards, and those set by third parties, to do our work in a way that meets expectations, reduces risk and maximises impact.

SQA's [Framework Document](#) was drawn up by the Scottish Government in consultation with SQA, and sets out the broad framework within which SQA operates. It also defines key roles and the responsibilities and accountabilities which underpin the relationship between SQA and the Scottish Government. In 2022–23 we will review the Framework Document in conjunction with the Scottish Government in order to reflect the roles and responsibilities relating to the Education Reform Programme.

SQA will continue to support the Scottish Government [Programme for Government](#) for a **fairer, greener Scotland**. We support Scottish Government's commitment in that equality, inclusion and human rights should underpin decision-making and delivery across the work of government and the wider public sector in Scotland. We use the expertise available within SQA's existing equality governance structure that oversees our compliance with the equality duties, ensuring there is accountability and action taken across the organisation. Our equality outcomes relate to three functions: SQA as an employer, SQA (awarding body) and SQA Accreditation. Actions have been identified to outline the work we will undertake to achieve these outcomes and advance equality. This work will continue to be a priority in 2022–23.

At the end of the 2021–22 financial year, Scottish Government concluded a consultation on the operation of the Public Sector Equality Duty in Scotland and potential regulatory changes. This included a new duty on relevant public bodies to develop accessible and inclusive communications, and expanded existing duties to include reporting on disability and ethnicity pay gaps. SQA will ensure that the result of this consultation is closely monitored and implement any legal and regulatory changes.

One key set of regulators are qualifications regulators. Our work in delivering qualifications means we are subject to regulation by SQA Accreditation, Ofqual and Qualifications Wales. We have to meet their expectations to be able to continue delivering our vocational qualifications portfolio.

Other legal and regulatory requirements include those relating to employment, freedom of information, complaints, data protection, records management, information security, equality duties and corporate parenting — plus a growing number of compliance commitments we are asked to make, including in areas such as cybersecurity.

Through our languages steering group, SQA is proud to support the Scottish Government's objectives for all of Scotland's languages including Scots, Gaelic and BSL. SQA's Gaelic Language Plan has been a legislative requirement since 2010 and our plan for 2022–25 has been submitted to Bòrd na Gàidhlig for assessment. We will develop our Internal Action Plan with the newly implemented SQA Gaelic Language Plan Implementation and Monitoring Group to monitor the actions throughout the duration of this plan.



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

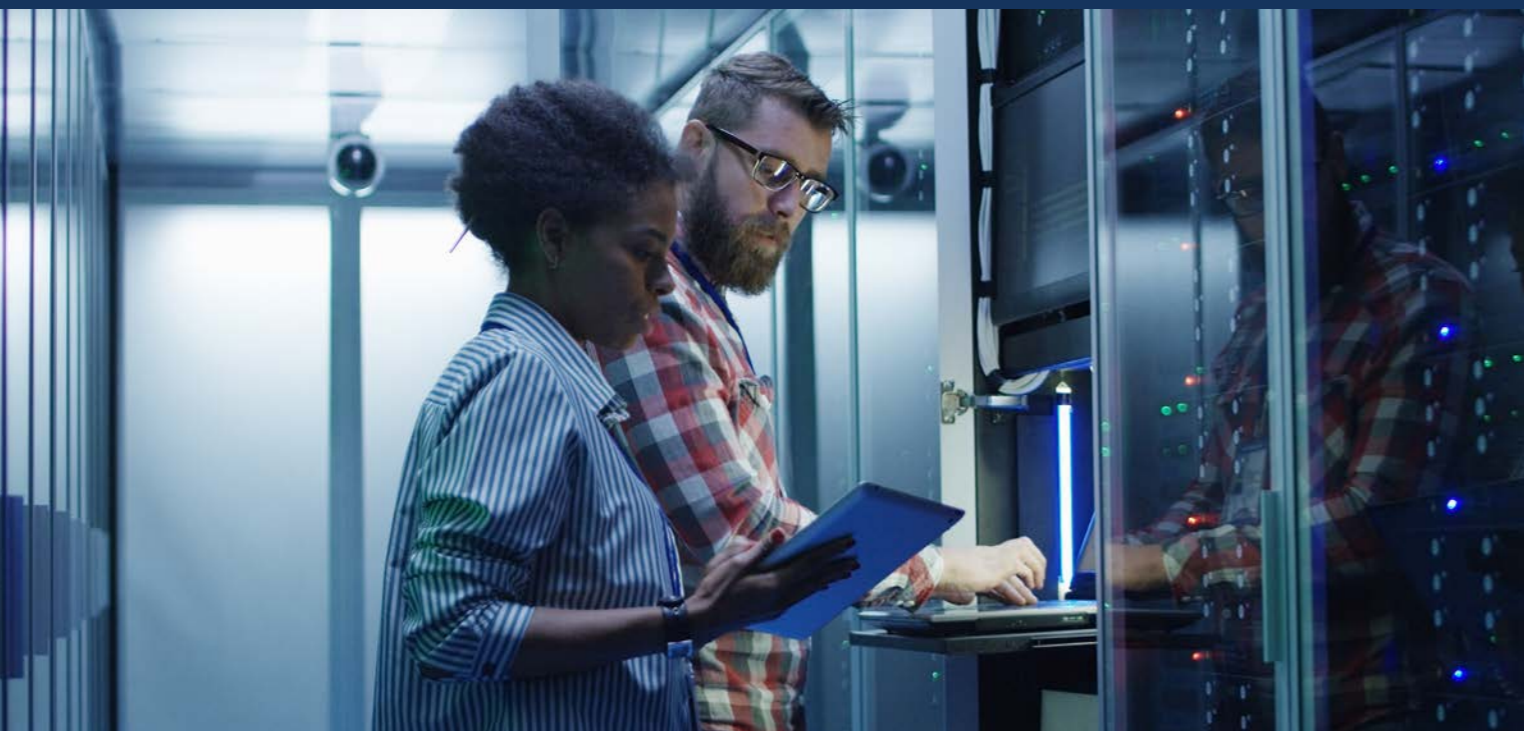
Based on the evolving threat of cyber attacks, we will define and deliver a perpetual programme of work to enhance our cyber resilience and information security. We will draw on the latest expertise to shape and prioritise the programme of work and will continue to monitor the evolving threat with our cyber security partners.

Cyber security presents a significant risk to most businesses. The risk is regarded as having increased further with the widespread home working that has resulted from the COVID-19 pandemic, with the protections offered by the traditional office setting no longer being in place.

Cyber security covers a range of technical, policy and behavioural control areas. It is therefore important that organisations have risk management and governance arrangements in place to allow cyber security activities to be appropriately prioritised. This includes an effective 'Three lines of defence' model for cyber security activities.

Last year, our Cyber Security — Risk and Governance Framework was internally audited to gain assurance that SQA has effective cyber security risk management and governance arrangements in place. This included consideration of the measures in place to identify, manage and monitor new as well as emerging threats to critical assets as well as the governance arrangements in place to oversee and prioritise cyber security activities.

In 2022-23, we will continue to progress the actions from this review as well as ensuring the organisation has the knowledge, capability and tools to ensure SQA remains agile and resilient to the threat of cyber attacks.



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

Policies are formal statements that define what we aim to achieve and they set out in broad terms how we are going to do it. They provide a consistent set of parameters that support delivery of our organisation's overarching strategies, plans and values.

We will continue to work through a programme of reviewing and updating policies and ensure equality is embedded into our products and services. In 2022-23, we will continue to improve our reporting and monitoring of the development of new policies and equality impact assessments (EqIAs) and the review of existing policies and EqIAs. To ensure our policies and equality impact assessments are robust and fit-for-purpose, they are reviewed as part of our internal audit programme of work.

Deliver financial balance in line with available resources

As a public body, SQA has a duty to manage its financial position well and to effectively use its financial resources. It is fundamental for all organisations to ensure they are on a sound financial footing and SQA has a clear requirement to assure our Board and the Scottish Government this is the case.

Complete the implementation of phase one of the ISO 9001 expansion programme

We are working towards ISO 9001 certification. We will be continuing the phased roll out.

Through effective use of our financial resource, implement the duty of Best Value in line with the Scottish Public Finance Manual

Work continues to develop our Best Value framework and we will continue to implement our financial improvement programme across the organisation.



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

What this means

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

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

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

Remote working has posed various challenges for our organisation, but it has also provided us with an opportunity to rethink how we can work in the future. Our Smarter Working Programme will allow us to deliver our activities more efficiently while providing flexible working options for our people. As an organisation we need to adapt to meet the changing needs both of our colleagues and of society, and this is critical to successful delivery in the future.



Priorities for 2022–23

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

This outcome — being a thriving organisation with a fair work environment for all — demonstrates our commitment to being a good employer. Having a motivated, engaged and inclusive workforce is a key factor in supporting a high performing workplace.

It has been a time of great uncertainty for our colleagues as we continue to deliver for Scotland's learners despite significant disruption caused by the pandemic, as well as the ongoing Scottish Government review of the education bodies.

We will build on the communication and leadership activity across the organisation, which was strengthened during the pandemic when colleagues were working predominantly from home. We will continue to provide colleagues with regular updates from the Executive Management Team, and highlight the support mechanisms available, such as:

- Return to office working guidance
- Support our people to make sure they consider their individual health, safety and wellbeing and of colleagues in their direct teams and across the business
- Promoting the use of mental health first aiders

Our annual People Survey produced an engagement score of 69%. Although this result — which represents a decrease of 11 percentage points — is disappointing, it reflects the extremely challenging year which we have all experienced: unprecedented delivery demands coupled with the announcement on SQA's replacement and, at the time that the survey was live, uncertainty on job security.

Work is already underway to reflect on the strengths we can continue to build on, and the areas for improvement, so that colleagues are supported and guided through these challenging times. This will be taken forward via action plans, which will be regularly reviewed and reported on during the year. We will follow up these actions and measure progress against the next survey which will take place in October 2022.

In the year ahead, we will continue to deliver our People Strategy for the organisation and to produce regular 'pulse' surveys — information from the Smarter Working Programme about how we will work in the future.



Deliver the People Strategy

Our People Strategy, launched in June 2020, is centred on being a values-led, learning organisation with people at its heart. Each aspect of the strategy is made up of activities that support three core drivers:

- Strengthening our foundations
- Build our capability
- Advance our business

An effective People Strategy aims to set out for colleagues and wider stakeholders, how we plan to strengthen these aims ensuring that our people are at the heart of everything that we do.

This strategy will support our organisation over the next three to five years across these four main interlinking themes:

- Develop our organisation design and culture
- Improve health, wellbeing, and environment
- Be a responsible business
- Improve our performance

Key priorities for the People Strategy in 2022–23 include:

Smarter Working

We will begin to implement our wider Smarter Working arrangements from April 2022 by inviting all colleagues back into the office, subject to current guidance on office working remaining unchanged or further easing of restrictions. Our Lowden office in Dalkeith will be restricted to colleagues and appointees who are required to undertake essential office-based activities to support Diet 2022 between April to July. However, this will be reviewed should restrictions be eased.

During Q1, we will deliver improved work areas within our offices to support our new smarter working arrangements. This will provide informal, collaborative, social areas to support interaction between colleagues.

As we settle back into a 'new normal' this will be a time for active learning, trialling new ways of working and shaping the future of work together. Some of this change may happen quickly, other changes will develop over time. As offices across Scotland reopen, we are entering a new chapter of work. This reflects neither our work experiences pre-pandemic, nor those of the last two years. The workplace environment has changed, and it will take time for individuals, teams, directorates and the organisation as a whole to adapt. A review of our smarter working arrangements will be undertaken in Q3 and Q4.



Development of a diversity and inclusion strategy

In Q1, we will commence work on the development of a diversity and inclusion strategy aligned to equality outcome 1, taking into account recommendations from an external review of people diversity and inclusion.

We will also finalise action plans and timescales for equality outcome 1 and will continue to drive progress to ensure 2022-23 actions are delivered.

2022-23 pay award

In Q1, we will work with Scottish Government and our trade union colleagues to agree the 2022-23 pay remit with a view to implementation at the earliest opportunity.

Total reward

During Q1 and Q2, we will continue to develop methods to actively promote the current total employment package to colleagues to ensure a greater understanding of its value and to aid recruitment and retention. During Q1, we will finalise a video outlining the total employment package which will supplement existing recruitment practices.

Trade union engagement

In Q1, we will work with our trade union colleagues to develop and agree methods of evaluating the effectiveness of engagement with trade unions.

Policy review

Following publication of 10 HR policies in February 2022, we will continue to work with our trade union colleagues via the policy review group to finalise and publish the remaining HR and reward policies. This will include ensuring all our policies go through the EqlA process by the end of Q2.

Provide a virtual work experience programme to all schools

Following a successful pilot of our virtual Work Experience programme during 2021-22, the programme is now ready to be promoted to all schools from August 2022. The programme has been matched to the Virtual WE Unit Level 3 and learners can now be registered to achieve this award on completion of our virtual programme.

Achieve Investors In People (IIP) – Health and Wellbeing Good Practice Award

Milestones:

Q1 - Secure commitment to working towards IIP – Wellbeing framework

Q3 - Submit application

Q4 - Successful achievement of Award

Good Practice Award Development of a People Data Analytics Strategy

In Q1, we will commence work on the development of a People Data Analytics Strategy aligned to the needs of the business.

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

What this means

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

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

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

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

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



Priorities for 2022–23

We will build credibility and trust in SQA and its qualifications, and in doing so begin the journey towards shifting perceptions and restoring reputation by ensuring strong communication, deep engagement and meaningful collaboration are at the heart of the new organisation.

We will continue our work to build credibility and trust, shift perceptions and restore reputation by:

- Telling a clear and resonant story, using a human and empathetic tone of voice that shows the organisation is firmly on the side of learners and teachers and lecturers
- Being brave, bold and proactive in our communications and marketing — guided by audience insight — and standing up for all that SQA does
- Meaningfully engaging and collaborating with all audiences, demonstrating our own commitment to partnership working
- Using communications and marketing to help SQA transition to a new organisation and grasping the opportunity to transform the organisational approach to engagement and collaboration

Effective and meaningful engagement with audiences is critical to the success of any organisation and we are committed to improving our relationships with those we serve and those we work with, now and in the future. We will listen, use feedback and work together to build consensus and to deliver, for example through the National Qualifications and HNVQ Groups.

Engaging with learners, and their parents or carers, is of particular importance to us. We have commissioned the Scottish Youth Parliament to run regular Learner Panels on our behalf, with representation from schools and colleges across Scotland. We will ensure that the voices of young people are heard, listened to and used to shape our work.

We will continue to keep our communications and marketing channels under review, ensuring we are engaging with audiences where we know they are most likely to receive, absorb and act on information. Our digital channels, such as our website and social platforms, are essential channels and we will further improve content based on insight, feedback and best practice.



Performance measures

Perform

Priority area	Measure and target
National Qualifications delivery to plan	Progress towards critical success factors – Green status Certification – No errors
Higher National, Vocational and International delivery to plan	Progress towards critical success factors – Green status Certification – No errors
Maintain, develop, and improve our portfolio of qualifications	Portfolio development and maintenance: Completion % YTD – 100% Portfolio development and maintenance: Months from business case to end of project: % performance vs forecast variance - 100% Projects' progress updates – Project milestones achieved
Deliver contracts in line with service level agreements	Service level agreements completion rate – 100%
Ensure SQA has an engaged and diverse workforce which meets the needs of the organisation	SQA absence, turnover and proportion of flexible roles versus benchmark – In line with public sector benchmarks Engagement score at People Survey – 80%
Ensure SQA is compliant with all legislative, statutory and regulatory requirements (including qualifications regulators)	Compliance activity calendar – On track EQIAs publication – As per schedule
Delivering financial balance within agreed budget	Delivering outputs within agreed full year income and expenditure budgets – Delivering financial balance at year end against agreed budget
Build credibility and trust in SQA and its qualifications, and in doing so begin the journey towards shifting perceptions and restoring reputation by ensuring strong communication, deep engagement and meaningful collaboration are at the heart of the new organisation	Stakeholder awareness – Up Stakeholder credibility score – Stable Customer satisfaction score – Stable
Enhance SQA's cyber maturity and resilience to ensure we are well equipped to withstand, defend against, manage, recover quickly, and learn from cyber incidents	Progress update on related projects - 100%

Performance measures

Progress

Priority area	Measure and target
Implement an operational excellence methodology for SQA	Progress towards project milestones – Project milestones achieved
Complete the implementation of phase one of the ISO 9001 expansion programme.	Progress towards project milestones – Project milestones achieved
Through effective use of our financial resource, implement the duty of Best Value in line with the Scottish Public Financial Manual	Progress update – Programme milestones achieved
Implement a Smarter Working Programme	Progress towards full implementation – Delivered to plan
Deliver the People directorate 2022-23 operational plan to support the delivery of the People Strategy.	Progress towards achievement of operational plan objectives – Delivered to plan
Implement and embed the first phase of SQA's research and analysis strategy	Progress towards milestones – Milestones achieved
Review and update all policies to ensure they are (i) up to date; (ii) consistently applied	Number of policies reviewed compliant with legal and regulatory obligations – Completed as per agreed schedule

Transition

Priority area	Measure
Take forward and implement the accepted recommendations from the Review process, in accordance with the roles and responsibilities agreed with Scottish Government	Progress updates – To engage and respond as required in accordance with timescales set out

2022-23 income and expenditure budget

2022-23 income and expenditure	£m
Qualifications entry income	-40.9
Other operating income	-6.4
Total operating income	-47.3
Staff	47.2
Appointees	20.9
Property costs	3.4
Other operating costs	22.7
Programme grant expenditure	1.2
Depreciation	3.6
Total resource expenditure	99.0
Net resource expenditure	51.7
Capital expenditure	4.9
Total net expenditure	56.6

Total net expenditure funded by:

Resource grant in aid per Scottish budget	21.6
Additional resource grant funding	22.1
Programme grant funding	1.0
Property related grant in aid	3.4
Non-cash resource grant (depreciation)	3.6
Capital grant in aid	4.9
TOTAL SCOTTISH GOVERNMENT FUNDING	56.6





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