

University Financial Transactions FY 2018-19: Invitation of expressions of interest

Summary

Expressions of interest are invited for SFC's Financial Transactions programme in FY 2018-19. The programme will provide low-interest loans totalling up to £40m to support university proposals under the following themes:

1. Spend to save projects

- Estates efficiency (space utilisation, changes in use, shared services, collaboration).
- Carbon reduction (including infrastructure linked to low carbon projects, e.g. cladding).

Scale: Small bids: £100k - £500k, Large bids: £500k - £5m

Payback period: up to 10 years

2. Strategic development of estates

- Improving the student experience (enhanced delivery, flexible spaces, digital).
- Research and knowledge exchange (e.g. upgrade or purchase of equipment or facilities).

Scale of bids: £1m – 10m

Payback period: 10 - 20 years

3. Research and development projects

Universities are also invited to submit expressions of interest for the Scottish Government's Building Scotland Fund. <https://beta.gov.scot/policies/economic-growth/building-scotland-fund/>.

The Building Scotland Fund is focused on construction projects, generating jobs, skills development and innovation. It will support business-led research and development projects. Investments are likely to be over £1 million, and there will be a focus on inclusive growth, reducing carbon and sustaining and creating places.

This Fund will distribute up to £70 million in FY 2018-19 and £80 million over the following two financial years, as loans to be repaid or as equity finance. Projects under the Building Scotland Fund are likely to be business-led later stage projects, with a clear route to commercial prospects. Applicants will be expected to contribute towards project costs.

Threshold Criteria

All projects should:

- Be relevant to one or more of the programme aims.
- Advance the institution's estate strategy.

- Comply with state aid rules.
- Be based on sound financial projections, business models and project partners.
- Be able to deploy the funding in line with the programme deadlines.

Next Steps

For Strands 1 and 2: Universities are invited to submit short expressions of interest by the end of August 2018. These should include:

- A brief summary of the project (a paragraph).
- An estimate of the total project budget, and the amount of loan funding sought.
- Which programme strand the project relates to.

Outline proposals will be invited for submission in October 2018. These should be based on the SFC capital guidance (for Outline Business Cases):

http://www.sfc.ac.uk/web/FILES/AboutUs/Capital_Project_Decision_Point_guidance.pdf.

SFC will assess outline proposals in late October, assisted by an external Programme Unit which will also help with the development and monitoring of projects. Outline proposals selected for funding will need to be finalised in December 2018.

SFC welcomes early discussions with universities on potential proposals. Contact: David Beards dbeards@sfc.ac.uk or Martin Kirkwood mkirkwood@sfc.ac.uk.

For Strand 3 (Building Scotland Fund): Short expressions of interest should be submitted to David Beards (dbeards@sfc.ac.uk) as soon as possible. These expressions of interest should cover:

- A brief summary of the project and the benefits it will deliver.
- A list of the industry and academic partners.
- An estimate of the total project budget, and the amount of loan funding or equity finance being sought.
- Target date for completion of the project.
- How loans will be repaid.

Proposals to the Building Scotland Fund in FY 2018-19 will need to be finalised by December 2018 at the latest.