Fee anomalies grant for universities 2020-21
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Summary: This announcement describes how the fee anomalies grant will operate in academic year (AY) 2020-21.

FAO: Principals / Finance Directors of Scotland’s universities

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Fee anomalies grant for universities in AY 2020-21

Background

1. SFC recognises that anomalies in fee income may arise because, although our teaching funding method assumes a certain fee income per full-time equivalent (FTE) undergraduate (UG) funded place, there are some full-time UG courses where this fee assumption will not match up to what is actually received by the university. We will therefore provide fee compensation to Scottish universities for shortfalls arising from the following anomalies:

   • Accelerated courses that do not attract appropriate tuition fee support.
   • Non-postgraduate courses, where institutions' receipt of tuition fees is less than the fee rate assumed by us in our teaching funding model.
   • SFC ‘2+2’ articulation places funded where institutions’ receipt of tuition fees for students enrolled in a college is less than the £1,820 fee rate assumed by the SFC articulation model.
   • For outgoing rest of UK (rUK) students who started their course at Scottish universities from AY 2012-13 who undertake their ERASMUS+ year abroad in AY 2020-21.

2. All claims related to AY 2020-21 should be submitted in June 2021.

3. The budget for AY 2020-21 has been set at £1.8 million. This remains largely unchanged from AY 2019-20. We believe this will be sufficient to meet AY 2020-21 demands.

COVID-19

4. We are continuing to work through unprecedented times, given the effects of the COVID-19 pandemic, and a rapidly shifting environment for students, staff, and the communities around us. The new health and safety measures, remote learning being in place for the start of the new Academic Year and the uncertainty around when full in-campus activities will resume will have an effect on the movement of students. This may have an impact on ERASMUS+ programmes, if students cannot undertake international travel because of government restrictions or because they do not feel safe doing so.

Claiming fee anomaly compensation

5. SFC will consider claims from Scottish universities for fee anomaly compensation in cases where:

   • You have introduced accelerated course provision and are unable to obtain fee support through the normal channels.
• There are shortfalls in funding resulting from anomalies in the eligibility of full-time non-postgraduate courses to charge full tuition fees.

Additional articulation places scheme for partnership between colleges and universities

6. SFC is funding 4,449 FTE for articulation routes in AY 2020-21. These places are used to support provision based on the ‘2+2’ model of articulation where recruitment has been to a guaranteed place on a degree course at university.

7. The scheme has been designed so that students enrol on a degree programme, but will spend one or two years at college in the first instance. We are aware that this has not always been the case; if a lower fee than anticipated has been received as a result of the student being enrolled on an HNC/D programme rather than a degree, then we will compensate the universities for the shortfall in fees at a maximum of £535 per FTE.

ERASMUS+ fee compensation/funding

Background

8. ERASMUS+ fee compensation is open to outgoing students who spend a full year abroad under the ERASMUS+ scheme and who ordinarily satisfy the conditions laid down by the Students Awards Agency Scotland (SAAS) or the appropriate local authority for eligibility for tuition fees support. Institutions are not able to claim fee compensation for students who are ineligible to claim fee support because of previous study.

9. You should note that we only provide compensation for students taking part in the ERASMUS+ exchange programme, which operates with the European Union, the European Economic Area, and the Candidate Countries. We do not provide fee compensation for students taking part in other exchange programmes. Starting in AY 2016-17, following a review from the Scottish Government and SFC, a new system was provisionally introduced by the Scottish Government to allow Scottish universities to receive a maximum rate of £1,820 per FTE from SFC and additionally for Scottish universities to charge rUK students who started on their course on or after 01/09/2012 on their ERASMUS+ year abroad 15% of the cost of the maximum full-time tuition fee rate (capped at £9,000 per year in AY 2016-17, increasing to £9,250 for AY 2017-18). This funding compensation is in recognition of the costs incurred by host universities in teaching and supporting incoming European students and to encourage student mobility. This arrangement will continue for AY 2020-21.

10. The UK remains a full member of the ERASMUS+ programme for the remainder of 2020. Any ERASMUS+ activity that is arranged before the end of 2020 can go ahead. Institutions will then be able to claim compensation for students who
take part on ERASMUS+ programmes during AY 2020-21. However, as noted above, student travel may be restricted this year because of the COVID-19 outbreak so we expect the numbers of students undertaking exchanges to be less than previous years.

11. Whether institutions will have access to the ERASMUS+ scheme from 2021 onwards will depend on the detail of any negotiated Brexit deal and UK Government decisions around association to the scheme. We await the outcome of the negotiations on ERASMUS+ and will update the sector as more information becomes available.

**Claim forms (SFC funded portion)**

12. Last year we introduced the use of a single form for all claims. Please use the claim form to make your ERASMUS+, additional articulation and accelerated programmes claim (selected through a drop-down menu in column J). Please use Annex A to make these claims.

**Conditions of grant**

13. The following conditions of grant apply:

- The claim should be signed by the institution’s Registrar/Director of Planning, or equivalent, to confirm they are content with the validity of your claim. The return of a claim will be taken as an acceptance of the condition of grant.
- SFC reserves the right to scrutinise the documentation relied upon to complete the claim in order to verify its integrity.
- Institutions are required to use all grant paid for the purpose for which it is provided.
- SFC provides funding to Scottish universities based on the numbers of rUK outgoing students on their ERASMUS+ year abroad at the maximum rate of £1,820 per FTE.
- Scottish universities can only charge rUK students on their ERASMUS year abroad 15% of the cost of the maximum full-time tuition fee rate (currently £9,250 per year).

**Completion and timescale of returns**

14. Completed claims for AY 2020-21, should be sent, by 4 June 2021, to Duncan Condie, Senior Funding Policy Officer, email: dcondie@sfc.ac.uk.

**Further information**

15. For further information please contact Duncan Condie, Senior Funding Policy Officer, tel: 0131 313 6671, email: dcondie@sfc.ac.uk.
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