



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

SFC CALL FOR INFORMATION

REFERENCE: SFC/CI/06/2022

ISSUE DATE: 14/11/2022

IN-YEAR MANAGEMENT OF COLLEGE STUDENT SUPPORT ALLOCATIONS 2022-23



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ISSUE DATE:	14 November 2022
REFERENCE:	SFC/CI/06/2022
SUMMARY:	Invitation to colleges to relinquish unspent student support funds or request an increase to their student support funding allocations for AY 2022-23.
FAO:	Principals, Finance Directors and Student Support contacts at Scotland's colleges.
FURTHER INFORMATION:	CONTACT: SFC Student Support Team DIRECTORATE: Finance EMAIL: studentsupport@sfc.ac.uk

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IN-YEAR MANAGEMENT OF COLLEGE STUDENT SUPPORT ALLOCATIONS FOR 2022-23

PURPOSE

1. This Call for Information invites colleges to relinquish unspent student support funds or request an increase to their student support funding allocations for Academic Year (AY) 2022-23.

BACKGROUND

2. The in-year management and redistribution of student support funds is an ongoing feature of SFC's annual student support funding cycle.

IN-YEAR REDISTRIBUTION EXERCISE FOR AY 2022-23

3. Instructions for completion of the redistribution request form are set out in Annex A to this letter. Colleges should particularly note the guidance on estimating demand for student support. SFC will email forms pre-filled with student support data to colleges on an individual basis following publication of this letter. As in previous years, these forms will include sections for colleges to:
 - Confirm the data on their student support spend and Care-experienced students supported in AY 2021-22, as returned to SFC through their Further Education Statistics (FES) returns.
 - Confirm details of the student support funding paid to each college during AY 2021-22, so that colleges can reconcile the information they are returning with their drawdown and payment details.
 - Provide any contextual and supporting information.
4. Colleges should note that, for the purpose of the AY 2022-23 in-year redistribution exercise, student support data is defined as *core* student support funding allocations only. Specifically, this includes:
 - Original student support funding for AY 2021-22 (Table 4 in the [College Funding Announcement for AY 2021-22](#)).
 - Funding requested/relinquished/allocated following the 2021-22 in-year redistribution exercise (Annex A in the [In-year Redistribution of Student Support Funds 2021-22 Announcement](#)).
 - Additional Discretionary Funding 2021-22 (Annex C in the [In-year Redistribution of](#)

[Student Support Funds 2021-22 Announcement](#)).

5. The following are NOT included in the AY 2022-23 in-year redistribution and will be subject to a separate recovery process:
 - Young Person's Guarantee (YPG) student support 2021-22.
 - National Transitional Training Fund (NTTF) student support 2021-22.
 - [Additional Summer COVID Discretionary Funding](#) (allocated across AYs 2020-21 and 2021-22).
6. A summary of these various allocations was shared with colleges in September 2022.
7. As in previous years, SFC will also be asking for additional, separate information on the costs to colleges of implementing changes to student support funding as a result of the Scottish Government's response to the Independent Review of Student Support. Therefore colleges are also asked to return information on the costs associated with the expansion of the higher rate Care-experienced Student Bursary, including to those aged 26 and over.
8. Further details are set out in Annex A.

MANAGEMENT OF PAYMENT OF AY 2022-23 FUNDS

9. 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.

NEXT STEPS AND FURTHER INFORMATION

10. Colleges should complete the request form and email it to SFC's Student Support team, email: studentsupport@sfc.ac.uk by **28 November 2022**.
11. Colleges will be individually notified of SFC's decision on any requests for additional funding in December 2022. We will announce the sector outcome of the AY 2022-23 in-year redistribution exercise in early 2023.
12. For further information please contact: studentsupport@sfc.ac.uk.



Richard Maconachie FCCA
Director of Finance

ANNEX A IN-YEAR MANAGEMENT OF AY 2022-23 STUDENT SUPPORT FUNDS: INSTRUCTIONS FOR COMPLETION OF REQUEST FORM

ESTIMATING DEMAND FOR STUDENT SUPPORT

13. SFC continues to work with colleges on accurately estimating demand for student support. Student support expenditure since 2020 has been directly affected by the COVID-19 pandemic and, more recently, the cost-of-living crisis. However, we hope that future years will see a return to a more normal pattern of student support spend. As with previous years, colleges are reminded of the need to provide accurate bids for student support funding, based on realistic predictions of student demand.
14. The starting point for determining need for student support funding should be based on colleges' existing commitments to support students already enrolled for AY 2022-23.
15. SFC is aware that colleges can still be receiving and processing applications for student support at the point where we ask for the in-year redistribution submission. In addition, most colleges will expect to enrol additional students later in the academic year. Therefore colleges need to calculate the volume of additional student support funding applications they expect to receive for the remainder of the academic year.
16. Colleges then need to estimate the likely level of support required by the additional students. In performing this calculation, colleges should take into account historic data on the differential spend patterns at course/subject level, for different types of student (e.g. full-time/part-time, by gender, by age group, including Care-experienced). For example, colleges should be aware of the following factors that will have a bearing on the resources required:
 - Some subjects will have a higher level of demand for SFC student support funding than others.
 - Female students are more likely to require childcare funding than males.
 - Any move from FE to HE level provision, or from full-time to part-time provision, will reduce demand for SFC student support funding.
17. All these factors will have a bearing on the quantum of resources required in the coming year. SFC strongly recommends that colleges build in assumptions for these factors when predicting need, rather than basing their requests on historic average levels of funding. Colleges should not assume that all their additional students will require the maximum level of funding.
18. After the college has calculated the predicted level of additional student support funding

required, it is essential that they make a reduction to the overall requirement to take account of the impact of student withdrawals. This should be based on a realistic assumption of the expected level of withdrawals, based on historic data at the college.

19. **Colleges should not build large and unrealistic contingencies into their bids for funding.** This results in inflated claims and creates a false impression of the level of unmet demand for student support, but more importantly it limits SFC's ability to move funds to where they are currently needed.

DISCRETIONARY FUNDING IN AY 2022-23

20. 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:
 - SFC has removed the cap of £4,000 pa which had previously applied to Discretionary Fund payments.
 - SFC contacted colleges directly in November 2021 and February 2022 to confirm that the Discretionary Funds can 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, funds can be allocated in this way to groups of students who 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 facing hardship because of increased costs.
21. Whilst we have removed the Discretionary Fund cap for AY 2022-23, colleges should be aware of budget pressures and therefore be mindful of the overall amount they allocate to individual students. Whilst recognising that colleges must consider the needs of individuals, we expect that allocations to individual students that exceed £10,000 (from Maintenance and Discretionary funds combined) would be exceptional.
22. 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.

IN-YEAR REDISTRIBUTION FORM FOR AY 2022-23

23. As in previous years, the in-year redistribution form will be pre-filled with the following information:
- Colleges' core student support funding allocations for AY 2021-22 (as detailed in page 4, paragraphs 4 and 5).
 - Colleges' spend on student support in AY 2021-22, as detailed in the FES returns (funds that have been allocated to students flagged as YPG/NTTF are shown but excluded from the core redistribution).
 - The funds that colleges have been paid for student support in 2021-22, so that colleges can reconcile the information they are returning with their drawdown and payment details.
 - Colleges' core student support funding allocations for AY 2022-23.
24. Colleges will then be asked to complete the following information:
- A split of the 2022-23 allocation by FE Bursary, Childcare and FE Discretionary.
 - The amount of student support funding being requested or relinquished for AY 2022-23.
 - If additional funds are being requested, a breakdown of the amount associated with students already enrolled and the amount required for students not already enrolled (e.g. January start students).
 - If additional funds are being requested, details of the proportion required by the college up until the end of March 2023 and end of July 2023 respectively.
 - Any contextual or supporting information.

ADDITIONAL INFORMATION REQUIRED IN AY 2022-23

25. This year, SFC will again be asking for additional, separate information on the costs to colleges of implementing some of the changes to student support funding as a result of the Scottish Government's response to the Independent Review of Student Support.
26. In order for SFC to quantify the additional resource required for the expanded Care-experienced (CE) Bursary, we have included an additional section in the in-year redistribution form. This section will be pre-filled with the number of CE bursary students that colleges reported that they supported in AY 2021-22 and the amount of bursary (maintenance) funding allocated to these students (as per the FES returns). It will then ask colleges to provide details of:
- The number of CE students (headcount) who have enrolled up to that point.

- The committed bursary (maintenance) funding associated with these enrolments, based on the weekly rate of £202.50.
 - A forward projection of numbers of CE students (headcount) who will enrol later in the academic year and an estimate of the bursary (maintenance) funding associated with these enrolments.
 - A reduction to take account of the impact of projected withdrawals of CE students.
 - Estimated numbers of CE students (headcount) who are better off on benefits than bursary.
27. In quantifying the additional cost of the expanded CE Bursary for AY 2022-23, we will assess the increases in colleges' spend on maintenance for CE students arising from the increase in the number of such students attending college. We would expect that the take-up of further education by CE students will increase because of the wider awareness of the new higher rate funding package available for them, as well as the removal of the age cap and the inclusion of students who were in informal care arrangements.

MULTI-COLLEGE REGIONS

28. Multi-college regions should complete the request form as a region, with any transfers of funding between colleges agreed by the colleges within the region prior to the form being submitted. An additional tab is included in the form to provide a breakdown by each individual college in the region.

GENERAL CONDITIONS

29. The return date for the form is **28 November 2022**. If the amounts of funding that colleges require for student support change by mid-December 2022 because of changing circumstances, colleges should inform SFC of this as soon as possible.
30. SFC will endeavour to meet, in full, college student support funding requests. However, as with previous years, there may be a shortfall in available funds at a sector level. This will mean that the amount of funding going to individual colleges may be capped.
31. SFC reiterates that colleges should adhere to the guidance set out in paragraphs 1-9 when estimating demand. Colleges should avoid inflating their bids for funding, so that we can redistribute the additional funding available in as fair and equitable a way as possible.

NEXT STEPS

32. SFC will email the pre-filled forms directly to college student support contacts following publication of this letter.
33. Colleges should complete the request form and email it to SFC's Student Support team mailbox, email: studentsupport@sfc.ac.uk **by 28 November 2022**.
34. Colleges will be individually notified of the decision on their bids for additional student support funding in December 2022.
35. SFC will announce the sector outcome of the AY 2022-23 in-year redistribution exercise in early 2023.