Final Additional Funding for Lecturers’ Pay 2017-18

Issue date: 16 October 2017

Reference: SFC/AN/14/2017

Summary: Announcement of final additional funding to meet the additional costs of lecturers’ pay settlement in the period April 2017 to July 2018.

FAO: Principals / Board Secretaries / Finance Directors of Scotland’s colleges

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Final Additional Funding for Lecturers’ Pay 2017-18

Purpose

1. I am writing to confirm an additional £2.0 million of funding to ensure that colleges have sufficient resources to meet the additional costs which arise from increased lecturers’ pay between April 2017 and July 2018, as a result of the recent agreement between colleges and the Educational Institute of Scotland Further Education Lecturers’ Association (EIS-FELA).

Additional Grant

2. In July 2017 SFC announced an addition £1.5 million of teaching grant to reflect costs related to salary data compiled by Colleges Scotland. We are now announcing revised additional funding allocations, amounting to a further £0.5 million, taking into account updated data provided by Colleges Scotland. In taking decisions on the distribution of this additional £2.0 million, we are seeking to ensure that colleges are able to meet the costs of the pay agreement between colleges and EIS-FELA whilst taking into account the differential costs for each college.

3. SFC’s Teaching Grant for AY 2017-18 included an uplift of £10.2 million from AY 2016-17. This is detailed in the announcement ‘Outcome Agreement Funding for Colleges – Indicative Allocations for 2017-18’ (SFC/AN/02/2017). We have assumed that, of the uplift of £10.2 million in Teaching Grant, £8.2 million has been allocated to support pay and other general pressures (which can include pay), with £2 million to support specific college pressures (excluding pay).

4. For those colleges whose share of the £8.2 million available for pay pressures is less than is required to meet identified pay costs for lecturers, we have provided additional funding up to the required amount. This calculation is set out in Annex A. A revised Table 2 from the ‘Outcome Agreement Funding for Colleges – Final Allocations for AY 2017-18’ is set out in Annex B.

5. In total we have allocated an additional £2.0 million to fully fund lecturers’ pay between April 2017 and July 2018.

Conditions of Grant

6. It is a condition of grant for this additional funding that colleges are party to the recent agreement between colleges and EIS-FELA or are mirroring the national bargaining agreement for lecturing staff pay. Where a college has not agreed to pay lecturing staff in line with the national bargaining agreement, we will withhold the additional funding.
Further information

7. Please contact Lorna MacDonald, Director of Finance for further information, tel: 0131 313 6690, email: lornamacdonald@sfc.ac.uk.

John Kemp
Interim Chief Executive