



Scottish Funding Council  
Comhairle Maoineachaidh na h-Alba

SFC Announcement

Reference: SFC/AN/02/2023

Issue date: 20/02/2023

# In-year redistribution of student support funds 2022-23



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## In-year redistribution of student support funds 2022-23

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Issue Date:	20 February 2023 (revised 9 March 2023)
Reference:	SFC/AN/02/2023
Summary:	Announcement of in-year redistribution of student support funding to colleges for AY 2022-23; detailing recovery of unspent funds from AY 2021-22 and reallocation of funds for AY 2022-23.
FAO:	Principals / Executive Directors / Finance Directors / Chairs / Board Secretaries / Student Support contacts in Scotland's colleges / Regional Strategic Bodies, and the general public.
Further Information:	<b>CONTACT:</b> SFC Student Support Team <b>DIRECTORATE:</b> Finance <b>EMAIL:</b> <a href="mailto:studentsupport@sfc.ac.uk">studentsupport@sfc.ac.uk</a>

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## In-year redistribution of student support funds 2022-23

### Purpose

1. This letter announces the in-year redistribution of student support funding from SFC to colleges for Academic Year (AY) 2022-23, and details the recovery and reallocation of unspent funds to support discretionary funding needs across the sector.

### Background

2. Demand for student support is unpredictable and, in order to match annual SFC funding to demand as closely as possible, we carry out an annual in-year redistribution exercise. Colleges are not permitted to use student support funding for purposes other than those specified and we recover funds that colleges do not expect to use in the current year, as well as any unspent funds from the previous year. We use the funds returned to us to re-allocate to colleges that need additional student support in the current year.
3. SFC invited colleges to relinquish unspent student support funds or request an increase to their AY 2022-23 student support funding allocations in a 'Call for Information' published on 14 November 2022 (SFC/CI/06/2022: [In-year management of college student support allocations 2022-23](#)).

### Additional funding requested for 2022-23

4. The total amount of additional student support funding requested by colleges for AY 2022-23 is £1.9 million. SFC will be able to meet this requirement in full.
5. The table in [Annex A](#) details the amounts requested/relinquished by each college/region. The table shows the total additional funding to be paid out in AY 2022-23, along with a breakdown across the two Financial Years (FYs) 2022-23 and 2023-24.

### Recovery of unspent funds and adjustments to budget

6. Colleges receiving additional funds will have their AY 2022-23 student support budgets increased by the amount of additional funding that they have been allocated, as detailed in the table at [Annex A](#). These updated budgets will be reflected in incorporated colleges' monthly cash-flow pro-formas. Colleges should continue to drawdown funding based on need, whilst giving due regard to their revised AY and FY budgets.
7. For multi-college regions, we have set out in [Annex A](#) the amounts requested by individual colleges within each region. Regional Strategic Bodies should note the allocations to individual colleges. Multi-college regions may action in-year transfers of student support funding between colleges within the region.

8. The table in [Annex B](#) details the amounts remaining from AY 2022-23 to be returned by each college/region. Colleges that are returning unused funds will have their overall FY student support budget reduced by the amount of funding that they are returning. For those colleges that have already made adjustments to their budgets in July 2022, the March 2023 adjustment to be made will take into account the funds previously not drawn down. This is shown in [Annex B](#), under the column 'Remaining funding adjustments to be made in March 2023'.
9. Newbattle Abbey College, SRUC, Orkney College, Shetland College and West Highland College do not submit cash-flow pro-formas. For these institutions, unused funds will be recovered in March 2023. Where these institutions are to receive additional funds, payments will be adjusted in March and April 2023.
10. Colleges will not be able to claim funding above their revised budgets. Should this cause any short-term cash-flow issues, please contact Catherine Atkinson, Senior Budgeting & Reporting Officer, tel: 0131 313 6540, email: [catkinson@sfc.ac.uk](mailto:catkinson@sfc.ac.uk) immediately. Any general queries on the payment process should also be directed to Catherine Atkinson in the first instance.

## Management of payment of funds

11. SFC will contact colleges in early June 2023 to seek clarification of their near final position on student support spend in AY 2022-23. Colleges that have drawn down their full student support budget but are forecasting a significant underspend against their budget will be asked to reduce their July 2023 drawdown of funds or return surplus funds to SFC in July 2023, rather than waiting until the AY 2023-24 redistribution exercise in Autumn 2023.

## Repurposing of unspent AY 2021-22 funds for discretionary funding

12. We recognise that students continue to face cost-of-living and fuel poverty pressures and there are still flexibilities in place which colleges can use when allocating Discretionary Funds to students:
  - The cap for individual students of £4,000 pa, which is normally applied to Discretionary Fund payments, does not apply for AY 2022-23.
  - SFC contacted colleges directly in November 2021 and February 2022 to confirm that Discretionary Funds could be used to make payments to students who need it (for example, a winter fuel allowance or a cost-of-living allowance).
  - To minimise administrative burden on both the college and the students, Discretionary Funds can be allocated in this way to groups of students that the college know to be from low-income households, based on evidence previously submitted along with a short confirmation from the student that they are continuing to face hardship because

of increased costs.

13. In view of these pressures, SFC is repurposing student support funds that were unspent in AY 2021-22 to give a further allocation of £6 million to colleges in AY 2022-23. These funds are being allocated over and above the funding requested by some colleges and can be used to help support student hardship.
14. The above funds have been reallocated in proportion to colleges'/regions' share of core student support funding for AY 2022-23 and will be paid in March 2023. A breakdown of funding allocations for individual colleges/regions is included in [Annex C](#).
15. Colleges are reminded that they cannot use their Discretionary Funds for communal support; for example, to provide open breakfast or lunch facilities which would be available to all students. The legislation relating to Discretionary Funding states that these funds should be paid to individual students who meet the residency requirements and are on FE level courses which are SFC-fundable. On this basis, the SFC policy on Discretionary Funding sets the expectation that the Fund should be allocated directly to individual students and specifies that it should not be used for general purposes such as communal facilities or staff costs.

## Conditions of grant and reporting requirements relating to reallocated AY 2022-23 funds

16. The reallocation of funding set out above must only be used for the purpose(s) for which they are being allocated. SFC retains the right to audit relevant documentation to satisfy itself that this is the case (and the institution undertakes that it will provide such assistance as SFC reasonably requires).
17. These funds are for AY 2022-23. Colleges/regions will be asked to report on their use of these funds after the end of AY 2022-23. Any unspent funds will be recovered as part of the AY 2023-24 In-year redistribution exercise.
18. SFC may recover funding for non-compliance of any of the conditions of grant or reporting requirements.

## Further information

19. If you require any additional information, please contact the SFC Student Support Team (email: [studentsupport@sfc.ac.uk](mailto:studentsupport@sfc.ac.uk)).

A handwritten signature in black ink, appearing to read 'Richard Maconachie', enclosed within a thin black rectangular border.

**Richard Maconachie**  
Director of Finance

## Annex A: In-year redistribution of student support funds AY 2022-23

College/Region	Funding requested/ relinquished for full AY 22-23 (1)	Funding adjustment to end Mar 23 (2)	Funding adjustment Apr-Jul 23 (3)	Total adjustment to funding (4)
Ayrshire College	£0	£0	£0	£0
Borders College	£292,072	£146,036	£146,036	£292,072
Dumfries & Galloway College	£0	£0	£0	£0
Dundee & Angus College	£0	£0	£0	£0
Edinburgh College	£236,227	£236,227	£0	£236,227
Fife College	£0	£0	£0	£0
Forth Valley College	£0	£0	£0	£0
Glasgow Region	£310,000	£217,000	£93,000	£310,000
<i>City of Glasgow College</i>	£310,000	£217,000	£93,000	£310,000
<i>Glasgow Clyde College</i>	£0	£0	£0	£0
<i>Glasgow Kelvin College</i>	£0	£0	£0	£0
Highlands & Islands Region	-£805,292	-£805,292	£0	-£805,292
<i>Inverness College</i>	£0	£0	£0	£0
<i>Lews Castle College</i>	£0	£0	£0	£0
<i>Moray College</i>	£0	£0	£0	£0
<i>North Highland College</i>	£0	£0	£0	£0
<i>Orkney College</i>	£0	£0	£0	£0
<i>Perth College</i>	£0	£0	£0	£0
<i>Shetland College</i>	£0	£0	£0	£0
Lanarkshire Region	£500,000	£250,000	£250,000	£500,000
<i>New College Lanarkshire</i>	£500,000	£250,000	£250,000	£500,000
<i>South Lanarkshire College</i>	£0	£0	£0	£0
Newbattle Abbey College	£90,000	£45,000	£45,000	£90,000
North East College Scotland	£0	£0	£0	£0
SRUC	-£40,000	-£40,000	£0	-£40,000
West College Scotland	-£2,200,000	£0	-£2,200,000	-£2,200,000



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West Lothian College	£500,000	£150,000	£350,000	£500,000
<b>TOTAL</b>	<b>-£1,116,993</b>	<b>£198,971</b>	<b>-£1,315,964</b>	<b>-£1,116,993</b>

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## Annex B: Recovery of unspent funds and adjustments to budgets

College/Region	Funding adjustments made in July 2022 (1)	Remaining funding adjustments to be made in March 2023 (2)
Ayrshire College	£1,477,186	£857,421
Borders College	£0	£27,248
Dumfries & Galloway College	£0	£419,739
Dundee & Angus College	£2,492,771	£439,451
Edinburgh College	£1,200,000	£381,232
Fife College	£2,091,945	£1,151,946
Forth Valley College	£1,250,000	£243,945
Glasgow Region	£3,614,049	£879,564
<i>Glasgow RSB (GCRB)</i>	<i>£0</i>	<i>£0</i>
<i>City of Glasgow College</i>	<i>£0</i>	<i>£646,408</i>
<i>Glasgow Clyde College</i>	<i>£2,408,347</i>	<i>£230,771</i>
<i>Glasgow Kelvin College</i>	<i>£1,205,702</i>	<i>£2,385</i>
Highlands & Islands	£553,837	£1,818,765
<i>UHI RSB</i>	<i>£0</i>	<i>£478,885</i>
<i>Inverness College</i>	<i>£0</i>	<i>£439,143</i>
<i>Lews Castle College</i>	<i>£0</i>	<i>£90,538</i>
<i>Moray College</i>	<i>£39,500</i>	<i>£166,824</i>
<i>North Highland College</i>	<i>£0</i>	<i>£335,415</i>
<i>Orkney College</i>	<i>£0</i>	<i>£32,188</i>
<i>Perth College</i>	<i>£514,337</i>	<i>£255,973</i>
<i>Shetland College</i>	<i>£0</i>	<i>£19,799</i>
Lanarkshire Region	£663,392	£2,396,628
<i>Lanarkshire RSB</i>	<i>£0</i>	<i>£0</i>
<i>New College Lanarkshire</i>	<i>£0</i>	<i>£2,265,691</i>
<i>South Lanarkshire College</i>	<i>£663,392</i>	<i>£130,937</i>
Newbattle Abbey College	£0	£126,103
North East Scotland College	£1,442,416	£1,765,339
SRUC	£0	£583,150
West College Scotland	£950,000	£963,343
West Lothian College	£0	£61,897

College/Region	Funding adjustments made in July 2022 (1)	Remaining funding adjustments to be made in March 2023 (2)
TOTAL	£15,735,596	£12,115,771

## Annex C: Reallocation of unspent AY 2021-22 funds for discretionary funding in AY 2022-23

Reallocation of unspent AY 2021-22 funds for Discretionary in AY 2022-23			
College/Region	Core student support funding for AY 2022-23 (1)	Share of student support funding for AY 2022-23 (2)	Additional Discretionary funding for AY 2022-23 (3)
Ayrshire College	10,377,347	7.7%	461,215
Borders College	2,205,266	1.6%	98,012
Dumfries & Galloway College	2,586,752	1.9%	114,967
Dundee & Angus College	9,374,327	6.9%	416,637
Edinburgh College	11,852,053	8.8%	526,758
Fife College	10,022,346	7.4%	445,438
Forth Valley College	4,528,032	3.4%	201,246
Glasgow Region	27,658,929	20.5%	1,229,286
Highlands & Islands Region	10,141,090	7.5%	450,715
Lanarkshire Region	16,439,498	12.2%	730,644
Newbattle Abbey College	280,979	0.2%	12,488
North East College Scotland	9,138,570	6.8%	406,159
SRUC	2,651,368	2.0%	117,839
West College Scotland	13,521,641	10.0%	600,962
West Lothian College	4,221,802	3.1%	187,636
<b>TOTAL</b>	<b>£135,000,000</b>	<b>100.00%</b>	<b>£6,000,000</b>