

## **SFC Financial Transactions: Invitation of Expressions of interest FY 2019-21**

SFC invites universities to submit expressions of interest for Financial Transactions in FY2019-20 and 2020-21. The programme will provide low-interest loans totalling up to £55m in FY 2019-20 to support university proposals under the following themes:

1. Invest to save.
2. Improving the learner experience / estates development.
3. Collaborative developments / e.g. City Deal / match funding (for year 2).

### **1. Invest to save**

This strand will support:

- Projects which reduce the university carbon footprint (through energy efficiency measures or deployment of renewables).
- Projects which improve the efficiency of the estate (via changes in use, space utilisation etc).

Priority should be given to addressing backlog maintenance, improving the student experience, collaboration with other public sector bodies and student engagement where possible.

There is no maximum loan value. There will be one application per institution to include all projects the institution wishes to apply for. Payback periods will be a maximum of 10 years or up to 15 years for projects which support heating efficiency upgrades.

### **2. Improving the learner experience**

This strand will support projects which aim to improve the learner experience by upgrading of facilities or transformation of spaces for learning. Priority should be given to addressing backlog maintenance where possible. The scale of projects should be £1 - 10m. Payback periods are likely to be 10 – 20 years.

### **3. Collaborative projects**

Projects under this strand should deliver shared buildings/facilities for learning, catalysing other sources of funding (e.g. City Deal). We recognise that such collaborative projects take time to develop, and that these are therefore likely to be more suitable for support from FY2020-21 onwards. Nevertheless, for planning purposes SFC is keen to engage at an early stage with university proposals for such developments.

## 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.
- Comply with the SFC Financial Memorandum.
- 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

Universities are invited to submit short expressions of interest now (and no later than the end of July 2019). 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 from June 2019. These should be based on the [SFC capital guidance \(for Outline Business Cases\)](#).

Proposals selected for funding will need to be finalised by December 2019.

SFC will consider as a priority compliant and high quality proposals not funded under previous Financial Transactions programmes.

SFC welcomes early discussions with universities on potential proposals. Contact: David Beards [dbeards@sfc.ac.uk](mailto:dbeards@sfc.ac.uk) or Martin Kirkwood [mkirkwood@sfc.ac.uk](mailto:m Kirkwood@sfc.ac.uk).

## Building Scotland Fund

Universities are also invited to submit expressions of interest for the [Scottish Government's Building Scotland Fund](#).

The Building Scotland Fund (BSF), is a precursor to the Scottish National Investment Bank and was launched in 2018. The Fund aims to invest £150 million over 3 years and is open to non-public sector organisations (including but not limited to) businesses; housing associations and universities.

Investments by the BSF are through making loans and/or acquiring equity. These will be at commercial rates or made in compliance with EU State Aid regulations. The

Fund will support; housing development across all tenures; the development of modern industrial and commercial space and business-led research and development projects with a reasonably realistic prospect of commercialisation.

The amount of funding available to individual projects varies and is being decided on a case by case basis. Investments are likely to be over £1 million although there is discretion to consider applications under this amount.

Short expressions of interest from universities looking to finance business-led research and development projects should be submitted to David Beards ([dbeards@sfc.ac.uk](mailto:dbeards@sfc.ac.uk)). If your project is considered to be suitable for funding, you will be asked to complete a more detailed application form.