

## 2016-17 National policy: Further Education Discretionary Fund

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Summary: This document sets out the conditions for use by colleges of the Further Education Discretionary Fund allocated by the Scottish Funding Council for academic year 2016-17

FAO: Principals and directors of Scotland's colleges

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## **2016-17 national policy: Further Education Discretionary Fund**

### **Introduction**

1. This document sets out the conditions for use by colleges of the Further Education Discretionary Fund (FEDF) allocated by the Scottish Funding Council (SFC) for academic year (AY) 2016-17.
2. The FEDF is cash-limited and discretionary. Students who are eligible for support from these funds are not automatically entitled to this support.

### **Policy changes for AY 2016-17**

3. There are no significant changes to the FEDF policy for academic year 2016-17.

### **Purpose of the FEDF**

4. The FEDF is primarily for **emergency use** and instances of **financial hardship**. The fund is intended to:
  - Provide financial help to students whose access to, or continuation in, further education may be inhibited by financial considerations. **OR**
  - Where students, for whatever reasons, including physical or other disabilities, face financial difficulties.
5. The FEDF must be used by colleges for student support purposes, in accordance with this policy. Colleges should also comply with any changes made to this policy or any supplementary guidance SFC may issue with regards to this policy.
6. Colleges should also follow all applicable legislation (see paragraphs 45 and 46 for more information).

### **Student eligibility for FEDF**

#### ***Course type and level***

7. The FEDF is for students undertaking SFC-fundable non-advanced courses, who have reached their statutory school leaving age.
8. The definition of 'SFC-fundable' is set out in SFC's student activity data guidance, which can be found via the following web link:

[http://www.sfc.ac.uk/guidance/SubmittingStatisticalInformation/FE\\_statistical\\_data/stats\\_fe\\_info.aspx](http://www.sfc.ac.uk/guidance/SubmittingStatisticalInformation/FE_statistical_data/stats_fe_info.aspx)

9. Under no circumstances can the college use FEDF for:
- Students on advanced education courses.
  - Students who are below their statutory school leaving date, as defined in the *Education (Scotland) Act 1980*.
  - Students who are beyond their statutory school leaving date but still studying at school. This includes students studying at school under the school/college partnership.
10. Students on courses delivered as part of the SDS employability fund should be treated as if they were SFC-fundable for student support purposes only. Students on SDS employability fund programmes can qualify for FEDF both whilst they are in college and on the work placement element of these programmes. This should allow colleges flexibility in the design of courses and the integration of appropriate work placements.

### ***Residency***

11. With the exceptions set out in paragraphs 12 to 15 below, students must be eligible under the residency rules set out in Schedule 1 of The Education (Student Loans) (Scotland) Regulations 2007 and any subsequent amendments, or be eligible to receive student support under equivalent provisions of legislation made under sections 22, 42(6) and 43(1) of the Teaching and Higher Education Act 1998 or articles 3 and 8(4) of the Education (Student Support) (Northern Ireland) Order 1998.

### ***Asylum seekers and students on part-time ESOL courses***

12. Colleges can provide emergency financial support from the FEDF for students in the categories set out below, disregarding the three year residency rule:
- Students on part-time English for Speakers of Other Languages (ESOL) courses (this should exclude students whose main purpose for being in the European Union is to receive education).
  - Asylum seeking students who are on full-time or part-time ESOL courses or other part-time non-advanced courses.
  - Asylum seeking students on other full-time, non-advanced courses who meet all of the following criteria:
    - (i) Resident in Scotland on 1 August, 1 January, 1 April or 1 July closest to the beginning of the first term of the course.
    - (ii) Resident in Scotland for a minimum period of three years.

- (ii) Under 18 years old on the date when the application for asylum was made, the application must have been made prior to 1 December 2006.
  - (iii) Under 25 years old on 1 August, 1 January, 1 April or 1 July closest to the beginning of the first term of the course.
13. This support can only cover the travel and study costs necessary for the student to get to college and take part in their course of study. The support must not constitute maintenance or living costs.
  14. Colleges should give this travel and study support in the form of physical items (e.g. a travel pass or study materials or equipment). Only exceptionally should this be given in monetary terms. If colleges give this support in monetary terms then the student must be given both a clear explanation of the purpose of the support given and a written copy of the conditions of the support.
  15. Where the student has no alternative form of childcare, assistance may include a childcare place while they are attending their course.

***Students receiving support from other sources***

16. Students are not entitled to seek support from the FEDF from more than one institution at a time. For this reason colleges should ensure that a declaration is signed by the student when applying for FEDF to confirm that they have not applied for, or are in receipt of FEDF from another institution.
17. Students who are in receipt of other funds – public or private – are still eligible to receive FEDF. Colleges should advise students in receipt of benefits to check with their benefit paying office to establish how an FEDF award will affect their individual circumstances.
18. Colleges can access general advice and guidance on benefits at: <http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/index.htm>
19. In addition more information factsheets on the range of benefits are available at: <http://www.cpag.org.uk/scotland/factsheets>

## **College management of the FEDF**

### ***What can FEDF be used for?***

20. The FEDF is intended to be allocated to students, either as non-repayable monetary grant or as in-kind support through the purchase of specific items. Under **no** circumstances can the college use FEDF for:
- Administration costs (including the costs of any recovery of overpayments)
  - Staff salaries, including counselling costs
  - Capital purposes
  - Communal facilities, adaptations to buildings
  - Top-up fees such as tuition and/or exam fees
  - To compensate for a lack of parental contributions

### ***How much can be allocated to each student?***

21. The overall payments to an individual student must not exceed £3,500 in a single AY. Within the overall amount of £3,500:
- Colleges are best placed to decide how much should be allocated to the individual student based on an analysis of their need. The needs assessment should be based on evidence showing the student's net financial position.
  - There is no maximum number of times that the student can receive assistance from the FEDF throughout the AY.

### ***Can FEDF be used to purchase items and equipment?***

22. The FEDF may be used to purchase items, including course related materials and equipment, for a student. In most cases, the cost of items bought from this fund will be relatively small and these should remain the property of the student.
23. There is no threshold on the amount that colleges can spend on these items, but colleges should refer to the guidance on study costs set out in the Award Assessment section of the main Bursary Guidance which sets out average award levels for the sector.
24. The college may use its discretion to pass ownership to the student, where appropriate. However, colleges are encouraged to deliver best value when purchasing and are encouraged to recycle items where possible.

25. If a student does not complete the course and / or attain the planned qualification, the college may insist that course materials and other items bought using this fund should remain the property of the college.

#### ***Supplementing FEDF***

26. Where a college chooses to add to the FEDF from its own resources, it may use the additional resources as it sees fit.

#### ***Carry forward and clawback of unspent funds***

27. Colleges cannot carry-forward any unused funds between AYs.
28. The available funds are taken to be the allocation for an AY (as announced in the relevant outcome agreement letter with the college). Where appropriate, the available funds also take account of funds received or relinquished as part of the in-year redistribution process. Unspent funds are the available funds less the audited spend.
29. Unspent funds for AY 2015-16 will be clawed back by SFC during AY 2016-17.

#### ***Using FEDF as bursaries***

30. Colleges may use their FEDF to meet shortfalls in their bursary allocations.
31. In order to fulfil our duty to account for the proper use of public funds, any college who wishes to do this should inform us in writing or by email. Any FEDF used in this way must meet the conditions of the bursary policy in full. Colleges cannot use FEDF to meet bursary needs of students who are not eligible.
32. Please note that this is not a virement of funds and to avoid clawback Colleges should record spend under FEDF in their audited student support return.
33. Colleges will need to renew this request annually.

#### ***Reporting mechanisms and data collections***

34. The Chief Executive Officer of each College must ensure that all accounts and records are adequate and that there are systems in place to minimise incorrect payments.
35. Each college is required to complete and send to SFC by **29 September 2017** an aggregate audited statement and monitoring information for

2016-17. The [aggregate audited return guidance](#) can be found on the SFC website.

36. Colleges should also ensure they include any recovered FEDF in the audited return form for the year of recovery.
37. An auditor must sign the audited statement. Colleges should ensure that their auditors receive a copy of:
  - The 2016-17 student support audit guidance circular.
  - This policy.
  - The national policy for further education bursaries which was enclosed with this policy.
  - The relevant outcome agreement for 2016-17.
38. You may wish to provide your auditors with details of our student support web pages and email address:

[http://www.sfc.ac.uk/funding/colleges/collegefundingstreams/student\\_support/student\\_support.aspx](http://www.sfc.ac.uk/funding/colleges/collegefundingstreams/student_support/student_support.aspx), and email: [studentsupport@sfc.ac.uk](mailto:studentsupport@sfc.ac.uk).

39. You should refer to the Accounts Direction for Scotland's Colleges and Universities 2016-17 when presenting information on the student support funds in your annual accounts. We aim to publish the direction for 2016-17 accounts in summer 2017 on the SFC website at:

<http://www.sfc.ac.uk/guidance/GovernanceGuidance/FinancialSustainability/FinancialSustainabilityGuidance.aspx>

40. SFC collects data relating to individual students' bursary and other funding (FES 4). FES 4 data allows us to demonstrate more clearly the impacts of student support. Colleges will be provided with guidance on the data required. The return for 2015-16 is required by **14 October 2016**. Information on this is also available at:

[http://www.sfc.ac.uk/guidance/SubmittingStatisticalInformation/FE\\_statistical\\_data/stats\\_fe\\_info.aspx](http://www.sfc.ac.uk/guidance/SubmittingStatisticalInformation/FE_statistical_data/stats_fe_info.aspx)

### ***Communication with students***

41. This policy has been written for bursary and student support officers within FE colleges. It is the responsibility of the college to ensure that students are familiar with the availability of the FEDF and the procedures they must follow to gain assistance. We recommend that for communication with their students on student support, colleges publish



their own college policy. This will ensure the students receive information that is relevant to their own circumstances and local community.

### ***Further information for student support officers***

42. More information for college student support officers can be found on the SFC website as follows:

<http://www.sfc.ac.uk/funding/colleges/collegefundingstreams/student-support/info-links-for-student-support-admin.aspx>

### **Conditions of grant**

43. It is a condition of grant that colleges allocate FEDF in accordance with the policy set out in this document.
44. General conditions of grant also apply to college funding, as set out in the outcome agreements.

### **Legislative context**

45. The governing body has power under section 12(2)(c) of the *Further and Higher Education (Scotland) Act 1992* to provide to students of its college such assistance of a financial or other nature as it considers appropriate.
46. It is a condition of the *Education (Access Funds) (Scotland) Direction 2013* that SFC shall administer student support funds, in conjunction with the fundable bodies, in accordance with the requirements of section 73ZA of the *Education (Scotland) Act 1980*, the *Education (Access Funds) (Scotland) Regulations 1990*, the *Education (Access Funds) (Scotland) Determination 2013*.

### **Further information**

47. Contact: Jane Scott, Policy Officer, Funding Policy, tel: 0131 313 6660, email: [jscott@sfc.ac.uk](mailto:jscott@sfc.ac.uk).



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