



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

In-year redistribution of student support funds 2020-21

SFC Announcement

Issue Date: 19 February 2021

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Reference: SFC/AN/04/2021

Summary: Announcement of in-year redistribution of student support funding to colleges for AY 2020-21; detailing the recovery of unspent funds from 2019-20 and reallocation of funding for 2020-21.

FAO: Principals / Executive Directors / Finance Directors / Chairs / Board Secretaries / Student Support contacts in Scotland's colleges / Regional Strategic Bodies

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In-year redistribution of student support funds for 2020-21

Purpose

1. This letter announces the in-year redistribution of student support funding from SFC to colleges for Academic Year (AY) 2020-21, 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 in-year redistribution. 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 2020-21 student support allocations in a 'Call for Information' published on 4 November 2020 (SFC/CI/10/2020: [In-year management of student support allocations 2020-21](#)).

COVID-19

4. COVID-19 and the lockdown restrictions associated with the global pandemic have presented significant challenges for the sector and its learners in AYs 2019-20 and 2020-21, and this has impacted on colleges' student support budgets.
5. Due to the college campus closures in mid-March 2020, colleges reduced their student support expenditure on travel and childcare costs, in line with lockdown restrictions. SFC published guidance on the [Redirection of Travel and Childcare Costs support and increased flexibility in the use of FE Discretionary Funds](#) to help meet students' financial needs during the pandemic. This increased flexibility enabled colleges to support more students in financial hardship, which resulted in a significant increase in their discretionary funding expenditure.
6. Despite the increase in discretionary funding expenditure, the savings in travel and childcare costs have led to an in-year position that will allow us to further support students through the changing COVID-19 situation.

Additional funding requested

7. The total amount of additional student support funding requested by colleges for AY 2020-21 is £1.6 million (as set out in Annex A, column 1). SFC will be able to meet those requests in full.
8. The table in Annex A details the amounts requested by each college/college region. The table shows the total additional funding to be paid out in AY 2020-21, along with a breakdown across the two Financial Years (FYs) 2020-21 and 2021-22.

Recovery of unspent funds and adjustments to budgets

9. Colleges receiving additional funds will have their 2020-21 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-forma. Colleges should continue to draw-down funding based on need, whilst giving due regard to their revised FY budget.
10. 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.
11. The table in Annex B details the amounts remaining from AY 2019-20 to be returned by each college/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 2020, the March 2021 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 2021'.
12. 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 2021. Where these institutions are to receive additional funds, payments will be adjusted in March and April as set out in Annex A.
13. 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 immediately. Any general queries on the payment process should also be directed to Catherine Atkinson in the first instance.

Management of payment of funds

14. We will contact colleges in early June 2021 to seek clarification of their near final position on spend on student support in AY 2020-21. 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 2021 draw-down of funds or return surplus funds to SFC in July 2021, rather than waiting until the 2021-22 redistribution exercise in Autumn 2021.

Repurposing and reallocation of unspent AY 2019-20 funds for COVID-19 discretionary funding

15. We recognise that this year has been extremely difficult for students. Restrictions on travel and campus closures have changed the way institutions deliver their courses and students are facing significant challenges in their studies due to the pandemic. Given existing lockdown restrictions and the increase in blended learning and online teaching provision, we understand the importance of learners being suitably equipped, digitally, to access such provision. In addition, the lack of seasonal temporary employment and the extended lockdowns have had a significant impact on students' finances. SFC is acutely aware of the importance of supporting students in their learner journey to succeed in their studies.
16. We are therefore repurposing £5 million of unspent student support funds to enable additional discretionary funding to be available to colleges for COVID-19 related support. This will enable colleges to further support those students who are finding themselves in financial hardship due to the pandemic. We will allocate this in line with the college/region's overall AY 2020-21 student support allocation.
17. Colleges can use their discretion when allocating this funding, taking into account personal circumstances when assessing students' financial situation. Colleges may also wish to use this allocation to tackle digital poverty and provide more students with the necessary IT equipment and technology they need to succeed in their current online learning environment.
18. Individual allocations can be found in Annex C of this announcement. For eligibility purposes colleges should refer to SFC's current [FE Discretionary Fund 2020-21](#) guidance. Following the recent Scottish Government announcement of additional funds to meet emergency student hardship, there will be a further allocation of funds that will be published separately.

Conditions of grant and reporting requirements relating to reallocated AY 2020-21 funds

19. The reallocation of funding set out above, for additional discretionary support, 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).
20. These funds are for AY 2020-21. Colleges/regions will be asked to report on their use of these funds after the end of AY 2020-21. Any unspent funds will be recovered as part of the AY 2021-22 In-year redistribution exercise.
21. SFC may recover funding if you do not comply with any of the conditions of grant or reporting requirements.

Further information

22. Please contact Lucia Ramon Mateo, Funding Policy Officer (Student Support), tel: 0131 313 6667, email: studentsupport@sfc.ac.uk.



Lorna MacDonald
Director of Finance

Annex A

In-year redistribution of student support funds for AY 2020-21

College/Region	Additional funding requested for full AY 2020-21	Additional funding requested / allocated to end March 2021	Additional funding requested / allocated Apr - Jul 2021	Total additional funding allocated in AY 2020-21
	(1) £	(2) £	(3) £	(4) £
Ayrshire College	-	-	-	-
Borders College	-	-	-	-
Dumfries & Galloway College	125,000	75,000	50,000	125,000
Dundee & Angus College	-	-	-	-
Edinburgh College	569,418	-	569,418	569,418
Fife College	-	-	-	-
Forth Valley College	-	-	-	-
Glasgow Region	815,152	510,665	304,487	815,152
<i>City of Glasgow College</i>	815,152	510,665	304,487	815,152
<i>Glasgow Clyde College</i>	-	-	-	-
<i>Glasgow Kelvin College</i>	-	-	-	-
Highlands and Islands Region	-	-	-	-
<i>Inverness College</i>	-	-	-	-
<i>Lews Castle College</i>	-	-	-	-
<i>Moray College</i>	-	-	-	-
<i>North Highland College</i>	-	-	-	-
<i>Orkney College</i>	-	-	-	-
<i>Perth College</i>	-	-	-	-
<i>Shetland College</i>	-	-	-	-
Lanarkshire Region	-	-	-	-
<i>New College Lanarkshire</i>	-	-	-	-
<i>South Lanarkshire College</i>	-	-	-	-
Newbattle Abbey College	40,000	30,000	10,000	40,000
North East Scotland College	-	-	-	-
SRUC	70,000	25,000	45,000	70,000
West College Scotland	-	-	-	-
West Lothian College	-	-	-	-
TOTAL	1,619,570	640,665	978,905	1,619,570

Annex B

Recovery of unspent funds and adjustments to budgets

College/Region	Funding adjustments made in July 2020	Remaining funding adjustments to be made in March 2021	Total funding to recover from colleges in AY 2020-21
	(1) £	(2) £	(3) £
Ayrshire College	-	25,458	25,458
Borders College	-	299,100	299,100
Dumfries & Galloway College	-	14,429	14,429
Dundee & Angus College	796,476	222,404	1,018,880
Edinburgh College	-	32,669	32,669
Fife College	-	959,620	959,620
Forth Valley College	296,943	102,660	399,603
Glasgow Region	-	1,906,005	1,906,005
<i>City of Glasgow College</i>	-	528,828	528,828
<i>Glasgow Clyde College</i>	-	923,744	923,744
<i>Glasgow Kelvin College</i>	-	453,433	453,433
Highlands and Islands Region	127,531	890,220	1,017,751
<i>Inverness College</i>	-	180,829	180,829
<i>Lews Castle College</i>	-	39,315	39,315
<i>Moray College</i>	-	281,770	281,770
<i>North Highland College</i>	-	249,648	249,648
<i>Orkney College</i>	-	26,295	26,295
<i>Perth College</i>	127,531	92,452	219,983
<i>Shetland College</i>	-	19,911	19,911
Lanarkshire Region	-	1,451,270	1,451,270
<i>New College Lanarkshire</i>	-	1,206,530	1,206,530
<i>South Lanarkshire College</i>	-	244,740	244,740
Newbattle Abbey College	-	36,726	36,726
North East Scotland College	-	771,106	771,106
SRUC	-	29,038	29,038
West College Scotland	-	-	-
West Lothian College	-	20,118	20,118
TOTAL	1,220,950	6,687,371	7,908,321

Reallocation of funding for COVID-19 discretionary support

College/Region	Overall student support funding AY 2020-21 (1) £	Share of SFC FE student support funding AY 2020-21 (2) %	Total COVID-19 discretionary funding AY 2020-21 (3) £
Ayrshire College	10,607,955	7.7%	384,346
Borders College	2,254,272	1.6%	81,677
Dumfries & Galloway College	2,644,235	1.9%	95,806
Dundee & Angus College	9,582,644	6.9%	347,197
Edinburgh College	12,115,433	8.8%	438,965
Fife College	10,245,064	7.4%	371,198
Forth Valley College	4,628,655	3.4%	167,705
Glasgow Region	28,273,572	20.5%	1,024,405
Highlands & Islands Region	10,366,448	7.5%	375,596
Lanarkshire Region	16,804,820	12.2%	608,870
Newbattle Abbey College	287,224	0.2%	10,407
North East Scotland College	9,341,649	6.8%	338,466
SRUC	2,710,287	2.0%	98,199
West College Scotland	13,822,121	10.0%	500,802
West Lothian College	4,315,620	3.1%	156,363
Total	138,000,000	100%	5,000,000