



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

In-year redistribution of student support funds 2021-22

SFC Announcement

Issue Date: 14 February 2022

In-year redistribution of student support funds 2021-22

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Summary: Announcement of in-year redistribution of student support funding to colleges for AY 2021-22; detailing the recovery of unspent funds from 2020-21 and reallocation of funding for 2021-22.

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

Further information: **Contact:** Student Support Team
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In-year redistribution of student support funds for 2021-22

Purpose

1. This letter announces the in-year redistribution of student support funding from SFC to colleges for Academic Year (AY) 2021-22, and details the recovery and reallocation of unspent funds to support discretionary and digital inclusion 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 2021-22 student support funding allocations in a 'Call for Information' published on 12 November 2021 (SFC/CI/15/2021: [In-year management of college student support allocations 2021-22](#)).

COVID-19

4. COVID-19 and the associated restrictions have continued to present significant challenges for the sector and its learners in AYs 2020-21 and 2021-22.
5. The ongoing uncertainty of the pandemic has continued to impact student support expenditure; for example, the level of demand for travel and childcare funding reduced, whilst the level of demand for discretionary funding increased. Colleges were allocated additional funding during the course of 2020-21 to allow them to further support students through the changing COVID-19 situation:
 - £5 million core discretionary funding was allocated to colleges in February 2021 as part of the 2020-21 in-year redistribution exercise.
 - £3million COVID discretionary funding (Winter Fund) was allocated to colleges in February 2021.
 - £3 million COVID discretionary funding (Summer Fund) was allocated to colleges in June 2021.

6. This letter focuses on the redistribution of core student support funds. The Winter and Summer Discretionary allocations, which were funded through COVID consequential funding, are subject to separate processes.

Additional funding requested for 2021-22

7. The total amount of additional student support funding requested by colleges for AY 2021-22 is £2.4 million. However, two colleges have offered to relinquish funding totalling £1.8 million within AY 2021-22, resulting in an overall requirement for £0.6 million. SFC will be able to meet this requirement in full.
8. 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 2021-22, along with a breakdown across the two Financial Years (FYs) 2021-22 and 2022-23.

Recovery of unspent funds and adjustments to budgets

9. Colleges receiving additional funds will have their 2021-22 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 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 2020-21 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 March and July 2021, the March 2022 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 2022'.
12. Newbattle Abbey College, SRUC, Orkney College UHI, Shetland College UHI and West Highland College UHI do not submit cash-flow pro-formas. For these institutions, unused funds will be recovered in March 2022. Where these institutions are to receive additional funds, payments will be adjusted in March and April 2022.

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. SFC will contact colleges in early June 2022 to seek clarification of their near final position on student support spend in AY 2021-22. 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 2022 drawdown of funds or return surplus funds to SFC in July 2022, rather than waiting until the 2022-23 redistribution exercise in Autumn 2022.

Repurposing of unspent AY 2020-21 funds for COVID-19 discretionary funding and digital inclusion in colleges

15. We recognise that this has been another difficult year for students. COVID-19 restrictions and uncertainty around new variants have changed the way institutions deliver some of their courses and students continue to face significant challenges in their studies. Given the continued need for online and blended learning delivery, colleges have been meeting the ongoing requirement to support students in digital poverty over the course of 2021-22.
16. In view of these pressures, we are repurposing student support funds that were unspent in 2020-21 to give a further allocation of £6.375 million to colleges in AY 2021-22. These funds are being allocated over and above the funding requested by colleges and can be used to address student hardship and to allocate digital equipment (e.g. laptops and connectivity devices) to students, in order to address digital poverty.
17. The funding is made up of two elements:
 - £3 million of additional discretionary funding. This is being allocated to address student hardship and continued COVID-related uncertainty.
 - £3.375 million for digital inclusion. It should be noted that this funding is offered separately to the £5 million for Digital Learning which we announced in July 2021. SFC will email student support contacts separately on the use of the digital inclusion funding and recording of spend on digital equipment within the FES return.
18. The above funds have been allocated in proportion to colleges' share of core student support funding for AY 2021-22 and will be paid to colleges in March 2022. A breakdown of funding allocations for individual colleges/college regions

is included in Annex C. As with other student support funding, individual colleges will have the flexibility to vire between the above categories of funding and can use these funds to best meet student demand within their own institutions. For example, the discretionary funding can be used to supplement the digital inclusion spend and vice versa.

19. Colleges will be aware that SAAS wrote to institutions on 04 February 2022 indicating that SFC would make this additional allocation to address student digital poverty in AY 2021-22. The SAAS letter also confirmed that, as part of its Programme for Government, the Scottish Government will allocate £5 million to colleges and universities for digital inclusion in FY 2022-23. SFC will announce the allocation of this funding to colleges and universities as part of the indicative funding announcements for AY 2022-23, due to be made at the end of March 2022.

Winter and Summer COVID Discretionary Funding

20. As noted in paragraphs 5 and 6 above, the Winter and Summer COVID Discretionary Funds are separate from colleges' core student support funds. The Winter allocation was made for AY 2020-21 and any unspent funds from this allocation are now also due to be returned to SFC. We will email colleges separately with details of the arrangements for this.

Conditions of grant and reporting requirements relating to reallocated AY 2021-22 funds

21. The reallocation of funding set out above, including funds for digital and 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).
22. These funds are for AY 2021-22. Colleges/regions will be asked to report on their use of these funds after the end of AY 2021-22. Any unspent funds will be recovered as part of the AY 2022-23 In-year redistribution exercise.
23. SFC may recover funding for non-compliance of any of the conditions of grant or reporting requirements.

Further information

24. Please contact the Student Support Team (email: studentsupport@sfc.ac.uk).

A handwritten signature in black ink, appearing to read "Chris Brown". The signature is written in a cursive style with some loops and flourishes.

Chris Brown
Interim Director of Finance

In-year redistribution of student support funds for AY 2021-22

College/Region	Additional funding requested for full AY 2021-22 (1)	Additional funding requested/ allocated to end Mar 22 (2)	Additional funding requested/ allocated Apr - Jul 22 (3)	Total additional funding allocated (4)
Ayrshire College	£0	£0	£0	£0
Borders College	£200,000	£100,000	£100,000	£200,000
Dumfries & Galloway College	£75,000	£0	£75,000	£75,000
Dundee & Angus College	£0	£0	£0	£0
Edinburgh College	£857,590	£857,590	£0	£857,590
Fife College	£0	£0	£0	£0
Forth Valley College	£0	£0	£0	£0
Glasgow Region	£210,000	£150,000	£60,000	£210,000
<i>City of Glasgow College</i>	£210,000	£150,000	£60,000	£210,000
<i>Glasgow Clyde College</i>	£0	£0	£0	£0
<i>Glasgow Kelvin College</i>	£0	£0	£0	£0
Highlands & Islands Region	-£275,000	-£275,000	£0	-£275,000
<i>Inverness College</i>	£0	£0	£0	£0
<i>Lews Castle College</i>	-£50,000	-£50,000	£0	-£50,000
<i>Moray College</i>	-£200,000	-£200,000	£0	-£200,000
<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>	-£25,000	-£25,000	£0	-£25,000
Lanarkshire Region	£531,103	£265,552	£265,551	£531,103
<i>New College Lanarkshire</i>	£531,103	£265,552	£265,551	£531,103
<i>South Lanarkshire College</i>	£0	£0	£0	£0
Newbattle Abbey College	£20,000	£10,000	£10,000	£20,000
North East Scotland College	£0	£0	£0	£0
SRUC	£0	£0	£0	£0
West College Scotland	-£1,500,000	-£1,500,000	£0	-£1,500,000
West Lothian College	£500,000	£0	£500,000	£500,000
TOTAL	£618,693	-£391,858	£1,010,551	£618,693

Recovery of unspent funds and adjustments to budgets

College/Region	Funding adjustments made in March 2021	Funding adjustments made in July 2021	Remaining funding adjustments to be made in March 2022
	(1)	(2)	(3)
Ayrshire College	£0	£2,000,000	£219,463
Borders College	£0	£0	£110,346
Dumfries & Galloway College	£0	£0	£624,323
Dundee & Angus College	£0	£1,663,293	£372,710
Edinburgh College	£0	£658,480	£863,443
Fife College	£0	£2,500,340	£793,006
Forth Valley College	£297,340	£250,000	£429,234
Glasgow Region	£1,065,432	£2,360,104	£2,246,474
<i>City of Glasgow College</i>	£0	£0	£516,539
<i>Glasgow Clyde College</i>	£1,065,432	£1,860,104	£347,176
<i>Glasgow Kelvin College</i>	£0	£500,000	£1,382,759
Highlands & Islands Region	£0	£0	£2,869,925
<i>UHI (Regional Strategic Body)</i>	£0	£0	£375,596
<i>Inverness College</i>	£0	£0	£469,734
<i>Lewis Castle College</i>	£0	£0	£122,340
<i>Moray College</i>	£0	£0	£783,692
<i>North Highland College</i>	£0	£0	£416,544
<i>Orkney College</i>	£0	£0	£32,797
<i>Perth College</i>	£0	£0	£623,080
<i>Shetland College</i>	£0	£0	£46,143
Lanarkshire Region	£233,118	£83,207	£3,673,677
<i>New College Lanarkshire</i>	£0	£0	£3,362,440
<i>South Lanarkshire College</i>	£233,118	£83,207	£311,237
Newbattle Abbey College	£0	£0	£61,938
North East Scotland College	£500,000	£700,000	£1,010,957
SRUC	£0	£0	£718,844
West College Scotland	£0	£3,183,353	£50,007
West Lothian College	£0	£0	£530,868
TOTAL	£2,095,890	£13,398,777	£14,575,214

Repurposing of unspent AY 2020-21 funds for COVID-19 discretionary funding and digital inclusion in colleges

College/Region	Overall student support funding AY 20-21 (1)	Share of student support funding AY 20-21 (2)	Discretionary allocation AY 21-22 (3)	Digital allocation AY 21-22 (4)	Total additional repurposed funding for AY 21-22 (5)
Ayrshire College	£10,807,570	7.7%	£230,608	£259,434	£490,042
Borders College	£2,296,692	1.6%	£49,006	£55,132	£104,138
Dumfries & Galloway College	£2,693,993	1.9%	£57,483	£64,669	£122,152
Dundee & Angus College	£9,762,966	6.9%	£208,318	£234,358	£442,676
Edinburgh College	£12,343,414	8.8%	£263,379	£296,301	£559,680
Fife College	£10,437,851	7.4%	£222,719	£250,559	£473,278
Forth Valley College	£4,715,754	3.4%	£100,623	£113,201	£213,824
Glasgow Region	£28,805,609	20.5%	£614,643	£691,473	£1,306,116
Highlands & Islands Region	£10,561,518	7.5%	£225,358	£253,527	£478,885
Lanarkshire Region	£17,121,044	12.2%	£365,322	£410,987	£776,309
Newbattle Abbey College	£292,628	0.2%	£6,244	£7,024	£13,268
North East Scotland College	£9,517,435	6.8%	£203,079	£228,464	£431,543
SRUC	£2,761,288	2.0%	£58,919	£66,284	£125,203
West College Scotland	£14,082,219	10.0%	£300,481	£338,041	£638,522
West Lothian College	£4,396,829	3.1%	£93,818	£105,545	£199,363
TOTAL	£140,596,810	100%	£3,000,000	£3,375,000	£6,375,000