

## Letter to all College Principals and COVID-19 Co-ordinators 19 March 2020

### Dear Principal and COVID-19 Co-ordinator

We are working through unprecedented times. Thank you for everything you are doing to respond to this rapidly shifting environment for students, staff, and the communities around us; and for identifying ways of further supporting our collective response to this national emergency.

For now, SFC's top priorities are:

- a) **Stability and continuity** – we will keep making payments to colleges and Regional Strategic Bodies, and we will support you to keep paying staff and to do your best for students (particularly for vulnerable people).
- b) **Flexibility and reprioritisation** – we are looking rapidly at what really matters just now, across all fronts.
- c) **Intelligence and communication** – in times of crisis it is vitally important we keep channels open in order to help shape decisions and manage consistent collective messaging.

While there will be a need to focus on immediate issues, we are looking towards the next few months, the start of the academic year, and the longer term.

### Sustainability and continuity

- We will maintain payments process – Incorporated Colleges should drawdown funds as required. We will continue to pay non-Incorporated Colleges in line with the agreed payment profile.
- There was a virtual Finance Committee on Tuesday and there will be a virtual Board meeting on 2 April 2020 to approve the funding allocations for AY 2020-21 and we plan to announce the allocations after the Board meeting.
- We know you are exploring where there is no face-to-face teaching how much you can do to deliver on-line teaching and provide learning to students where possible.
- We want to continue to support students and vulnerable people in particular. So, please do continue to provide student support funding – bursary and childcare support until the end of the academic year. Please contact us where you expect these funds to be oversubscribed.

- We do understand your institution's financial health and we understand that you will be considering future sustainability. In a world where cash is king, please contact us if you know you have an imminent cash flow challenge.
- We will obviously radically scale back routine engagements and will not take forward new consultations or significant changes at this time.

### **Flexibility and reprioritisation**

- We will keep our returns and reporting requirements to an absolute minimum.
- We will review what we really need to keep things legal. Where we need confirmation of an acceptance of grant, we would ask the College to send us a scanned signed copy, however we will accept a confirmation email from a Senior Officer of the College.
- We will review what processes we can simply stop. So, for example:
  - We have received near final Outcome Agreements from Colleges and will simply accept and work from the current versions for AY2020-21 (unless we have a problem and will get back to you on that).
  - We fully expect that there will be a shortfall against the student number credit target and we will take account of these exceptional circumstances.
  - We will not recover funds for shortfalls against outcome agreement targets – where these are related to Covid-19 for AY 2019-20.
  - We understand that companies will cancel training courses from the Flexible Workforce Development Fund and we will take account of that at the end of the academic year – in the meantime colleges should only drawdown what they need from the fund.

### **Intelligence and communication**

- Thank you for your continued flow of intelligence and communication. Getting back to us quickly, with vital updates, has been very much appreciated. Please keep us up-to-date with changes in your institution's circumstances, particularly through our mailbox [covid19@sfc.ac.uk](mailto:covid19@sfc.ac.uk)
- We will be reviewing our approaches and contingency planning – and will keep an open channel of communication with you.
- We will be joining up with partner organisations (for example, SQA, SDS and SAAS) and with the Scottish Government.

I know this communication will not have covered everything we need to work together on. But it is an important start to the reprioritisation and urgent rethinks underway. There are things you and Colleges Scotland have already told us about that we don't have immediate answers to, but are under active consideration. We know there will be common issues across the sector, but the pressure points will be specific to each institution. So, we intend to maintain dialogue at a sector-wide and individual institution level.

This is a fast-moving environment. We aim to communicate allocations and further administrative changes as quickly as we can; and will work closely with you and government on the significant financial sustainability challenges we face.

**Karen Watt**  
**Chief Executive**  
**Scottish Funding Council**