

SFC Announcement

In-year redistribution of student support funds for AY 2016-17

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Summary: Announcement of in-year redistribution of student support funds to colleges for academic year 2016-17 detailing the clawback of unspent funds from 2015-16 and allocations of additional funding for 2016-17.

FAO: Principals, Finance Directors, College Board Secretaries and Student Support contacts in Scotland's colleges

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In-year redistribution of student support funds for 2016-17

Purpose

1. This letter announces the in-year redistribution of student support funds to colleges for academic year (AY) 2016-17. It details the clawback of unspent funds from 2015-16 and allocation of additional funding for 2016-17.

Background

2. Demand for student support is unpredictable and, in order to match our funding to demand as closely as possible, we carry out an in-year redistribution of student support funds at the end of each year. We do not allow colleges to use student support funds for other purposes; 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 allocate to colleges that need additional student support in the current year. We invited colleges to relinquish unused funds or request additional funds in a Call for Information published on 4 November 2016 ([SFC/CI/08/2016](#)).

Redistribution

3. The total amount of funds requested by colleges is £5.099 million. There is £5.099 million available for redistribution. **Therefore, we will be able to meet in full colleges' requests for additional funding for 2016-17.** The table in Annex A details the amounts requested and relinquished by each college region.

Funds requested by colleges

4. The total requested by colleges is £5.099 million. As with the 2015-16 exercise, the amount requested has fallen considerably compared to previous years. This is as a result of work we have undertaken with colleges to improve the in-year redistribution process and the accuracy of funding bids submitted. The slightly later timing of this year's redistribution exercise has also helped colleges produce more accurate bids, as their student populations are more settled.

Funds relinquished by colleges

5. Colleges are returning £5.099 million that they did not spend in AY 2015-16 for redistribution. The amount of unspent funds being returned to us is slightly higher than in recent years. The main reason for this is that colleges have been able to access additional European Social fund (ESF) funding for student support for FE level programmes in 2015-16. It should be noted that the ESF funding emphasis will shift to HE level activity from this year onwards, so we do not expect colleges to be able to access significant sums of ESF student support funding for FE level

students in future in-year redistribution exercises.

Recovery of unspent funds and adjustments to budgets

6. Colleges receiving additional funds will have their financial year (FY) and AY student support budgets increased by the amount of additional funding that they have been awarded, as detailed in the Table at Annex A. These updated budgets have been reflected in colleges' monthly cash-flow pro-forma and quarterly resource pro-forma. Colleges should continue to drawdown funding based on need whilst giving due regard to the revised FY budget. Non-incorporated colleges (Sabhal Mòr Ostaig, Newbattle Abbey College, Scotland's Rural College, Orkney College and Shetland Colleges) do not submit cash-flow pro-formas. For these colleges, relinquished funds will be clawed back in March 2017. Where these colleges are to receive additional funds, payments will be adjusted in March and April 2017 as set out in Annex A.
7. For multi college regions, we have set out in the Table at Annex A the amounts requested by individual colleges within each region. Regional boards should note the allocations to individual colleges. Multi-college regions may action in-year transfers of student support funds between colleges within the region.
8. Colleges that have indicated that they will be returning unused funds will have their overall FY student support budget reduced by the amount of funding that they are returning, as detailed in the Table at Annex A. These updated budgets have been reflected in colleges' monthly cash-flow pro-forma and quarterly resource pro-forma. Colleges – particularly those colleges who are returning significant sums – should note the impact of this on their cashflows.
9. Colleges will not be able to claim funding above the revised budgets. If you have any queries on the payment process, please contact Catherine Atkinson, Senior Budgeting and reporting Officer, tel: 0131 313 6540, email: catkinson@sfc.ac.uk.

Further information

10. Please contact Sarah Kirkpatrick, Senior Policy and Analysis Officer for further information, tel: 0131 313 6696, email: skirkpatrick@sfc.ac.uk.



Lorna MacDonald
Director of Finance

In-year redistribution of student support funds for 2016-17

Region /College	Funding relinquished by colleges	Additional funding requested / allocated for full AY	Additional funding requested / allocated to end March 2017	Total additional funding allocated
Ayrshire	986,995	-	-	-
Borders	235,874	-	-	-
Dumfries & Galloway	246,069	-	-	-
Dundee & Angus	128,352	200,000	100,000	200,000
Edinburgh	1,735,178	-	-	-
Fife	399,964	300,000	300,000	300,000
Forth Valley	-	562,000	361,083	562,000
Glasgow	-	1,114,867	831,867	1,114,867
<i>City of Glasgow College</i>	-	87,000	63,000	87,000
<i>Glasgow Clyde College</i>	-	230,000	130,000	230,000
<i>Glasgow Kelvin College</i>	-	797,867	638,867	797,867
Highland	453,151	504,478	395,847	504,478
<i>Inverness College</i>	66,617	139,000	67,000	139,000
<i>Lews Castle College</i>	18,788	11,000	6,000	11,000
<i>Moray College</i>	88,730	203,813	193,622	203,813
<i>North Highland College</i>	164,194	85,225	85,225	85,225
<i>Orkney College</i>	517	9,440	5,000	9,440
<i>Perth College</i>	80,889	56,000	39,000	56,000
<i>Shetland College</i>	33,416	-	-	-
Lanarkshire	885,237	401,350	160,540	401,350
<i>New College Lanarkshire</i>	786,722	151,350	60,540	151,350
<i>South Lanarkshire College</i>	98,516	250,000	100,000	250,000
North East Scotland	-	1,149,821	873,865	1,149,821
West	-	250,000	250,000	250,000
West Lothian	18,147	308,000	308,000	308,000
<i>Newbattle Abbey College</i>	-	3,000	3,000	3,000
Sabhal Mòr Ostaig	9,618	-	-	-
Scotland's Rural College (SRUC)	-	305,000	305,000	305,000
TOTAL	5,098,584	5,098,516	3,889,202	5,098,516