

Conditions of college funding 2021-22

1. Grant funding is provided to allow colleges/Regional Strategic Bodies (RSBs) to deliver their regional outcome agreements under Sections 9 and 10 of the Further and Higher Education (Scotland) Act 2005.
2. Governing bodies and their designated officers must comply with the terms of the [Financial Memorandum](#) between the Scottish Funding Council (SFC) and fundable bodies in the college sector.
3. Colleges/RSBs must have regard to public sector pay policy set by Scottish Ministers.
4. Colleges/RSBs are required to comply with any principles of governance which SFC believes to constitute good practice in relation to such bodies. RSBs receiving grants from SFC are required, when making payments to any college assigned to it, to impose this condition on the college.
5. Colleges/RSBs must maintain provision of acceptable quality and develop and implement a satisfactory quality improvement strategy.
6. If the Scottish Government revises its grant funding to SFC, we reserve the right to make in-year adjustments to college/RSB funding. In this case, SFC would renegotiate the terms of its outcome agreement with the college/RSB.
7. Where appropriate, colleges/RSBs must provide data returns requested by SFC to the deadlines and standards specified. Relevant guidance can be found on the SFC website.
8. Where appropriate, colleges/RSBs must follow SFC's Student Support guidance.
9. Where a college/RSB is in receipt of European Social Funding (ESF) it must follow and adhere to ESF programme guidance/requirements.
10. The funding outlined in this announcement is subject to the agreement of your outcome agreement for Academic Year (AY) 2021-22.

Tuition fees

11. Where applicable, colleges must charge student tuition fees at the levels set by Scottish Ministers under either the Student Fees (Specification) (Scotland) Order 2006 or the Student Fees (Specification) (Scotland) Order 2011, whichever is applicable. Under the 2005 Act, RSBs receiving grants from SFC are

required, when making payments to any college assigned to it, to impose this condition on the college. However:

- The tuition fee levels set by Scottish Ministers under the Student Fees (Specification) (Scotland) Order 2006 do not apply to students who do not have a relevant connection with the United Kingdom and Islands or are not excepted students within the meaning of the Education (Fees and Awards) (Scotland) Regulations 2007.
 - The tuition fee levels set by Scottish Ministers under the Student Fees (Specification) (Scotland) Order 2011 do not apply to students who do not have a relevant connection with Scotland or are not excepted students within the meaning of the Education (Fees) (Scotland) Regulations 2011, but any tuition fees charged to students from the rest of the United Kingdom (rUK) must not exceed £9,250 per year.
12. The Education (Fees and Student Support) (EU Exit) (Scotland) (Amendment) Regulations 2021 were laid in Scottish Parliament on 21 January 2021 and are due to come into force on 1 August 2021. The Regulations amend the Education (Student Loans for Tuition Fees) (Scotland) Regulations 2006, the Education Authority Bursaries (Scotland) Regulations 2007, the Nursing and Midwifery Student Allowances (Scotland) Regulations 2007, the Students' Allowances (Scotland) Regulations 2007, the Education (Student Loans) (Scotland) Regulations 2007, the Education Maintenance Allowances (Scotland) Regulations 2007 and the Education (Fees) (Scotland) Regulations 2011.

Fees for EU students up to 2020-21

13. The Scottish Government has confirmed it will meet the cost of tuition fees for eligible European Union (EU) students starting their course in AY 2019-20, and AY 2020-21, for the duration of their course. This includes eligible articulating students starting Higher National courses who progress directly to year two or three of a degree and students undertaking planned intercalating years. EU students who begin their courses between 1 January and 31 July 2021 will also be eligible for free tuition, although if they arrive in the UK after 1 January 2021 they will require a visa to enter the UK.

Change in fee support for EU students from 2021-22

14. In July 2020, Scottish Ministers [confirmed](#) that as a result of Brexit, HE students coming from the EU to attend Scottish universities and colleges will no longer qualify for tuition fee support beyond AY 2020-21. Home fee status for EU students coming to study in Scotland will come to an end after AY 2020-21. For more information on eligibility criteria, refer to SAAS guidance at <https://www.saas.gov.uk/need-to-know/brexit>.

15. As set out in paragraph 12 above, the Scottish Government has amended the relevant legislation and changes will come in to force from 1 August 2021.
16. Republic of Ireland (RoI) students have, as EU members, been eligible for free tuition, despite the fact that rUK students – including those from Northern Ireland – are charged the rUK tuition rate of £9,250 per year. The Scottish Government has, following Brexit, ended the free tuition fee arrangement (from AY 2021-22) meaning that going forward they will be treated in the same way as rUK students in terms of fee charging, e.g. eligible for the rUK tuition fee rate from AY 2021-22 and can access a tuition fee loan from SAAS.
17. The above changes apply to students resident in the EU who are starting courses in Scotland from AY 2021-22 onwards. EU nationals who are resident in the UK prior to 31 December 2020 and who have settled or pre-settled status will continue to have the same rights as other UK citizens, including eligibility for free tuition.

Other programme funding

18. Other grant funding must only be used for the purpose(s) for which it is provided. Colleges/RSBs must adhere to the requirements and any specific conditions of grant as detailed in each project's letter of grant.

Capital funding

19. Capital funding must only be used by colleges/RSBs for the purpose(s) for which it was allocated and must be **spent by 31 March 2022**.

High priority backlog maintenance

20. Capital funding for high priority backlog maintenance must be used to address the high priority backlog maintenance requirements informed by the sector estate condition survey, unless the college submits a case (and obtains SFC prior approval) for addressing other more pressing needs.

Lifecycle maintenance

21. Capital funding for lifecycle maintenance must be used to support the year-on-year costs of running the college's estate.

Failure to adhere to these conditions

22. As a standard condition of funding, if a college/RSB does not deliver its outcome agreement and the targets set out within it, or does not meet any other conditions of grant (including those set out in this document), SFC will consider the recovery of grant and/or reductions in future funding.