



# SFC Guidance

## 2018-19 National policy: further education discretionary fund

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Summary: An explanation of the conditions for use of college discretionary funds.

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## 2018-19 National policy: further education discretionary fund

### Introduction

1. This document sets out the conditions for use by colleges of the Further Education Discretionary Fund (FEDF) allocated by the Scottish Funding Council (SFC) for Academic Year (AY) 2018-19.
2. The FEDF is cash limited and discretionary. Students who are eligible for support from these funds are not automatically entitled to this support.

### Policy changes for AY 2018-19

3. There are no substantial changes to the guidance for AY 2018-19.
4. However, following the introduction of the General Data Protection Regulation (GDPR) from the 25 May 2018, SFC is working on a draft data sharing agreement (DSA) in collaboration with its lawyers – once this is drafted we will work with all colleges on DSAs to ensure that our data sharing is compliant with the law. If you have any further enquires in respect of GDPR please email [info@sfc.ac.uk](mailto:info@sfc.ac.uk).

### Purpose of the FEDF

5. The FEDF is primarily for **emergency use** and instances of **financial hardship**. The fund is intended to:
  - Provide financial help to students whose access to or continuation in, further education may be inhibited by financial considerations. **OR**
  - Where students, for whatever reasons, including physical or other disabilities, face financial difficulties.
6. The FEDF must be used by colleges for student support purposes, in accordance with this policy. Colleges should also comply with any changes made to this policy or any supplementary guidance SFC may issue with regard to this policy.
7. Colleges should also follow all applicable legislation (see paragraphs 44 and 45).

### Student eligibility for FEDF

#### *Course type and level*

8. The FEDF is for students undertaking SFC-fundable non-advanced courses, who have reached their statutory school leaving age.
9. For an explanation of 'SFC Fundable' see SFC's [SFC Credit Guidance](#).

10. Under no circumstances can the college use the FEDF for:
- Students on advanced education courses.
  - Students who are below their statutory school leaving date, as defined in the Education (Scotland) Act 1980.
  - Students who are beyond their statutory school leaving date but still studying at school. This includes students studying at school under the school / college partnership.

### ***Residency***

11. With the exceptions set out in paragraphs 12-15 below, students must be eligible to access support under the residency rules set out in Schedule 1 of the Education (Student Loans)(Scotland) regulations and any subsequent amendments, or be eligible to receive student support under equivalent provisions of legislation made under sections 22, 42(6) and 43(1) of the Teaching and Higher Education Act 1998 or articles 3 and 8(4) of the Education (Student Support)(Northern Ireland) Order 1998.

### ***Asylum seekers***

12. Colleges can provide emergency financial support from the FEDF for students in the categories set out below, disregarding the three year residency rule:
- Students on part-time English for Speakers of Other Languages (ESOL) courses. (This should exclude students whose main purpose for being in the European Union is to receive education.)
  - Asylum-seeking students who are on full-time or part-time ESOL courses or other part-time non-advanced courses.
  - Asylum-seeking students on other full-time, non-advanced courses who meet the following criteria:
    - (i) Is resident in Scotland on the 1 of August, 1 January, 1 April or 1 July closest to the beginning of the first term of the person's course.
    - (ii) Has been resident in Scotland for a minimum of period of three years.
    - (iii) Was under 18 years old on the date when the application for asylum was made, the application must have been made prior to the 1 December 2006, and
    - (iv) Is under 25 years old on the 1 of August, 1 January, 1 April or 1 July closest to the beginning of the first term of the person's course.
13. This support can only cover the travel and study costs necessary for the student to get to college and take part in their course of study. The support must not constitute maintenance or living costs.

14. Colleges should give this travel and study support in the form of physical items (e.g. travel pass or study materials or equipment). Only exceptionally should this money be given in monetary terms. If the college gives this support in monetary terms the supported person must be given both a clear explanation of the purpose of the support given and a written copy of the conditions of support.
15. Where the student has no alternative form of childcare, assistance may include payment to cover childcare costs while they are attending their course.

### ***Students receiving support from other sources***

16. Students are not entitled to seek support from the FEDF from more than one institution at a time. For this reason colleges should ensure that a declaration is signed by the student when applying for FEDF to confirm that they have not applied for, or are in receipt of, FEDF from another institution.
17. Students who are in receipt of other funds - public or private - are still eligible to receive FEDF. Colleges should advise students in receipt of benefits to check their benefits paying office to establish how an FEDF award will affect their individual circumstances.
18. Colleges can access general advice and guidance on benefits on the [UK Government's website](#)
19. In addition, the [Benefits for Students Scotland Handbook](#) is available online.

### **College management of the FEDF**

#### ***What can the FEDF be used for?***

20. The FEDF is intended to be allocated to students, either as non-repayable monetary grant or an in-kind support through the purchase of specific items. Under **no** circumstances can the college use FEDF for:
  - Administration costs (including the costs of any recovery of overpayments).
  - Staff salaries, including counselling costs.
  - Capital purposes.
  - Communal facilities, adaptations to buildings.
  - Top-up fees such as tuition and/or exam fees.
  - To compensate for the lack of parental contributions.

#### ***How much can be allocated to each student?***

21. The overall payments to an individual student must not exceed £4,000 in a single academic year. Within the overall amount of £4,000, colleges are best

placed to decide how much should be allocated to the individual student based on an analysis of their need. The needs assessment should be based on evidence showing the student's net financial position. There is no maximum number of times that a student can receive assistance from the FEDF throughout the academic year.

22. Colleges should have regard to the overall fund and SFC does not expect to see a substantial increase in the number of students receiving the maximum award.

### ***Can FEDF be used to purchase items and equipment?***

23. The FEDF may be used to purchase items, including course-related materials and equipment, for a student. In most cases, the cost of items bought from this fund will be relatively small and these should remain the property of the student.
24. There is no threshold on the amount that the colleges can spend on these items. The college may use its discretion to pass ownership to the students, where appropriate. However, colleges are encouraged to deliver best value when purchasing and are encouraged to recycle items where possible.
25. If a student does not complete the course and/or attain the planned qualification, the college may insist that course materials and other items bought using this fund should remain the property of the college.

### ***Supplementing FEDF***

26. Where a college chooses to add to the FEDF from its own resources, it may use the additional resources as it sees fit.

### ***Carry forward and clawback of unspent funds***

27. Colleges cannot carry forward any unused funds between academic years.
28. The available funds are taken to be the allocation for an academic year (as announced in the relevant outcome agreement letter with the college). Where appropriate, the available funds also take account of funds received or relinquished as part of the in-year redistribution process. Unspent funds are the available funds less the audited spend.
29. Unspent funds for academic year 2017-18 will be clawed back during academic year 2018-19.

### ***Using FEDF as bursaries***

30. Colleges may use their FEDF to meet shortfalls in their bursary allocations.

31. In order that we can fulfil our duty to account for the proper use of public funds, any college who wishes to do this should inform us in writing or by email. Any FEDF used this way must meet the conditions of the bursary policy in full. Colleges cannot use the FEDF to meet bursary needs of students who are not eligible.
32. Please note that this is not a virement of funds and to avoid clawback colleges should record spend under FEDF in their audited student support return.
33. Colleges will need to renew this request annually.

### ***Reporting mechanisms and data collections***

34. The Chief Executive Officer of each college must ensure that all accounts and records are adequate and there are systems in place to minimise incorrect payments.
35. Colleges are required to complete the student support elements of the FES return to confirm their final spend on student support. The academic year 2018-19 FES 4 data return is due on **4 October 2019**. Guidance on completing the FES data returns can be found on the [SFC Website](#).
36. Auditors are required to sign off the FES online student support funding report.
37. Colleges should ensure that their auditors receive a copy of:
  - The student support guidance.
  - This policy.
  - The national policy for further education bursaries.
  - The outcome agreement for the relevant year.
38. Colleges may wish to provide their auditors with details of our [student support web pages](#) and SFC student support staff contact details (see paragraph 46).
39. Colleges should refer to the Accounts Direction for Scotland's Colleges 2018-19 when presenting information on the student support funds in their annual accounts. We aim to publish the Accounts Direction for 2018-19 and audit guidance on our website in summer 2018.

### ***Communication with students***

40. This policy has been written for bursary and student support officers within FE colleges. It is the responsibility of the college to ensure that students are familiar with the availability of the FEDF and the procedures they must follow to gain assistance. We recommend that for communication with their students on the student support, colleges publish their own college policy. This will ensure

the students receive information that is relevant to their own circumstances and local community.

### ***Further information for student support officers***

41. More information for college student support officers can be found on [our website](#).

### **Conditions of Grant**

42. It is a condition of grant that the colleges allocate FEDF in accordance with the policy set out in this document.
43. General conditions of grant also apply to college funding as set out in the outcome agreements.

### **Legislative context**

44. College governing bodies have power under section 12(2)(c) of the *Further and Higher Education (Scotland) Act 1992* to provide students of their college such assistance of a financial or other nature as they consider appropriate.
45. It is a condition of the *Education (Access Funds) (Scotland) Direction 2017* that SFC shall administer student support funds, in conjunction with the fundable bodies, in accordance with the requirements of section 73ZA of the *Education (Scotland) Act 1980*, the *Education (Access Funds) (Scotland) Regulations 1990*, the *Education (Access Funds) (Scotland) Determination 2017*.

### **Further information**

46. Please contact Jane Scott, Funding Policy Officer for further information, tel: 0131 313 6660, email: [jscott@sfc.ac.uk](mailto:jscott@sfc.ac.uk).

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