

College Infrastructure Investment Plan 2027-28 to 2036-37

Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

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Executive Summary

Purpose and background

The College Infrastructure Investment Plan (College IIP) provides an evidence base on the condition and composition of the college estate. Based on the best practice in construction cost data analysis, it provides an indicative assessment of the investment that would be required to maintain, improve and transform Scotland's college infrastructure over the next ten years (FY2027-28 to FY2036-37).

It follows SFC's 2022 College Infrastructure Strategy and its ambition for a college estate that delivers a high quality, technologically advanced and sustainable learning environment, enabling and enhancing successful learning and skills outcomes for students, staff, and communities.

The College IIP supports the ambitions set out in the Scottish Government's Programme for Government 2026-31 by helping to deliver economic growth, tackle the climate emergency, support public service reform and ensure colleges have the infrastructure required to meet Scotland's future skills needs.

Taking forward these ambitions, this Plan sets out an investment approach and a shortlist of potential future projects, with a dataset that will enable coordinated, evidence-led investment planning.

The Plan covers the existing college sector, comprising 24 colleges, 99 campuses and 270 blocks. SFC recognises that the current shape of the college estate is unsustainable and that the sector will need to evolve for the next generation. The College Sector of the Future workstream is considering the future role and priorities for colleges. In this plan we propose a small number of new build and refurbishment projects which are a priority to progress whilst this discussion continues.

The College IIP prioritises the most important short- and medium-term investment needs and sets out a clear approach to planning longer-term projects. Our aim is to support ongoing change across the college sector while recognising that its needs will continue to evolve.

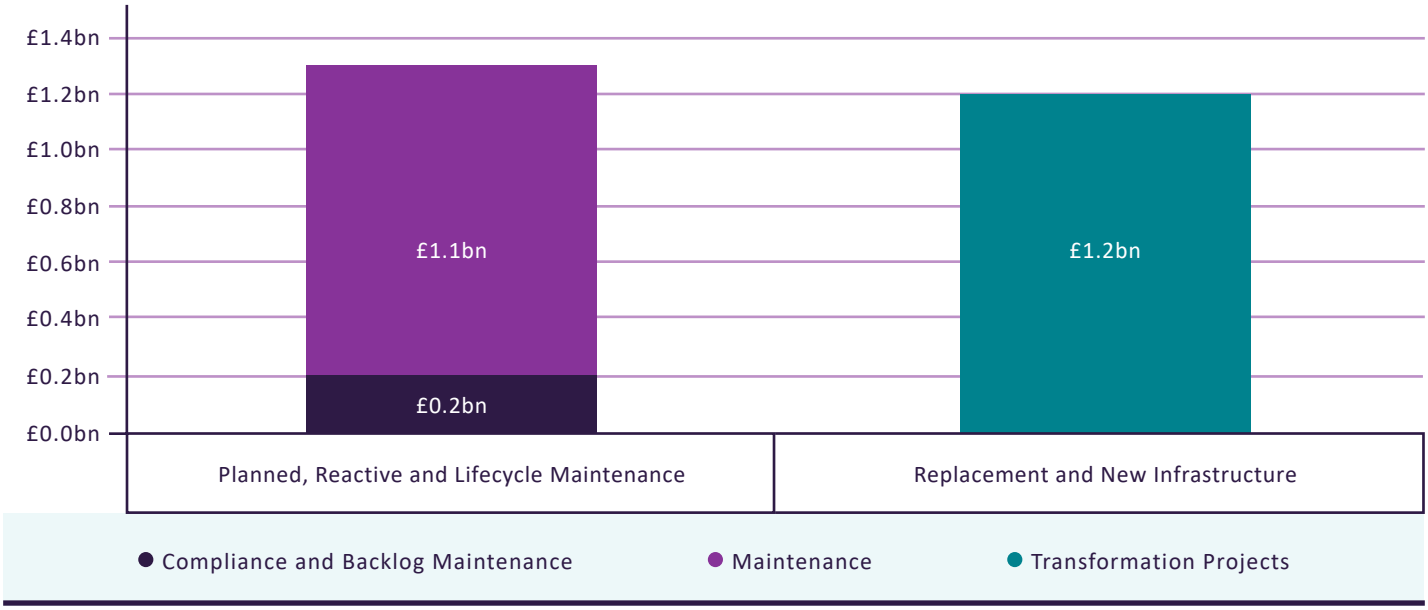


Photo: Glasgow Clyde College

Key findings

Based on the validated Baseline 2026 information provided by colleges, the estimated total investment requirement for Scotland's current college sector infrastructure, in this scenario, would be £2.5bn over the 10-year period. This includes £1.3bn to manage and maintain the college estate in good condition, and ~£1.2bn for transformation projects.

Graph 1: Ten-year college infrastructure investment requirement



The need for investment is considered across three themes - physical, digital and decarbonisation and adaptation - and tested against four strategic choices - invest, maintain, collaborate and divest.

Costs are mapped over the 10-year planning period to support the management, maintenance and planning of new investments, subject to available funding and priorities for the different categories over the period. The estimated investment requirement includes VAT and other standard cost uplifts applied to baseline project costs, including inflation, construction indices and optimism bias, and should be regarded as a strategic planning estimate rather than a funding ask.

The condition, configuration and expense of college estates is putting colleges at increasing financial risk. Much of the college estate is ageing and, in many cases, no longer fit-for-purpose. The need to reshape estates to reflect future teaching delivery, curriculum requirements and student demand is increasing, requiring planned transformation alongside maintenance. Improvement and sustainability plans are contingent on capital investment and subject to available capital and resource funding.

These combined factors mean that estates are no longer a background operational issue. They are a primary driver of financial risk across the sector and a critical enabler of the college sector's future success in meeting the needs of learners, employers and communities.

Infrastructure investment is not only about physical assets or financial sustainability. It also contributes to wider national outcomes by enabling colleges to drive inclusive economic growth, support employers and regional skills development, tackle poverty, strengthen sustainable communities and improve environmental outcomes.

Only dealing with the most urgent investment needs would result in further deterioration of college infrastructure, driving up the overall investment need whilst leaving infrastructure increasingly unfit for purpose.

Aims and ambitions

The Baseline 2026 data and publication of this Plan will:



Improve the quality and integrity of data and information across the college estate.



Drive improved infrastructure planning.



Support greater collaboration between colleges, between colleges and universities, and with wider public sector partners, helping to deliver more efficient, sustainable and joined-up approaches to infrastructure investment and service delivery in line with Scottish Government reform objectives.



Create a short-list of prioritised projects and business cases for the college sector focused on the short-medium term needs.



Be a catalyst for change and progress ‘minimum-regret’ investment.



Align with Scottish Government Infrastructure Investment Plan and equivalent processes in other parts of the public sector e.g. local government and NHS.



Provide an overview and scale of longer-term projects that may evolve through the ongoing College Sector of the Future work and inform a future strategic programme business case.



Provide input to future Scottish Government budget processes, Spending Reviews and future national level investment plans.



Focus investment on emerging needs, skills and changing curriculum and pedagogy.



Photo: Forth Valley College

Next steps

The College IIP will equip SFC and colleges to better manage and plan the future requirements of Scotland's college estate.

Colleges will keep the Baseline 2026 data up to date, with SFC taking an annual snapshot and assessing new proposals through its business case approval process. The College IIP will therefore remain iterative, allowing priorities to change as proposals emerge.

The College IIP will be refreshed every three years. Inclusion does not commit funding to any project; decisions will remain subject to strategic need, robust evidence, affordability, business case approval, project readiness and available Scottish Government capital funding.

Our immediate focus now will be on short-and-medium term investment and 'minimum regret' projects. After the College Sector of the Future workstream has made recommendations, SFC will revisit the longer-term plans and projects and look to provide a Strategic Programme Business Case for the College Sector estate to the Scottish Government for consideration.

The publication of the College IIP and associated guidance, building on the key College Infrastructure Strategy (CIS) principles, will enable better infrastructure investment decisions to be made by the Scottish Government, SFC and Scotland's college sector over the next decade, improving the long-term sustainability of Scotland's college estate and its contributions to Scotland's national skills base, economic prosperity and social progress.

Introduction



The Plan covers the existing college sector, comprising **24 colleges, 99 campuses** and **270 blocks**.

As critical national assets, colleges provide high-quality learning environments that support an excellent student experience, connect learners to opportunity, employers to talent, and communities to inclusive regional growth.

Our evidence suggests that reactive maintenance cannot secure the sector's future: without investment, failures and disruption will increase, scarce resources will be absorbed by short-term repairs, and colleges will be less able to deliver the skills, innovation and inclusive growth Scotland needs.

The College IIP brings together new evidence on the condition of Scottish colleges. It also establishes an indicative ten-year investment requirement based on the current size of the college estate and sets out how proposals will be prioritised, assured and developed to protect essential services, improve existing assets where this offers value, and enable transformation.

The evidence base covers the existing sector—24 colleges, 99 campuses and 270 blocks—and is based on Baseline 2026 data and information which provided a national snapshot of condition, performance and investment requirements. It will develop iteratively as evidence improves and sector reform clarifies future delivery models, demand and the physical footprint and other infrastructure required.

To ensure value for public money Investment must deliver safe, accessible and resilient infrastructure; improve learner outcomes; strengthen digital capability and climate resilience; and make better use of public assets through repurposing, collaboration and sharing.

Evidence-based investment needs are assessed across three linked themes—physical, digital, and decarbonisation and adaptation—and against four strategic choices: invest, maintain, collaborate or divest. Replacement or new build is only preferred where it offers the greatest whole-life public value.

In summary the College IIP contains 4 core elements:



An established process for collecting and validating college data, providing robust evidence on estate condition, composition and future plans.



Consistent approach to development of college business cases based on 4 strategic choices and 3 investment themes.



Agreed assessment and prioritisation approach including through a new governance route with the proposed Infrastructure Investment board.



Assessment of indicative investment need based on industry best practice in costing and current understanding.

Guided by the College Infrastructure Strategy and aligned with Scotland's Learning Estate Strategy, the Scottish Government Investment Hierarchy and the Place Principle, this work explores how scarce capital can be directed to the interventions that reduce risk, deliver the strongest whole-life public value and equip Scotland's colleges to meet future needs.

Case for change

Scale and urgency of the challenge

Our evidence shows that Scotland's college estate condition is not sustainable within current capital funding levels. Historic underinvestment, rising lifecycle and staff costs, inflationary pressures, worsening cash positions and limited funding routes are increasing operational and financial risk. Although additional funding in 2026–27 has provided short-term relief, many colleges continue to forecast substantial operating deficits, limiting their ability to invest from existing resources while responding to future skills, digital and climate requirements.

Annual SFC capital maintenance funding has met only around half of reported lifecycle requirements. Deferring planned work shifts expenditure into more costly reactive repairs and increases the risk of asset failure and disruption.

Ageing, inefficient and unsuitable assets are both a consequence and a driver of these financial pressures. Colleges must maintain essential services and manage significant backlog liabilities, including reinforced autoclaved aerated concrete (RAAC), defective cladding and ageing infrastructure, while modernising, decarbonising and rationalising estates to support changing curricula, learner demand and delivery models.

The pressure is not confined to buildings. Digital infrastructure, specialist equipment and climate adaptation are integral to safe, resilient and effective provision and require coordinated investment alongside the physical estate.



Photo: UHI North, West and Hebrides



Photo: West Lothian College

Audit Scotland's September 2026 report, Scotland's Colleges 2026, found that the 2026–27 capital uplift remained well below the funding required for estate repair and transformation.

SFC's latest report Financial sustainability of colleges in Scotland 2024–25 to 2028–29 reinforces the need to direct scarce capital to the assets and services under greatest pressure. The strategic challenge is therefore not simply to spend more, but to intervene earlier and target investment more effectively protecting essential provision, reducing whole-life costs and enabling transformation where future need is clear.

Developed in this context, the College IIP brings together evidence on condition, suitability, risk and future infrastructure requirements to provide a comprehensive national view of need, supporting transparent prioritisation, long-term planning and better-informed investment decisions.

Funding position and constraints

Current levels of public funding are insufficient to sustain or transform the college estate on its own. Annual capital allocations fall short of identified backlog, lifecycle and transformation needs, forcing SFC and colleges to be reactive and manage competing risks rather than address them in a planned and sustainable way.

The sector's backlog maintenance, planned and reactive maintenance, and lifecycle replacement costs continue to exceed the available funding. SFC's capital maintenance allocation is intended to provide a contribution towards both. Addressing backlog maintenance helps tackle historic issues, while planned, reactive and lifecycle maintenance will maintain infrastructure condition at an acceptable level. This will prevent further deterioration and increased backlog liabilities.

The 2026–27 Scottish Budget increased college capital from £34.5M to £42.7M—an £8.2M, or 23.7%, uplift[1].

1. Excluding Dunfermline Learning Campus

The uplift is welcome, but it remains well below assessed need. It will support essential compliance and backlog work without providing the scale or certainty needed to reduce long-term exposure, modernise digital infrastructure or deliver strategic transformation.

Current arrangements for funding major capital projects do not provide a reliable long-term funding pipeline. Even where proposals have been validated through the College IIP process, they must still progress through business case assessment and compete with other public sector priorities for funding, leaving projects dependent on annual affordability decisions and uncertain timescales.

The £155M Dunfermline Learning Campus, opened in late 2025, demonstrates what major investment can achieve, but highlights the absence of a sustained programme of major investment across the sector.



Photo: Fife College

Dunfermline Learning Campus

Fife College

The £155M, 25,000 m^2 Fife College campus at Dunfermline Learning Campus was completed in September 2025.

The award-winning, state-of-the-art campus supports learner pathways through industry-standard engineering and construction workshops, centres of excellence in engineering construction, the built environment and sport, business conference facilities, a community innovation and events hub, sports areas and year-round outdoor learning spaces.

The campus also improves staff working conditions, cross-departmental engagement and collegiate working.

A project-by-project approach is not recommended because it cannot provide the predictable pipeline needed to plan capacity, manage dependencies or secure efficiencies across the sector. This approach also can prevent collaboration and transformation due to short-term planning.

Colleges cannot close this funding gap independently. As public sector bodies, they cannot borrow for capital investment and remain largely dependent on public funding. This limits their ability to accelerate essential works or respond quickly to emerging asset failures, reinforcing the need to explore alternative delivery and funding models.

SFC is continuing to explore other delivery and funding models with the Scottish Government. The Mutual Investment Model may suit some large new builds but is less applicable to the refurbishment, maintenance, digital and adaptation investment that makes up much of the requirement.

Public capital is therefore likely to remain the principal near-term route. The ask from colleges is not simply for more funding, but for a multi-year, prioritised investment model that protects essential maintenance, supports an identified short-list of projects and enables earlier intervention—reducing whole-life cost, disruption and risk. Alternative models, collaboration and asset receipts should continue to be tested where they offer affordable, deliverable public value.

Table 1: College budget comparison, 2025–26 to 2026–27 (£ Million)

Budget line	2026–27 draft	2025–26 final	Movement	Change
Net college resource	721.1	659.7	61.4	9.3%
College capital, excluding Dunfermline Learning Campus	42.7	34.5	8.2	23.7%

Skills transformation and economic opportunity

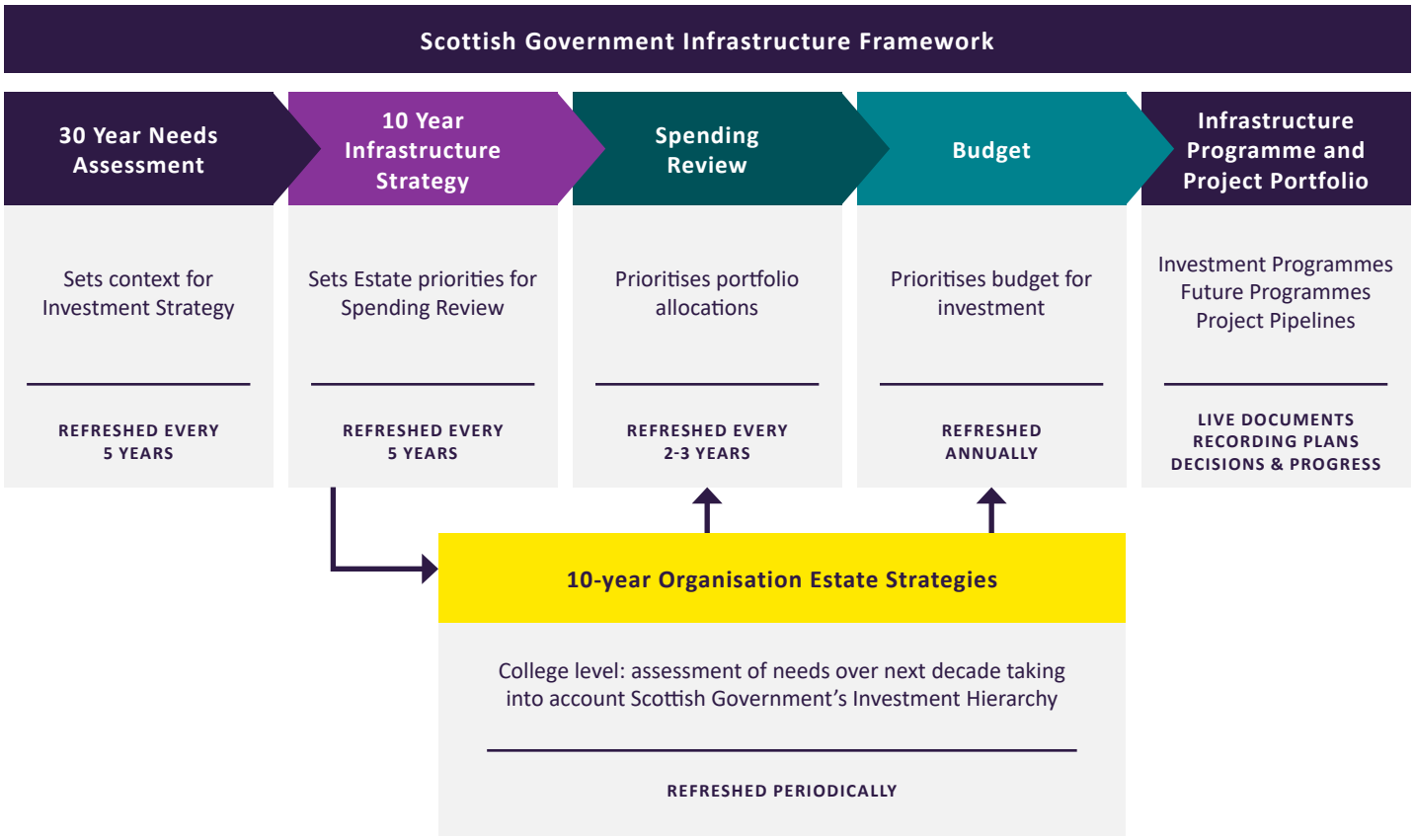
Colleges need modern, industry-standard environments, specialist facilities and current technology to provide high-quality, work-relevant learning and respond quickly to changing employer demand.

Without fit-for-purpose infrastructure, colleges cannot expand or reshape provision quickly enough to meet regional demand in high-priority areas such as decarbonisation, climate adaptation, digital technologies and construction. Inadequate facilities and systems also restrict flexible delivery, leaving learners and employers without timely access to the skills Scotland's economy needs and strengthening the wider economic case for investment.

Infrastructure investment is therefore an economic intervention as well as an estate requirement: it enables workforce transformation, supports productivity and regional growth, and connects learners and employers to emerging opportunities.

National policy and sector reform

The draft Infrastructure Investment Plan for Scotland 2027–2037 provides the national context for strategic, place-based and outcome-focused investment supporting inclusive growth, net zero and resilience.



Colleges are core social infrastructure. Business cases and investment must demonstrate future need, value for money and local benefit, and must consider the use of existing assets, repurposing, co-location and collaboration before replacement or new build.

The Scottish Government investment hierarchy therefore provides the decision sequence for college infrastructure: determine future need; maximise existing assets; repurpose or co-locate; and replace or build only where the preceding options cannot provide a sustainable solution.

The College IIP reflects the current sector and estate and provides evidence for the College Sector of the Future workstream; it does not anticipate that workstream's conclusions. Major transformation, capacity and estate-configuration decisions will be revisited as reform clarifies delivery models, learner demand and the physical presence required across Scotland.

Uncertainty should not delay evidenced minimum-regrets investment in safety, statutory compliance, resilience and protection of essential assets. The College IIP therefore supports urgent action while retaining flexibility for longer-term reform.

Investment framework

The College IIP has three investment themes:

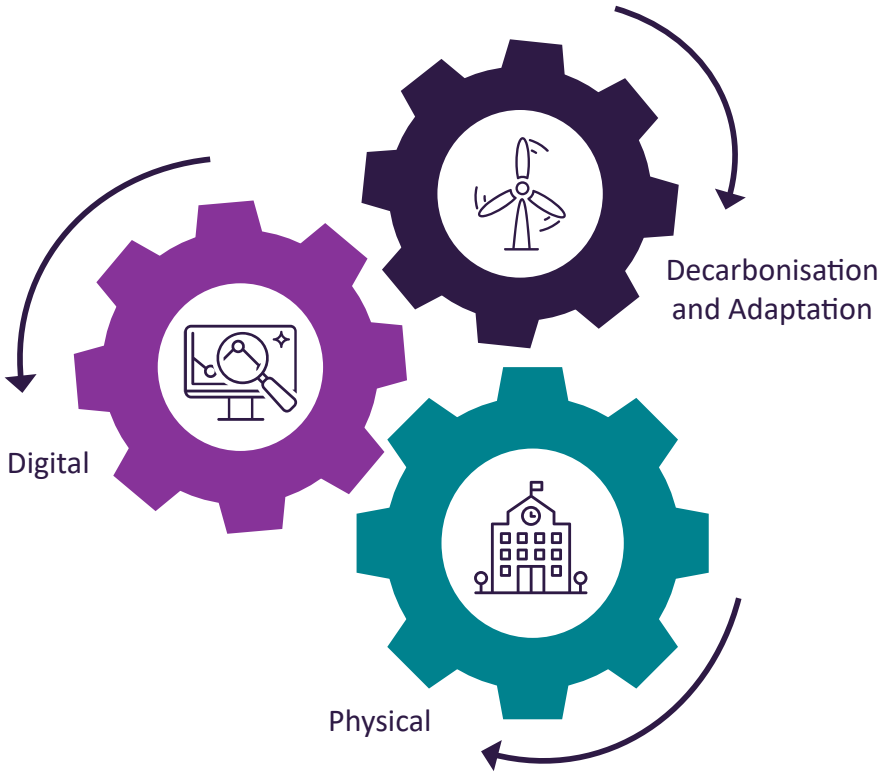


Table 2: College infrastructure investment themes

Theme	Description
Physical	Investment in physical infrastructure, including buildings and external areas, to support each college's strategy, delivery model and estate development.
Digital	Investment in digital infrastructure, systems, connectivity and services to maintain and modernise colleges' digital estate, addressing backlog renewal needs while supporting flexible learning, service resilience and more effective use of physical space.
Decarbonisation and Adaptation	Investment in the decarbonisation and climate resilience of the college estate to support net zero targets, sustainability and adaptation efforts.



Physical

Baseline 2026 identifies the dependence on physical infrastructure as the predominant investment theme. However, the college estate is ageing, and older buildings require more maintenance or replacement which may not be the best option in future in terms of sustainability and cost.

Physical infrastructure will remain essential, but it should not be the default response where digital delivery, collaboration, repurposing or consolidation offers better value and sustainability. The estate comprises 24 colleges, 99 campuses and 270 blocks, totalling 903,661m² GIFA, with a reported book value of over £3.2 billion.

Reliable space-utilisation data is not yet available consistently across the sector. SFC is developing updated guidance because evidence on use of existing assets is essential before new investment, disposal or co-location is considered.

Decisions should balance reuse and repurposing against maintenance cost, asset condition, receipts and future need.

Updated disposal rules allow colleges to retain more sale proceeds, strengthening the incentive to divest uneconomic or no longer fit for purpose assets.



Digital

Digital infrastructure is now as vital as the physical learning environment. Reliable, secure systems improve learner outcomes, enable flexible and hybrid delivery, widen participation, support collaboration and shared services, strengthen cyber resilience, and make better use of the college estate.

Investment in networks, devices and digital services can reduce demand for physical space, allowing colleges to repurpose or dispose of buildings that are costly to maintain. Decisions must also address digital access and local economic impacts, particularly in remote and rural communities, to ensure learning remains sustainable, relevant, accessible and consistent.



Decarbonisation and Adaptation

Investment in decarbonisation and climate adaptation will reduce emissions, improve energy performance and strengthen resilience to risks such as overheating, flooding and severe weather. Business cases and investment must be integrated with planned maintenance, lifecycle replacement and wider estate decisions rather than treated in isolation or as a standalone investment.

Priority will be given to interventions supported by an agreed estate strategy, robust baseline data and a clear route to measurable operational, financial and environmental benefits and outcomes. Major investment must also account for future climate conditions and avoid locking colleges into assets that are costly, inflexible or inconsistent with longer-term sector reform.

Strategic choices and prioritisation

Colleges should test infrastructure requirements against four strategic choices: invest, maintain, collaborate or divest. The appropriate choice will depend on future service need, asset performance, whole-life cost, deliverability and the potential to repurpose, share or release existing assets.

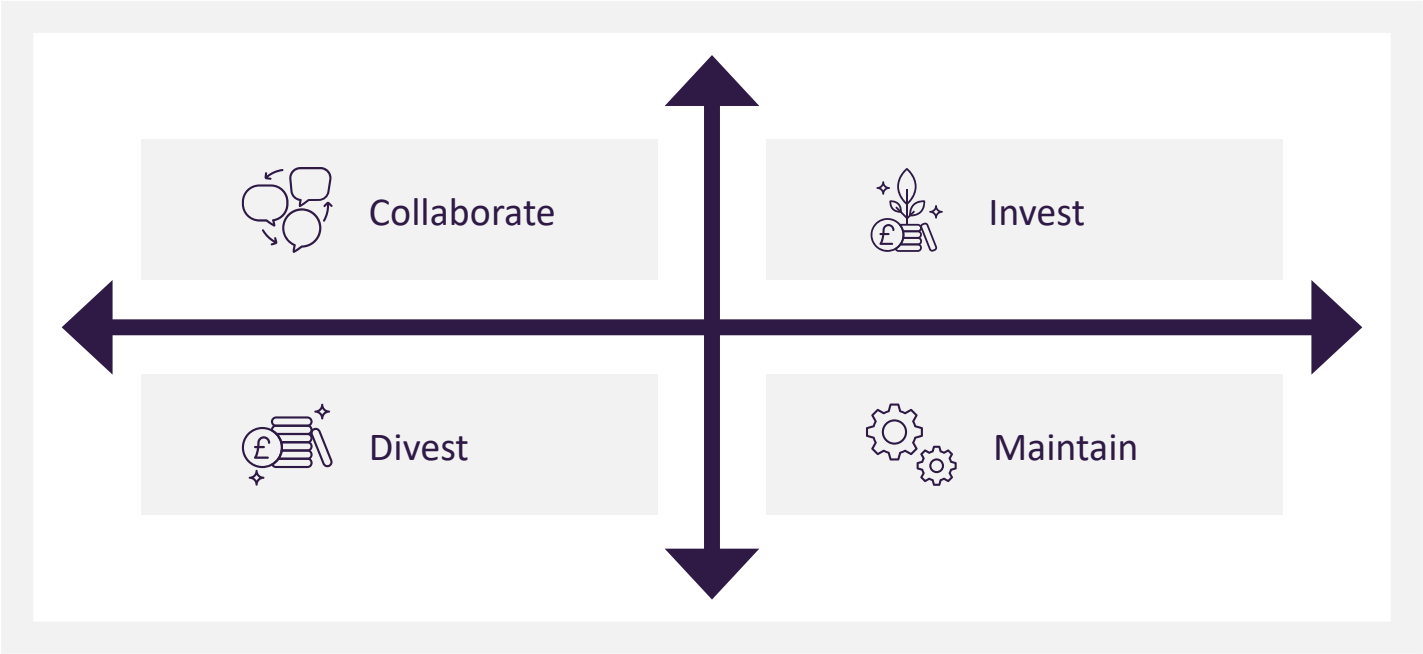


Table 3: Strategic infrastructure choices

Theme	Description
Invest	Investment in new and replacement infrastructure projects which could include physical new build and refurbishment, adding and/or upgrading digital infrastructure and investment in renewable technology and low carbon equipment as programme or individual business cases.
Maintain	Investment to maintain existing infrastructure including compliance, planned and reactive maintenance.
Collaborate	Invest in shared infrastructure with other public sector bodies to reduce or avoid investment when the case can be made to share assets or resources.
Divest	Divestment means releasing assets that are uneconomic, underused, no longer fit for purpose or no longer required to deliver the college strategy. Where appropriate, capital receipts can then support part of the investment required elsewhere in the estate.



Photo: UHI Perth

Baseline 2026: National evidence base

Colleges used the Navigator tool ©AtkinsRealis to submit infrastructure data for each campus and block, creating a national snapshot of condition, performance and investment need.

Colleges can update data and information changes at any time. SFC will take an annual snapshot and assess new projects through its business case approval process before adding them to the investment plan, subject to funding.

The translation of Baseline 2026 to College IIP includes the following factors and indices to provide future forecasted investment requirements.

Table 4: Factors applied to the ten-year investment requirement

Factor	Rate	Notes
Optimism Bias (OB)	25%	Required by the Green Book process and aims to counter the tendency to underestimate costs and duration of projects. OB is applied to the net costs of projects the year incurred based on the planned start and planned finish dates.
Fees	10%	Based on typical consultancy and professional related fees. Fees are applied to the net costs and OB.
Inflation	3%	Based on Royal Institution of Chartered Surveyors (RICS) inflation forecasts. Inflation is calculated on a compound basis for the total amount in each year where it applies.
VAT	20%	VAT is incurred and not recoverable by SFC.

Investment Requirements

This section provides a clear account of the investment which would be required to maintain, improve and transform the current college estate over the next ten years. It explains the immediate pressures facing the sector and identifies the priority projects that SFC intends to develop.

The College IIP prioritises the most pressing short- and medium-term investment needs and establishes a clear approach to planning longer-term projects. SFC aims to support sector change while remaining responsive to evolving needs.

The overall investment need is described across three categories:



Condition and compliance.



Maintenance and Lifecycle.



Transformational and improvement projects.

The College IIP identifies a gross ten-year investment requirement of approximately £2.5bn to keep the current college estate safe and compliant, sustain existing assets and deliver essential transformation. This ten-year planning estimate includes VAT and standard cost uplifts applied to baseline project costs, including inflation, construction indices and optimism bias.

Potential capital receipts and maintenance savings could reduce the net requirement to approximately £2.3bn.

The table below sets out the principal components of this planning figure; it does not constitute a funding commitment, and all investment remains subject to prioritisation, approved business cases, affordability and available capital.

Table 5: Estimated ten-year college infrastructure investment requirement

Investment requirement	Estimated value
Condition and compliance: bring the estate to an acceptable standard	£200M
Maintenance and lifecycle: sustain the existing estate over 10 years	£1.1 bn
Transformation and improvement: deliver projects supported by developed business cases and independently assessed costs	£1.2 bn
Gross estimated investment requirement	**£2.5 bn**
Less: potential capital receipts and maintenance savings from newer, more efficient infrastructure	£200M
Net estimated investment requirement	**£2.3bn**



Photo: UHI Moray

The infrastructure investment need was collected against defined investment groups, as set out in Annex B. Each group represents a different type of historic, current or future cost, with different drivers, evidence maturity and timing assumptions. These differences determine how each investment group is treated in the ten-year planning period.

Table 6: Investment groups and treatment in the ten-year timeline

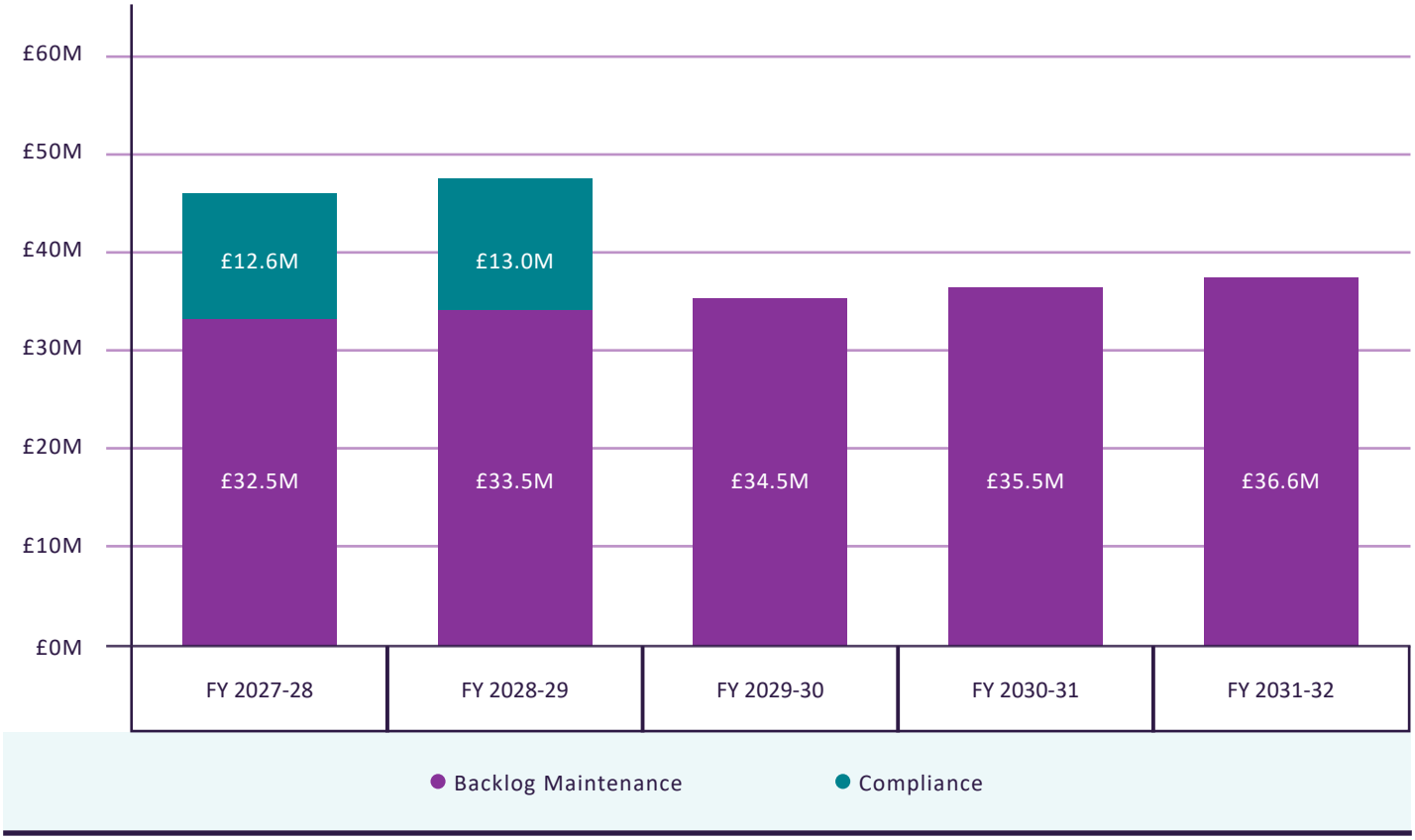
Investment Group	Cost	Treatment in 10-year timeline
Compliance	Cost to become compliant	Years 1 and 2
Backlog Maintenance	Cost to address backlog	Years 1 to 5
Planned Maintenance	Recurring annual	Annually for 10 years
Reactive Maintenance	Recurring annual	Annually for 10 years
Lifecycle	Replacement cost	Investment where required in 10-year period
Physical Projects	Discrete future projects	Based on Start/Finish dates
Digital Projects	Discrete future projects	Based on Start/Finish dates
Decarbonisation and Adaptation Projects	Discrete future projects	Based on Start/Finish dates

The three categories of investment

Condition and Compliance

It is essential that existing assets are maintained at an acceptable condition level including regulatory and legislative compliance with building standards to provide a healthy, safe and accessible environment. In some cases, for a variety of reasons, investment is required to address backlog maintenance and compliance levels.

Graph 2: Condition and compliance investment requirement



Investment of £200M is required over the next five years to address backlog maintenance and compliance issues and bring assets to an agreed acceptable standard. All such work is assumed to be completed by the end of year 5, with only ongoing maintenance required in years 6 to 10.

The overall figure includes immediate investment of £25.6M to address compliance issues. This expenditure is necessary to keep buildings safe, compliant and operational while longer-term investment proposals are developed.

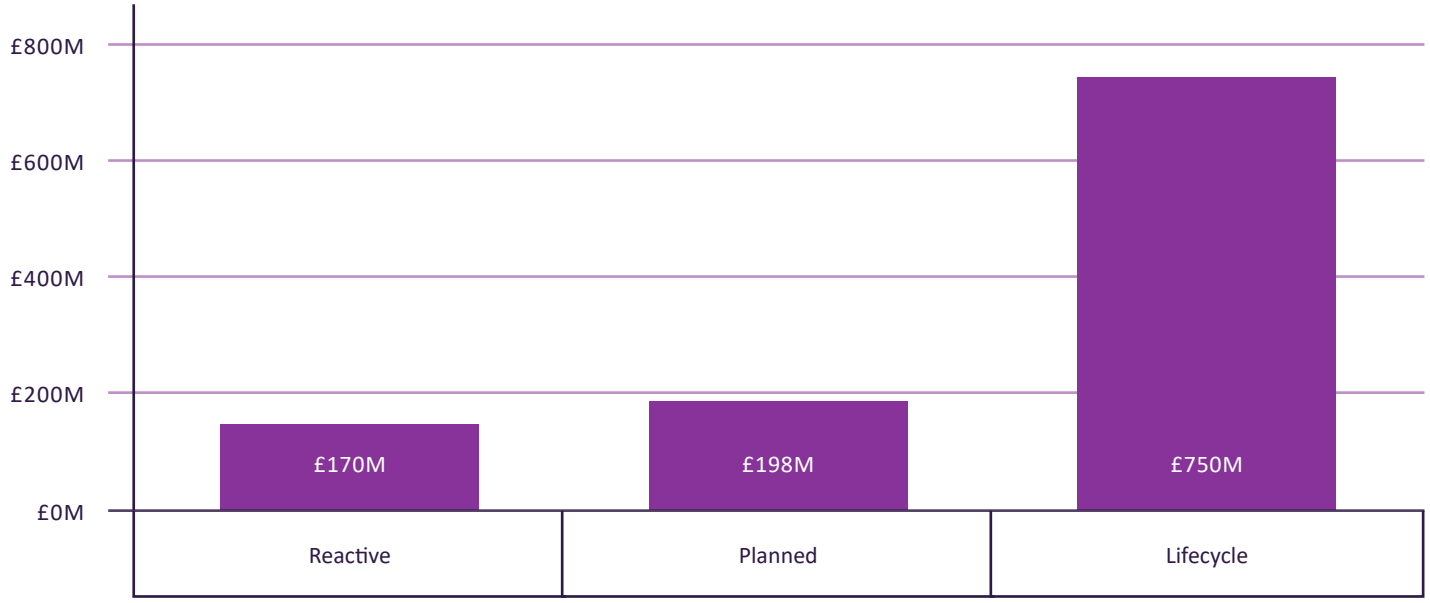


Photo: North East Scotland College

Maintenance and Lifecycle

Colleges must fund annual planned and reactive maintenance to preserve asset condition, alongside lifecycle replacement of building components, such as roofs and heating systems, at the end of their economic life.

Graph 3: Maintenance and lifecycle investment requirement



Managing and maintaining the existing college estate is estimated to cost £1.1bn over the investment plan's ten-year period, including planned and reactive maintenance and lifecycle replacement.

These costs include existing capital maintenance funding already provided to colleges and therefore do not represent entirely new or additional expenditure.

Transformational and Improvement Projects

The College IIP currently includes 80 proposed capital projects, with business cases developed and independently assessed costs and investment requirement of £1.2bn. Further breakdown of the projects against categories and reason for investment provides another view.

Table 7: Transformational and improvement project classification

Classification	Definition	Investment Requirement
Classification 1: Business Continuity	Purpose: Address compliance, health and safety issues along with business-as-usual maintenance. Timescale: Short term (0–2 years).	£170M
Classification 2: Improvement Based Work	Purpose: Improve efficiency and quality of infrastructure, decarbonise the existing estate, and align facilities with curriculum trends. Timescale: Medium term (1–5 years).	£172M
Classification 3: Strategic / Transformation	Purpose: Replace or consolidate campuses and support net zero transformation. Timescale: Long term (5–20 years).	£850M
Total		**£1,192M**

First Wave College Projects

The first wave establishes a credible, short-list of projects focused on transformational projects and in supporting estate planning towards this. To identify these projects, SFC assessed wider sector evidence against risk, strategic need, fitness for purpose, business-case maturity and deliverability. This assessment identified projects sufficiently mature to progress to Outline or Full Business Case, reducing delivery risk and accelerating wider transformation.

SFC awarded around £2M in March 2026 for estate planning and business-case development. A further competitive allocation in late 2026 will support required Full Business Cases and second-wave projects, with all colleges invited to bid.

Together, the first-wave projects form a portfolio valued at around £200M. Inclusion confirms strategic priority and readiness, not a funding ask: each project still requires an approved business case, demonstrated affordability and available capital. Within this category and the wider plan, proposals valued at more than £5m are considered major capital projects.

Further development support will extend this work across identified first- and second-wave colleges in late 2026. Outputs will feed into the national prioritisation process and help SFC maintain a transparent list of investment-ready projects.

Major Capital Projects

Major capital projects are defined as proposals valued at more than £5M. Baseline 2026 and the First Wave college work have identified a number of emerging priorities, including colleges facing significant estate pressures. The proposals highlighted below illustrate these priorities but are not exhaustive: other major projects are included in the overall Plan, and their relative priority may change as risks, evidence, business cases and wider circumstances develop. The Plan will therefore remain iterative and be updated regularly.

Dundee and Angus College: Green Skills Innovation Hub, Gardyne Campus: The recently submitted Outline Business Case proposes an £81M investment as the urgent first phase of the College's Infrastructure Vision. Subject to business-case approval and available funding, the project would replace RAAC- and asbestos-affected accommodation at Kingsway and establish a national centre for green and technical skills.



Photo: Dundee and Angus College

New Gardyne Campus

Dundee and Angus College

Dundee & Angus College propose to replace end-of-life campuses in Arbroath and Kingsway and develop a new Gardyne Campus.

The costs of maintaining and addressing significant RAAC, asbestos and water ingress issues at Arbroath and Kingsway are approaching the replacement cost of new campuses. The strategic drivers and business cases for this proposed investment included regional socioeconomic challenges, ambitious public sector reform plans, net zero transition and estate condition.

The proposed investment at Gardyne is stage 1 of the strategy, addressing priority infrastructure needs and supporting the college to play a major role in town and city centre revitalisation alongside multiple local employability partners.

West College Scotland, Borders College and Perth College are highlighted as examples of challenging estates that may generate future major capital projects. SFC will actively explore these opportunities with the colleges during the early years of any future investment programme.

Current evidence indicates that these colleges are the most likely to bring forward major capital proposals over the next five years, subject to further development and appraisal. They sit within a wider group of colleges where significant estate pressures may also require major investment as needs and priorities evolve.



Photo: Borders College

Demolition and rebuild of the Galashiels Campus

Borders College

The demolition and rebuild of the Galashiels Campus building will remove the existing RAAC roof and address structural limitations, thermal inefficiencies and future maintenance risks. The new two-storey facility will provide a modern, energy-efficient learning environment designed for a 50-year service life, with improved workshop spaces, increased external working areas, forklift access and greater flexibility for future expansion.

Consolidating campus activities into one integrated site will improve teaching delivery, make better use of academic resources and enhance the student experience. The development is expected to increase capacity by 30–50% for full-time courses and 100% for short courses, supporting increased student enrolment and retention.

Additional benefits include daily access to learning and pastoral support for all students, improved student and staff satisfaction, the potential to reduce student dropout and staff turnover, and the elimination of travel between the Galashiels and Tweedbank campuses.

Colleges with significant estate concerns

Within this wider group, priority consideration will be given to colleges where the cost of maintaining ageing or unsuitable assets is approaching the cost of replacement. Subject to further appraisal, a full business case and an investment decision, these include:

- UHI Argyll College,
- Borders College,
- Dundee and Angus College,
- UHI Perth College,
- West College Scotland,
- West Lothian College.



Photo: UHI Perth

Sustainable transformation of the campus

UHI Perth

Plans for a sustainable transformation of the campus include:

- Transforming curriculum and campus facilities to deliver specialist engineering, health and care and green skills aligned to Perthshire employers, with new industry-standard learning spaces on campus.
- The college is developing partnerships with local, regional and national public and third sector partners to create a seven-day community hub, leveraging external funding to maximise the campus transformation opportunities.
- Phased fabric-first retrofit, renewables and future-proofed learning environments designed to reduce emissions and running costs.

All future investments will follow the SCIM for Tertiary Education process, a core element of the College Infrastructure Strategy. Projects will be appraised progressively through each business-case stage to support successful delivery and outcomes.



Photo: West College Scotland

Meeting future needs

West College Scotland

West College Scotland has plans to transform the College to meet the future needs of students, staff, communities and stakeholders.

The costs of managing and maintaining existing infrastructure are approaching the replacement cost of buildings that are no longer fit for purpose. This includes a new Greenock campus.

The proposed new campus provides an opportunity to support regional transformation and the regeneration of Greenock town centre and Inverclyde. The College is working with local partners to integrate the development with the surrounding area and wider regeneration activity.

Project Pipeline and Investment Period

As demonstrated above, The College IIP identifies and focusses on the most important investment needs for the short and medium term, and describes how SFC will approach the planning and prioritisation of longer-term projects. This approach will support current change across the college sector, whilst acknowledging the ever-changing landscape.

The projects identified within this plan are not currently part of Scottish Government's investment pipeline, but are identified here as priorities to consider for future inclusion, subject to development of the strategic case and endorsement through the processes described in this plan.

A long list of capital projects have been identified that may require future consideration. The College IIP currently records 80 developed capital projects that would support transformation and improvement. These have a combined value of ~£1.2 bn as shown in the table below:

Table 8: Project long-list by value band

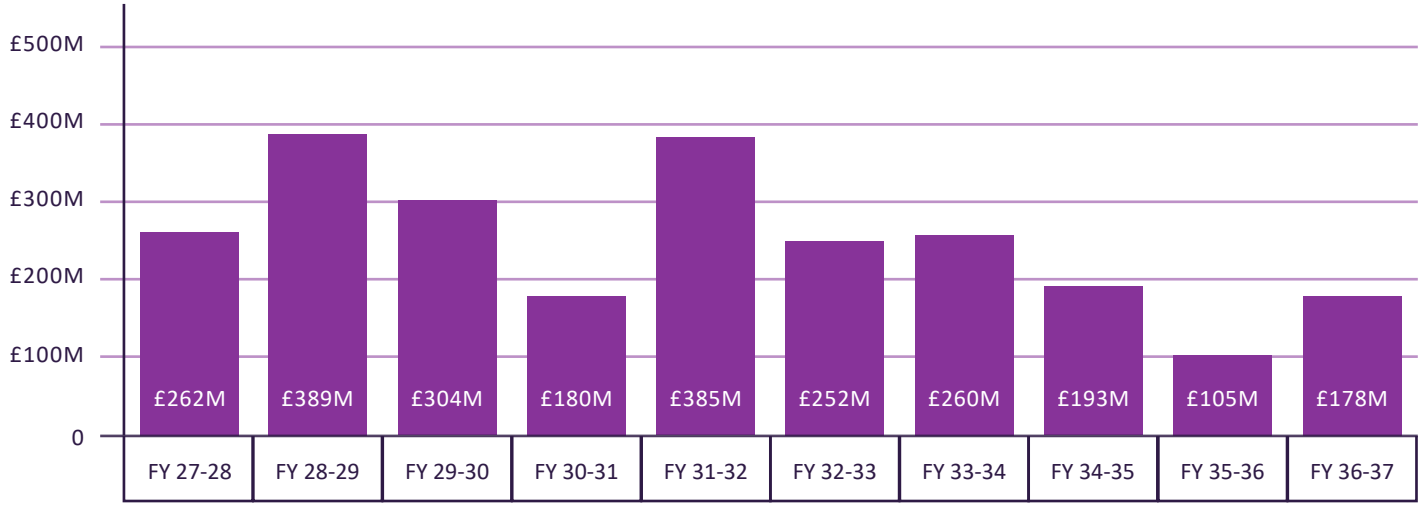
Project Band £M	Number of Projects	Cost of Projects
<£5M	66	£180M
£5M to £10M	4	£30M
£10M to £50M	5	£77M
>£50M	5	£905M
Totals	**80**	**£1,192M**

Capital receipts from surplus assets and savings from more efficient infrastructure could offset around £200M of the Plan's cost, reducing the overall funding requirement.

The long list will continue to develop as emerging projects are added to Baseline 2026 and their need, scope, costs, delivery assumptions and business cases mature. Although short- and medium-term priorities are relatively well defined, longer-term projects require further development, and any delay is likely to increase costs. Project timing and costs will remain subject to inflation, sector and national priorities, and wider market conditions.

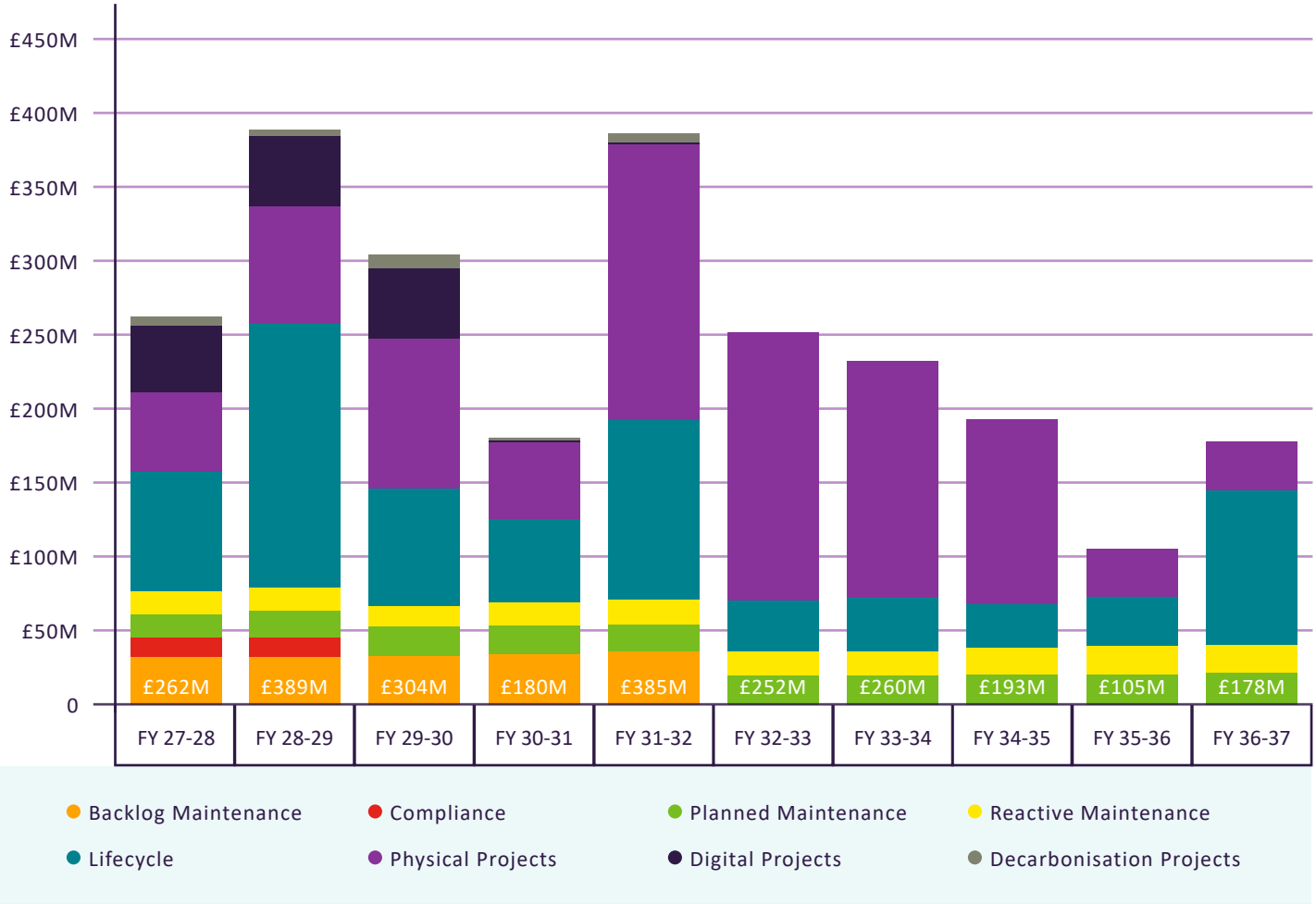
Regular reviews will reflect these changes, update priorities and improve cost certainty through to 2036–37. Taken together, the total investment requirement, potential offsets and proposed ten-year timetable determine the annual investment and funding profile.

Graph 4: College IIP Annual Investment Requirements (£)



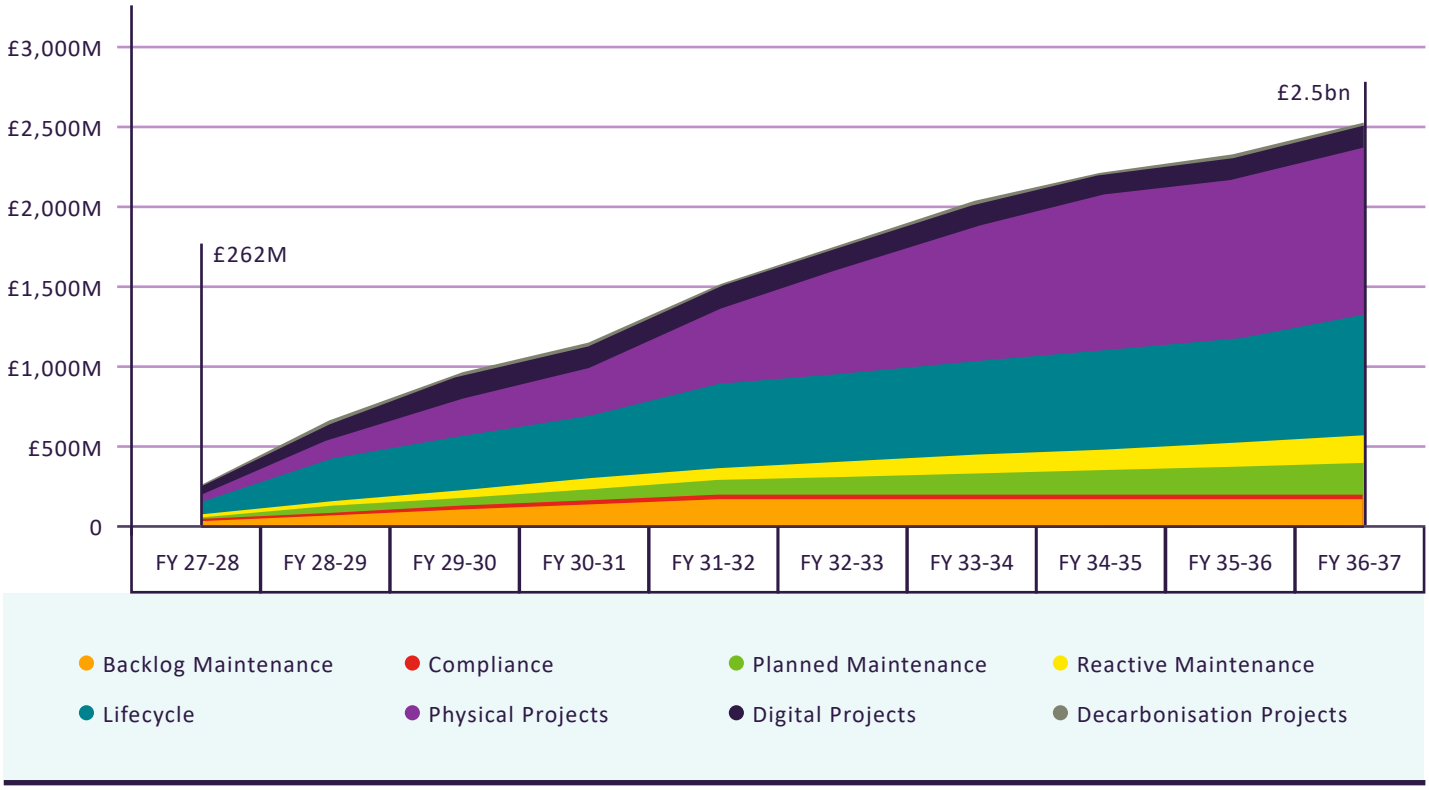
The total investment requirement profile itemised by investment group is included in the following graph. It illustrates the relative costs and investment required in relation to each group.

Graph 5: College IIP by Investment Group £ Millions per year



The cumulative investment requirement illustrated is determined by the phasing and timing of projects. Any change in planning and scheduling of projects will change the cumulative investment requirement due to inflationary effects.

Graph 6: College IIP Cumulative £ millions per year 1 to 10



Graphs 4, 5 and 6 show the build-up across eight categories of spend and should be viewed as strategic planning estimates of the investment that may be required if circumstances remain unchanged, rather than as specific funding needs. In the short term, the focus should be on Classification 1 business continuity work (compliance and backlog maintenance), as set out in Table 7, alongside minimum-regrets investment. The immediate priority is to address the most pressing short- to medium-term needs, enabling infrastructure funding to be managed effectively while sector reform is considered. However, it remains important to understand the scale of investment that would be required if circumstances did not change.

Governance, appraisal and delivery

Responsibility for college infrastructure investment is shared across different levels of the system. Ministers set the overall priorities for capital investment, while the Scottish Government manages portfolio budgets and approves major investments. SFC manages the College Infrastructure Investment Plan (IIP), including the assessment and prioritisation of projects. The proposed Infrastructure Investment Board would provide additional scrutiny of investment proposals and advice to SFC's governance structures, while colleges would retain responsibility for developing and delivering individual projects.

As set out above, SFC will create a new Infrastructure Investment Board to scrutinise proposals and provide recommendations through SFC's governance arrangements. Membership is still to be determined but is expected to include professionals from SFC's finance and capital teams and external professional advisers. Following review by the Infrastructure Investment Board and consideration through SFC's governance processes, recommendations for investment will be provided to the Scottish Government as appropriate.

Before SFC recommends funding or board review, colleges will normally be expected to have a current infrastructure strategy aligned to their strategic plan, maintain up-to-date space drawings and utilisation data, quantify and share risks, and demonstrate how costs can be offset through the disposal of surplus assets. However, provision will be made for projects addressing urgent compliance, health and safety, accessibility or operational risks.

All major capital project funding requests will need to go through the Scottish Capital Investment Manual for Tertiary Education.

Scottish Capital Investment Manual

The SCIM process links colleges' infrastructure ambitions and plans with investment in assets that meet future needs. The approval route will be proportionate to each project's cost and complexity, so not every project will be subject to the full process.

Table 9: Scottish Capital Investment Manual stages and requirements

Stage	Requirement and decision
1. Strategy and need	College maintains an Infrastructure Strategy and submits a Statement of Need aligned with Baseline 2026 or subsequent updates.
2. Initial assessment	SFC logs and reviews the Statement of Need, seeking further evidence where required and confirming whether it should proceed.
3. Strategic Outline Case	Accepted needs progress to a Strategic Outline Case. The Infrastructure Investment Board reviews submissions three times a year before providing a recommendation to Capital Committee for a decision.
4. Outline Business Case	Approved proposals develop an Outline Business Case. Review follows the same meeting, submission and feedback cycle.
5. Full Business Case and decision	Projects invited to proceed develop a Full Business Case. Following appraisal, the investment decision is confirmed, deferred or returned for further work.



Photo: Glasgow Clyde College

The SCIM process will be applied proportionately to the level of investment required. This is intended to apply due process and diligence to the scale and complexity of the project. This will avoid business cases being streamlined and avoid unnecessary delays but ensure that appropriate appraisal is applied to business cases to minimise risks and maximise outcomes.

Next Steps

The successful delivery of the College Infrastructure Investment Plan will depend on maintaining a robust evidence base, developing a credible list of investment-ready projects, and ensuring that available funding is directed towards the highest-priority needs across the sector.

The Plan assesses current infrastructure investment needs and will evolve with new evidence, policy and strategic planning. Future iterations will reflect national policy and reform, including relevant Scottish Government strategies and wider sector development, alongside updated college infrastructure strategies, business cases and investment priorities.

Initially, SFC will use Baseline 2026 to establish and maintain a prioritised project portfolio, recording readiness, investment requirements and appropriate Scottish Capital Investment Manual (SCIM) routes. Costs, timescales and priorities will be reviewed as business cases mature and evidence develops, keeping the portfolio current and responsive to emerging sector needs.

Strengthened governance will support delivery. SFC will assess and prioritise proposals, with independent scrutiny and advice from the proposed Infrastructure Investment Board through SFC governance arrangements. Funding decisions will follow established SFC and Scottish Government processes; projects will proceed only with approvals and resources. Inclusion in the College IIP is not a funding commitment.

Colleges will play a central role in implementation by maintaining up-to-date estate strategies, asset information, utilisation data, risk assessments and project pipelines. SFC will continue to work with colleges to strengthen capability and ensure that investment proposals are developed on a consistent basis across the sector.

Implementation of the Plan will also support wider sector reform. As future policy, funding arrangements and models of delivery evolve, SFC will review the implications for major investment projects and ensure that future investment decisions continue to align with national priorities, collaboration opportunities and the efficient use of public assets. At the same time, essential maintenance, safety and compliance requirements will continue to be addressed.

The College IIP is intended to be a living plan rather than a fixed programme of investment. Colleges will update information as circumstances change, with SFC reviewing and updating the Plan annually to reflect emerging priorities, new evidence and project development.

The Plan is expected to be formally refreshed every three years, with more substantial reviews undertaken earlier where significant changes in policy, funding or sector priorities warrant revision. Through this process, the Plan will provide a transparent and evidence-based framework for informing future investment decisions, supporting sector reform and improving the long-term sustainability of Scotland's college estate.

Conclusion

The evidence presented through Baseline 2026 demonstrates both the scale of the challenge facing Scotland's college estate and the importance of taking a long-term, strategic approach to infrastructure investment. Without sustained action, existing pressures on building condition, safety, resilience, digital infrastructure and sustainability are likely to increase, affecting colleges' ability to support learners, employers and communities effectively.

The College Infrastructure Investment Plan provides a framework for responding to these challenges. It establishes a consistent and evidence-based approach to understanding investment need, prioritising proposals and aligning future investment with national priorities. In doing so, it supports more informed decision-making while recognising the wider context of public sector reform, collaboration and the efficient use of public assets.

The plan is very much focussed on the short-to-medium term needs of the sector but also with a view to the longer-term needs. The future needs will emerge through the work of the College Sector of the Future workstream and in development of a strategic programme business case.



Photo: Dumfries and Galloway College



Photo: UHI North, West and Hebrides

The Plan is intended to support investment that not only addresses immediate risks and maintenance requirements, but also helps colleges adapt to changing learner needs, future skills demands, technological developments and Scotland's net zero ambitions. It recognises that future investment decisions must balance estate renewal with opportunities for collaboration, shared services, repurposing of assets and new delivery models.

Success will ultimately be measured not by the scale of investment secured, but by the outcomes achieved. The ambition is for a college estate that is safe, sustainable, financially resilient and fit for the future; one that provides high-quality learning environments, supports staff and students effectively, makes best use of public resources and contributes to Scotland's economic and social priorities.

As a living document, the College IIP will continue to evolve alongside the sector. Regular review and engagement with colleges, the Scottish Government and other partners will ensure that it remains relevant, responsive and capable of supporting strategic investment decisions over the years ahead.

Acknowledgements

The Scottish Funding Council would like to thank all colleges and sector partners who contributed to the development of the College Infrastructure Investment Plan and the Baseline 2026 exercise. Their expertise, data, insight and engagement have helped to shape the evidence base and future direction of infrastructure investment across Scotland's college sector.

We are particularly grateful to the SCMG, Scottish Futures Trust (SFT), AtkinsRéalis, the Infrastructure Delivery Group (IDG), the College Infrastructure Departmental Assurance Group (CIDAG), SFC's Capital Committee, Jisc and Environmental Association for Universities and Colleges (EAUC) for their advice, challenge and ongoing support throughout the development of this Plan.

Annex A: Colleges in scope and data basis

College	GIFA (m2)	Student enrolments	Student FTE	Book Value £ Million
Ayrshire	51,290	14,225	7,838	£139
Borders	19,532	3,056	1,684	£29
City of Glasgow	86,760	24,671	12,865	£322
Dumfries and Galloway	18,380	4,138	1,973	£47
Dundee and Angus	56,760	10,602	5,898	£83
Edinburgh	87,569	25,190	11,202	£427
Fife	59,539	23,738	12,200	£199
Forth Valley	34,387	14,937	6,605	£191
Glasgow Clyde	62,010	17,000	-	£225
Glasgow Kelvin	29,945	11,449	4,821	£117
New College Lanarkshire	75,727	13,000	7,748	£218
Newbattle Abbey	6,503	67	-	£50
North East Scotland	69,876	18,467	5,243	£215
Sabhal Mòr Ostaig	12,231	1,600	200	£41
South Lanarkshire	18,691	4,449	2,130	£67
UHI Argyll College	4,269	2,458	576	£9
UHI Inverness College	17,466	3,051	1,504	£52
UHI Moray College	19,591	4,470	1,707	£29
UHI North, West & Hebrides College	39,860	4,929	3,021	£237
UHI Orkney College*	7,761	2,410	572	£0
UHI Perth College	27,688	4,935	3,298	£117
UHI Shetland College	9,987	2,280	300	£34
West College Scotland	71,119	4,007	6,830	£273
West Lothian	16,720	5,385	2,822	£50
Totals	**903,661**	**220,514**	**101,037**	**£3,172**

a) GIFA is Gross Internal Floor Area,

b) Value £m is Book Value where reported (blank is not reported or relevant)

c) * Orkney estate owned by Orkney Island Council

Annex B: Investment group definitions

	Definitions
Investment Group	Defined groups for costs collected in Baseline 2026.
Backlog Maintenance	Backlog Maintenance is historical maintenance that should have been, but has not been, completed resulting in a maintenance deficit or backlog.
Compliance	Compliance is the cost to become compliant with current legislations relating to infrastructure. This includes access to building or adaptations to accommodate different needs as well as testing and certification of building systems and management. This will also include future requirements relating to health and safety in line with legislation for example the emerging issues relating to Martyn's Law and implication for the security and protection of public spaces.
Planned Maintenance	Planned maintenance is an annual recurring cost that is planned on a regular or periodic basis to maintain the condition and fabric of infrastructure within its design life over a period of time.
Reactive Maintenance	Recurring maintenance is a recurring annual cost to "react" to unplanned events in terms of infrastructure failure, damage or vandalism for example.
Lifecycle	Replacement cost of assets at the end of their design life. This is separate from PM and RM where an element or system needs to be replaced at the end of its design life. These are longer term replacements such as a roof or a heating / cooling systems at the end of its life that needs to be replaced.
Physical Projects	Physical project investment including to repurpose blocks (buildings) or campuses, major refurbishment projects or investment in new campus proposals.
Digital Projects	To develop new digital infrastructure or upgrade existing infrastructure for existing and new service delivery and technology enablement. This is the investment required to meet 2030 standards including cabling, networking and security infrastructure as well as equipment and technology to provide service or operate digitally.
Decarbonisation and Adaptation Projects	Discrete future projects to address net zero, adaptions and sustainability projects and support national priorities and targets.

Annex C: Glossary

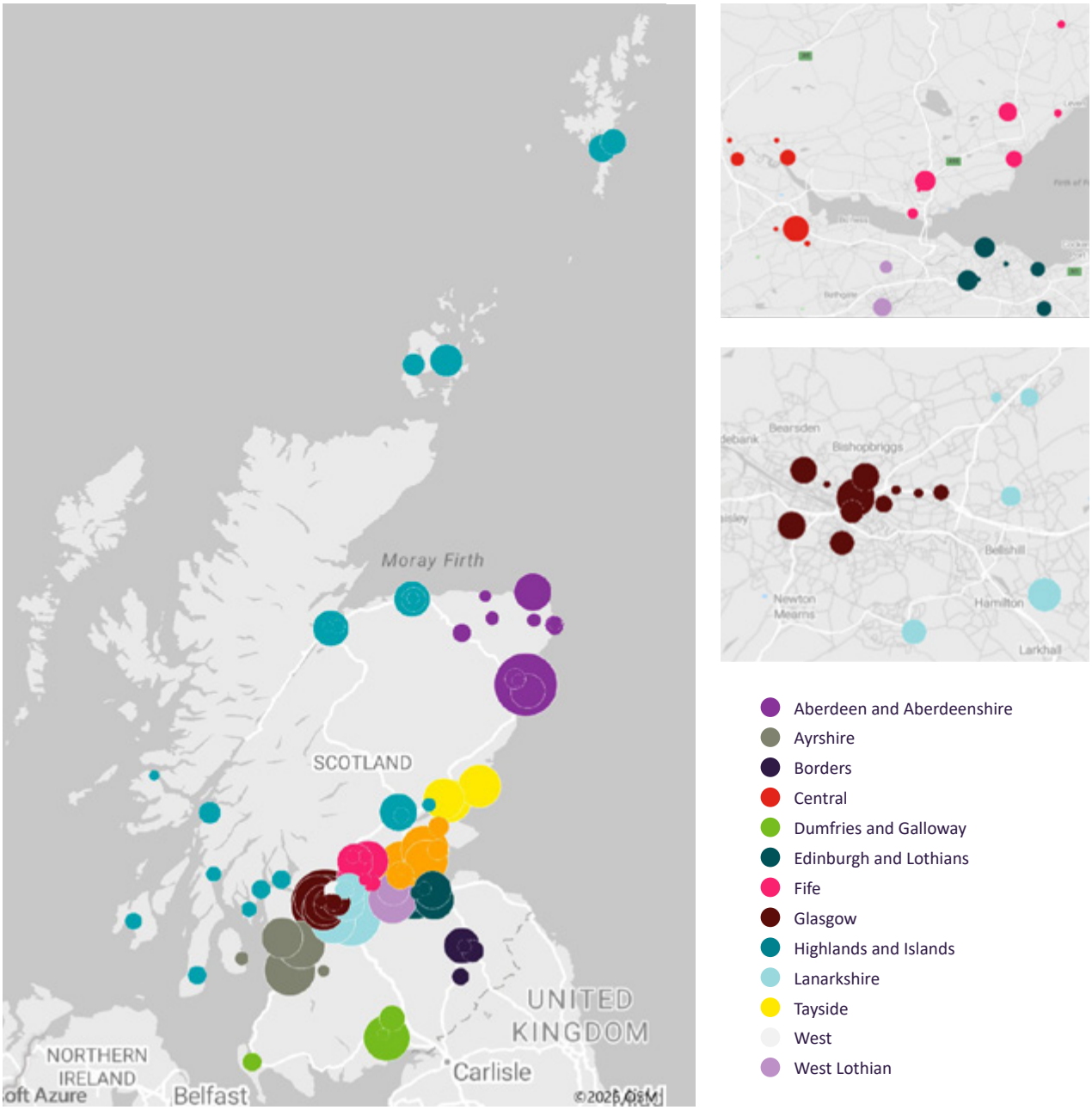
Term	Definition
College IIP	College Infrastructure Investment Plan.
CIS	College Infrastructure Strategy.
FBC	The Final Business Case is the third level of business case developed progressively from the SOC and OBC to meet all criteria required for funding consideration.
Five Case Model	The Five Cases - Strategic, Economic, Commercial, Financial and Management – which underpin the Green Book guidance provide the information and data required to support the progressive development of the Final Business Case.
GIFA	Gross Internal Floor Area - the total enclosed space including internal walls and service areas of a building.
Green Book	The Green Book is the UK Treasury Guidance the develop capital investment business cases.
NIFA	Net Internal Floor Area is the useable space within a building excluding structural element and communal areas.
OBC	The Outline Business Case is a second level case to further develop SOC level case.
PBCCD	Public Bodies Climate Change Duties defines the duty that public bodies have align with and meet Scottish Government climate change goals and targets.
SCIM	The Scottish Capital Investment Manual provides guidance and key stages in developing business cases.
SOC	Strategic Outline Case - in the first level business case for prioritised SoN to scope and scale capital investment projects consistent with SFC process and funding requirements.
SoN	Statement of Need has been developed by SFC for colleges to identify needs that will translate into a business case to create a long list of projects for funding consideration and approval.

Annex D: College campus institution maps

The College Infrastructure Investment Plan covers a national estate that supports teaching, learning and skills development across Scotland.

This map shows the location of college campuses, demonstrating the geographical reach of the sector and the importance of maintaining a resilient and sustainable estate to meet regional needs. The size of the dots on the map represent the scale of student enrolment at each institution.

Scottish Colleges' campuses by region



Annex E: Supporting guidance and templates

Guidance, templates and sector resources are available to support implementation of the College Infrastructure Investment Plan.

Links to relevant materials are available on the SFC website.

1. Infrastructure Strategies – Updated Guidance

This guidance will explain the role of college infrastructure strategies in setting out long-term estate, digital, decarbonisation and adaptation requirements. It will support colleges to align local plans with the College IIP, sector priorities and future investment decisions.

2. Scottish Capital Investment Manual (SCIM) – New Templates

This guidance will provide templates and process information to support the development of Statements of Need, Strategic Outline Cases, Outline Business Cases and Full Business Cases. It will help colleges present investment proposals consistently and in line with the Scottish Capital Investment Manual.

3. Space Utilisation – Updated Guidance

This guidance will support a more consistent approach to measuring, reporting and using space utilisation data across the college sector. It will help colleges assess how effectively existing assets are used and provide stronger evidence for future investment proposals.

4. Digital - Sector Evidence and Supporting Resources

Jisc has provided an overview of the current state of digital infrastructure across Scotland's colleges, drawing on infrastructure reviews and Digital Elevation Tool data. The report highlights sector-wide strengths, risks and priorities, providing evidence to support strategic planning and investment in digital infrastructure, cyber resilience, connectivity and digital services.

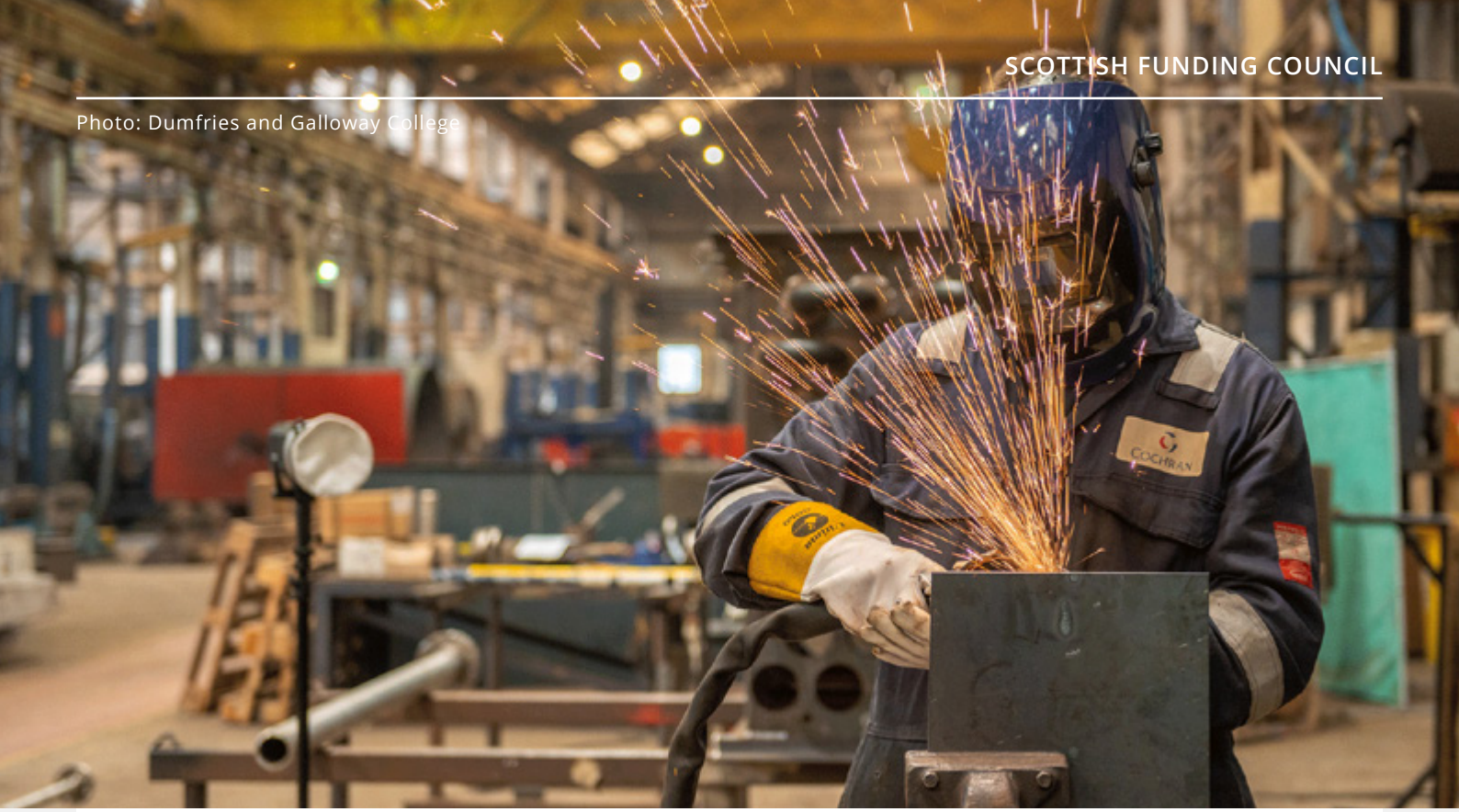


Photo: Dumfries and Galloway College

5. Net Zero and Climate Change – Sector Evidence and Supporting Resources

EAUC Scotland has provided an assessment of sustainability, decarbonisation and climate adaptation considerations relevant to college infrastructure planning. The briefing identifies key risks, opportunities and recommended areas of focus to support investment decisions that contribute to net zero, climate resilience, learner wellbeing and wider sustainability objectives.

Support

Colleges can obtain information and support from the Scottish Funding Council on applying the College IIP and its supporting guidance.

The Scottish Government's Property and Construction Division (PCD) provides public sector property policy, standards, guidance and advice.

For further information, please contact:

Estates@sfc.ac.uk - College IIP and supporting guidance

propertyandconstruction@gov.scot - Scottish Government property policy and standards

Supporting guidance and templates will be reviewed and updated periodically to reflect emerging sector priorities, policy developments and improvements in practice.

Cover Photos:

UHI North, West and Hebrides

Fife College

West Lothian College

Forth Valley College

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