



SFC Announcement

Additional Funding to Meet the Costs of Lecturers' Pay April 2017 to July 2018

Issue date: 10 July 2017

Reference: SFC/AN/10/2017

Summary: The purpose of this publication is to announce 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

Further information: **Contact:** Lorna MacDonald
Job title: Director of Finance
Department: Finance
Tel: 0131 313 6690
Email: lornamacdonald@sfc.ac.uk



Scottish Funding Council
Promoting further and higher education

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD
T 0131 313 6500
F 0131 313 6501
www.sfc.ac.uk

Additional Funding for Lecturers' Pay April 2017 to July 2018

Purpose

1. I am writing to announce an additional £1.5 million of funding to ensure that colleges have sufficient resources to meet the additional costs between April 2017 and July 2018 which arise from increased lecturers' pay, as a result of the recent agreement between colleges and the Educational Institute of Scotland Further Education Lecturers' Association (EIS-FELA). We will also be amending the payment profile for AY 2017-18 to ensure that colleges can fully pay salary costs incurred between April 2017 and July 2017.

Additional Grant

2. An additional £1.5 million of AY 2017-18 Grant will be distributed in AY 2017-18 to reflect costs related to salary data compiled by Colleges Scotland. In taking decisions on the distribution of this additional £1.5 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. The AY 2017-18 Teaching Grant 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, and a revised Table 2 from the Outcome Agreement Funding for Colleges – Final Allocations for AY 2017-18 is at Annex B.
5. In total we have allocated an additional £1.5 million to fully fund lecturers' pay between April 2017 and July 2018. We have set aside an additional £0.5 million to be allocated based on further discussions with Colleges Scotland and individual colleges on some residual costs in some colleges.
6. To be clear, at this stage the £1.5 million does not cover possible additional costs arising from matters which still have to be assessed by the sector and individual colleges in relation to the pay agreement between colleges and EIS-FELA. This includes detailed work which is due to be carried out in the autumn on adjustments to how staff are matched to specific spinal points.

Payment profile

7. In order that colleges are able to meet the costs of increased lecturers' pay for the period April 2017 to July 2017, we will now rephase £1.8 million of the increased AY 2017-18 Teaching Grant to be paid at the end of this month. Due to the timing of this announcement colleges will not be required to claim this funding, and SFC will make an additional payment around 20 July. This is also set out in Annex A.

Further information

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

A handwritten signature in black ink, appearing to read 'J. Kemp', with a stylized flourish at the end.

John Kemp
Interim Chief Executive