



# Higher Education Discretionary Funds Guidance

**2022-23**



**The Scottish Government**  
Riaghaltas na h-Alba

## USEFUL CONTACTS

### Student Awards Agency Scotland

Saughton House  
Broomhouse Drive  
EDINBURGH  
EH11 3UT  
0300 555 0505  
<http://www.saas.gov.uk/>

If you have any queries about eligibility or implementation of the regulations presented in this guidance, please contact the SAAS Policy Team who will be able to advise you further.

[Saas\\_policy@gov.scot](mailto:Saas_policy@gov.scot)



### The Scottish Government

Student Financial Support Team  
Atlantic Quay  
150 Broomielaw  
Glasgow  
G2 8LU  
<https://www.gov.scot/>

Chief Nursing Officer's Directorate  
St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG  
<https://www.gov.scot/>



**The Scottish  
Government**

## IMPORTANT DATES

**31<sup>st</sup> October**

✓ Audited Fund Accounts to be sent to SAAS

**31<sup>st</sup> March**

✓ SAAS will contact Fund Managers to provide End of Tax Year Interim Balance (until 31<sup>st</sup> March) in early April

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# INTRODUCTION

These notes provide guidance to assist Fund Managers in the operation of the Higher Education (HE) undergraduate and postgraduate Discretionary Funds which have been allocated to them by Scottish Ministers.

Institutions should use these guidelines to assist them to devise suitable systems, for which they will be accountable, to undertake the receipt and disbursement of the funds.

## ABOUT THE FUND

### Changes for 2022-23

- The 2022-23 funds will be disbursed in a **single payment**. Your full allocation will be issued in **August**.
- Any unspent funds from 2022-23 should be returned to SAAS along with an audited return by 31 October 2023.
- The £4,000 cap per student is re-instated for 2022-23. A £2,500 cap will remain in place for Nursing and Midwifery, and Paramedic Science students (PNMSB). Paramedic Science students should be supported from the ring-fenced PNMSB allocation. You should only consider awarding sums above this limit in exceptional circumstances. Please contact [SAAS\\_Policy@gov.scot](mailto:SAAS_Policy@gov.scot) for approval.
- Eligible students must access the full living cost loan or bursary they are entitled to, from their funding body.
- Students incurring financial hardship as a direct result of global conflicts are eligible to apply to the fund (first introduced in 2021-22). This targets international students who are directly impacted. Further guidance is available on page 7 and an additional Q+A can be found on page 26.
- The Funds have been extended to all asylum seekers undertaking eligible courses of Higher Education. Support can be given towards travel and childcare costs (Childcare Fund cannot be used). Further information is available on page 7.

### Purpose of the HE 2022-23 Discretionary Funds

Discretionary Funds are intended to provide non-repayable assistance for students in financial difficulties in order for them to access and/or continue in Higher Education (HE) and are paid in addition to any other forms of student support. In HE, Discretionary Funds are allocated by Scottish Ministers, via Student Awards Agency Scotland (SAAS) and are administered by individual institutions. For students in Further Education, the Scottish Funding Council (SFC) issues separate guidance on the disbursement of Discretionary and Childcare Funds. Further information will be available in due course at [www.sfc.ac.uk](http://www.sfc.ac.uk).

The further and higher education childcare funds **in the college sector** are pooled creating a FE/HE discretionary childcare fund administered by the colleges. SFC will issue separate guidance for funding officers.

It will be for fund Managers to decide how to disburse funds to individual students. The funds should be targeted to those students in particular need, while the criteria being applied should be flexible enough to allow a fair and just response to individual cases. The maximum award from the funds to individual students is set at £4,000 but institutions can consider awarding larger sums in exceptional circumstances.

## **Higher Education Undergraduate (UG) Discretionary Fund**

Support from the UG Discretionary Fund is available to eligible full and part-time students who are undertaking HNC, HND, degree or equivalent courses and to those on PGDE courses. Eligible students must satisfy the various criteria laid out in this guidance.

## **Postgraduate (PG) Discretionary Fund**

Support from the Discretionary Fund is available to eligible students who are undertaking a course of full or part-time study.

Please note, students in receipt of an Educational Psychology training grant as part of the two year MSc in Educational Psychology will not be entitled to support from PG Discretionary Funds.

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# ELIGIBILITY

FOR INFORMATION ABOUT THE WINTER COVID INSTALMENT, PLEASE SEE ANNEX A

## Eligibility Table

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## ELIGIBILITY TABLE

The table below outlines the criteria for full-time and part-time **Undergraduate and Postgraduate** students who can apply for help from the discretionary funds:

<b>Eligible to apply to:</b>	<b>The Undergraduate Discretionary Fund</b>		<b>The Postgraduate Discretionary Fund</b>
<b><u>Domicile/residence</u></b>	Is UK domiciled and meets residency criteria set out in the Education (Access Funds) (Scotland) (No.3) Determination 2022, or is eligible to receive maintenance support under legislation applicable in other parts of the UK. Criteria is set out <a href="#">in this guidance</a> .		Is UK domiciled and meets residency criteria set out in the Education (Access Funds) (Scotland) (No.3) Determination 2022, or is eligible to receive maintenance support under legislation applicable in other parts of the UK. Criteria is set out <a href="#">in this guidance</a> .
<b><u>Age</u></b>	Must be 16 years or over and past compulsory school leaving age.		Must be 16 years or over and past compulsory school leaving age.
<b><u>Eligible Courses</u></b>	Must be attending an undergraduate course of study.		Must be attending a postgraduate course of study
<b><u>Other Support</u></b>	Must have used full entitlement of all other available support such as student maintenance support. (including living cost loan or bursary)		Must have used full entitlement of all other available support such as student maintenance support. (including living cost loan)
<b><u>Priority Groups for this fund</u></b>	Students with at least one dependent child, care experienced students, estranged students, students who are carers, students significantly impacted by the cost of living crisis.		Students who receive full time postgraduate fee support from SAAS and students who receive part time postgraduate fee support from SAAS, students significantly impacted by the cost of living crisis.

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## RESIDENCE

### Ordinary Residence

To be eligible to apply for support from the Discretionary Funds, you must meet the following conditions:

- Be ordinarily resident in the United Kingdom, the Channel Islands or the Isle of Man for the three years immediately before the relevant date (the first day of the first academic year of the course). If you fall short of being ordinarily resident in the UK and Islands for the three year qualifying period, even by one day, you will not be eligible to apply for support under the normal residence conditions, AND
- If you are not a UK national, you must have 'settled status' in the UK (as set out in the Immigration Act 1971) on the relevant date, AND
- Be ordinarily resident in Scotland on the relevant date. We will not treat you as being ordinarily resident in Scotland if your main purpose in coming here has been to receive fulltime education and that you have no intention of staying and living here.

### Forces Personnel

Under the temporary non-resident arrangements, forces personnel are treated as being resident in the country in which they were ordinarily resident before they "signed up/enlisted". If they are ordinarily resident in Scotland but are serving overseas, they would also be eligible. Family members of serving forces personnel are also considered eligible in the country in which the serving forces personnel was ordinarily resident before they signed up/enlisted.

### Asylum Seekers

The Home Office provides living cost support to people in the asylum process (asylum seekers) who are destitute. This is known as Asylum Support. They can access either financial support of £40.85 and (no choice) accommodation, or financial support alone, known as subsistence-only. In Scotland, they have full access to the NHS and, everyone has the Right to education from nursery through to Secondary school. People in the Asylum Process have the right to access Higher education, but they will need to pay for it themselves, and are **not** normally entitled to support from SAAS.

The support provided by Home Office is for essential living costs. From 2022-23, the HE Discretionary Fund can be used to support this group with **travel, childcare and other study** costs. For students who are on Sanctuary Scholarships via their university/college and/or are not in receipt of Asylum Support, further living cost support is allowed.

Similar to people who are in receipt of some social security, Asylum Support is means-tested. If people who are in receipt of Asylum Support receive payments for **living costs** from elsewhere, they will be considered no longer destitute by the Home Office and their Asylum Support will be impacted, with the potential consequence of losing their accommodation and subsistence. Travel, childcare and other study costs are all allowed if it is clear that they are essential to be able to fulfil a course of study. People in the Asylum process who choose to enter a course of Higher Education are NOT normally entitled to living cost support from SAAS.

Bank accounts: There are well-known challenges for people newly arrived to the UK to open bank accounts because of anti-money laundering legislation, and this also affects people in the asylum process. We suggest that colleges and universities should provide this travel and study support in the form of physical items (vouchers, pre-paid cash cards, etc), and not cash or BACS payments. Childcare costs must be paid directly to the childcare provider.

Institutions should consider options around using the funds to purchase vouchers and pre-paid cash cards for study costs. Examples include:

[www.love2shop.co.uk](http://www.love2shop.co.uk)

[www.yordex.com](http://www.yordex.com)

We would ask institutions to be mindful of bulk buying any cards/vouchers towards the end of the academic year to ensure unspent funds are returned to SAAS as normal.

The rules surrounding what support can be given to Asylum Seekers can be complex, and if you have any doubt on what can be provided please contact Scottish Refugee Council on 0808 196 7274 (9am – 5pm Monday – Friday) where they will be happy to provide further guidance.

### Other Residency Exceptions

If a student is not eligible for support under the general residence conditions, they may still be eligible to apply to the Childcare Fund for support under one of the exceptions to the ordinary residence conditions. Detailed information about the exceptions to our residency criteria can be found at [SAAS Residency conditions](#). If you need further clarification on residency eligibility, please contact the [SAAS Policy Team](#), who will be happy to assist you.

EU nationals who are eligible for full living cost support will also be eligible to apply to the fund. As will those EU nationals with protected rights eligible for tuition fees only, who were here by the end of 2020, have pre-settled status, but haven't been in the UK for 3 years.

### Additional Residency Exception – students directly impacted by global conflicts

Students facing financial hardship as a **direct** consequence of a global conflict will be eligible to apply for the HE Discretionary Funds. Institutions should assess 'need' in the normal way. This means that some international students will have access to the funds.

*When can students access funds* – examples of a **direct** impact will be where access to financial support from overseas has reduced or disappeared or there is a requirement for students to support families overseas because of a conflict.

*When students cannot access funds* – funds should not be awarded to pay the cost of tuition fees or to cover expensive accommodation costs.

**Also, it is important to note that an unintended consequence of access to the Discretionary Funds is NOT to provide financial support to individuals currently targeted by the UK Sanctions regime. Institutions should aim to ensure that any recipient was not a person 'associated with' one of the designated persons in the UK sanctions regime. The list of designated persons are set out in the 'The UK Sanctions List - GOV.UK (www.gov.uk)'.**

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### AGE

Students are not eligible for support from Discretionary Funds unless they are deemed to have attained the age of 16 years under section 33 of the Education (Scotland) Act 1980. Therefore, students entering HE before they are deemed to have reached the age of 16 are not eligible to apply for support from the Discretionary Funds.

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## ENGAGEMENT

Institutions must be satisfied that students are undertaking an appropriate course of education and that their attendance is satisfactory. Students who are on medical leave of absence, have temporarily suspended their studies and are not eligible to receive benefits are eligible to apply to the funds. However, institutions should consider the level of support to be awarded given that they are not attending.

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## PREVIOUS STUDY RULE/LINK TO TUITION FEE ELIGIBILITY

There are no previous study rules which attach to the Discretionary Fund. Students who cannot attract tuition fee support due to previous study can still be considered eligible for support from the Discretionary Funds.

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## OTHER SUPPORT

### Maintenance Loan

Student loans are an integral part of the system of student support. Students who are eligible for a maintenance student loan are, of course, free to decide whether to take out a loan and, if so, how much to borrow.

**However, a full-time student must have taken out, or applied for, the full living cost loan and/or bursary, that they are entitled to.** The only exception to this rule is when the application is in relation to Disabled Students Allowance (DSA), see [Disabled Students section](#) for further details. Institutions should contact SAAS if they are unsure whether a student has applied for any living cost support entitlement.

### Tuition Fee Loan

Students do not need to have taken out their tuition fee loan (if eligible) in order to receive assistance from the Discretionary Funds. However, HEIs should be satisfied that the decision not to take out a tuition fee loan is not impacting on their ability to meet other living-costs for which they are seeking assistance from the Discretionary Funds.

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## MODE OF STUDY

The Discretionary Funds must only be used to assist students in one of the following groups:

- For the Undergraduate Discretionary Fund, students who are undertaking full or part-time undergraduate courses in HE
- For the Postgraduate Discretionary Fund, full or part-time postgraduate students who are studying in HE at levels above first degree. Please note, students in receipt of an Educational Psychology training grant as part of the two year MSc in Educational Psychology) will not be entitled to support from PG Discretionary Funds

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## DISABLED STUDENTS

Discretionary Funds are not intended to provide additional study support that is available from the Disabled Students' Allowance (DSA) unless:

- the DSA is insufficient to cover the whole cost, such as costs for required equipment,

- The cost cannot be met from the DSA
- The funds are to be used to meet the reasonable cost of a diagnostic assessment (mainly for dyslexic students, there is no requirement for the student to have taken out a student maintenance loan).

Neither should the funds be used to provide any support that should be met by the institution as a 'reasonable adjustment' under the Equality Act 2010.

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# ASSESSMENTS

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## HOW NEEDS ARE ASSESSED

A balanced and proportionate approach should be taken when considering each application in regards to evidence submitted/ assessed. The priority is to make the administrative process as straightforward as possible for students. However, it remains at the discretion of each institution as to what evidence is permitted. **A new Good Practice Guide/Set of Principles has been established and is available at Annex A.**

In addition to their application a student *may* provide:

- proof of their accommodation (rent/ tenancy agreement) for those who are seeking support for accommodation costs
- a recent bank statement (can be screenshot) for those who are seeking support for other hardship reasons.
- details of their weekly income/expenditure.
- any other information which the institution feels is relevant to assessing hardship.

It is for institutions to decide what evidence is required in order to verify the information provided by the student. However, in the interests of prudence and value for money, institutions should examine a random sample of cases to compare estimated expenditure with actual expenditure incurred. Students should therefore be informed that they may be asked to provide proof of actual expenditure later in the year. Institutions must remember however, that payments from the undergraduate Discretionary Fund should only be made when the student has applied for a living cost student loan and/or bursary (if eligible). Institutions may wish to devise their own proforma for students to sign before gaining support from the funds. This should include a declaration from the student that they are getting support from SAAS.

## Factors for consideration in the assessment of need:

- Whether the claimed deficit between income and expenditure constitutes real need and cannot reasonably be reduced to a manageable level by the student;
- Whether the payment should be in instalments or in the form of a short term repayable cash advance;
- The availability of support from alternative sources, for example, bursaries, assistance from SAAS, assistance from a Local Education Authority (for students from England, Wales and Northern Ireland), Social Security Benefits.
- The circumstances of students and types of need prevalent locally and any existing local schemes for improving access;
- The frequency with which payments to individuals should be made and entitlement reviewed; and
- In considering requests for support from the Funds from students who have temporarily suspended their studies through illness, or who may be experiencing difficulty in finding a placement in industry as an essential part of their course, institutions should first check whether the student continues to be registered as a student. They should also take into account the prospect of the student resuming his or her course and the availability of support from other sources.

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## ADVICE TO STUDENTS

Institutions may receive enquiries about assistance from all the Funds before courses actually start. Those administering these Funds may advise prospective eligible students of the amount which they will receive on starting their course

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# FINANCIAL PROCESSES

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## **DISBURSEMENT AND PAYMENT AMOUNTS**

Assistance from the funds can be given in the form of a cash payment to the student, or vouchers may be more appropriate in certain circumstances.

Institutions will decide how to disburse funds to individual students. The funds should be targeted to those students in particular need, while the criteria being applied should be flexible enough to allow fair and proportionate response to individual cases.

It should be remembered that very large individual payments to a few students disproportionately reduces the amount of funds available for other cases of hardship. Similarly, very small amounts may cause an administrative burden, however, if the payment of small amounts is considered to be an effective means of dealing with an application, then institutions are free to disburse as they consider appropriate.

Managers are free to take account of any other factors they decide are appropriate.

Institutions should operate a rolling programme for applications so that students can apply for help at any time during the academic year as opposed to institutions simply considering applications for assistance at two or three fixed times a year. Institutions should also seek to ensure that applications are processed as quickly as practicable, taking into account that some payments will be issued while remote working practices continue.

Included in the allocation of Discretionary Funds is a fund for administration which can be used to cover reasonable costs for **audit, advertising and publicity** of the Discretionary and Childcare funds.

Institutions will wish to ensure that a disproportionate amount of funds are not being used to recruit those who would otherwise be deterred from commencing a course rather than meeting cases of hardship ensuing after students have started their courses.

Institutions can use the Discretionary Funds to provide scholarships or bursaries to assist with meeting the living costs, **but not the tuition fees**, of students who would otherwise be deterred from entering or continuing HE because of their financial circumstances. Students must meet the overall eligibility criteria for the Discretionary Funds to receive bursary/scholarship assistance from the Discretionary Funds.

The total that can be spent by institutions on new bursaries in the academic year should not exceed 10% of the institutions' total Discretionary Fund budget.

A key principle of this bursary scheme is that students should know in advance of starting their course what assistance will be available to them, although no payments should be made until the student has enrolled. The bursary scheme should not be used, however, to top up an existing studentship or postgraduate award made by SAAS or any Research Council.

Institutions should be aware of the need to retain enough money in the Discretionary Fund for emergency use and the potential impact of bursary support on benefits entitlement.

Institutions should also ensure that rUK students are aware of their eligibility to access support through Discretionary Funds, to ensure that those that require financial support can apply for it.

## **Summer support**

Some continuing students find that they need financial assistance late in the academic year to help support them over the long summer vacation. Institutions may wish to consider holding back some of the funds, and keep in place arrangements for considering late applications.

Universities and colleges will need to consider the circumstances of each case, particularly for those students who have childcare and/or caring responsibilities over the summer; are conducting a placement or other course related activity over the summer and therefore are limited in their capability to work during this period. There may also be other personal circumstances out with the student's control that affect their ability to gain employment over the summer.

Universities and colleges should also be mindful that some students may be able to claim benefits over the summer, whilst others may have managed to secure employment. This should be considered when assessing applications for support.

## **Students on benefit in the second and subsequent years of their course**

Students commencing their course in the coming academic year continue to be able to claim any income-related benefits to which they are entitled until such time as they commence their course. Continuing students, however, are unlikely to be able to claim benefits such as Universal Credits over the summer. As a result, some continuing students may need assistance from the Discretionary Fund until they receive their loan payment at the start of the autumn term.

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## TREATMENT OF FUNDS BY INSTITUTIONS

### Appeals, Applications and Decision-Making Process

Institutions should have an appeals procedure in place for cases where students have applied unsuccessfully for help from all the funds. This procedure should be clear and students should be informed of their right to appeal. It will be for each institution to resolve any appeals internally with individual students about the award of a payment from the funds. Appeals should not be referred to the Scottish Ministers or SAAS.

Institutions should have a transparent application and decision-making process. Again it will be for each institution to ensure that they have their own arrangements in place.

### Publicity

Institutions are responsible for publicising the availability of these funds to their students.

### Treatment by the Department of Work and Pensions (DWP) of payments from both funds

Payments from the funds will be disregarded as long as they are not intended for general living costs and do not, therefore, duplicate provision from the benefits system. However, payments in relation to housing costs which could be met by income related benefits will be regarded as income by the DWP.

For further information on benefits for students, please see CPAG's **Benefits for Students in Scotland** Handbook on their [online publications page](#).

This handbook explains:

- benefit and tax credit entitlement for full-time and part-time students
- how Scottish grants and loans affect benefits
- how much benefit is paid in term time and vacations
- your entitlement to the new universal credit

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## ADMINISTRATION

### Allocation and payment of funds

The total funds to be allocated to each institution will be disbursed in August 2022.

The Undergraduate Discretionary Fund allocations take into account:

- the overall numbers of full-time equivalent students,
- the number of full-time equivalent students aged 25 and over
- the number of SAAS supported students declaring parental/spousal income less than £21,000.

The Postgraduate Discretionary Funds are allocated on the basis of each institution's share of UK domiciled postgraduate (excluding PGDE who are funded like undergraduates through the undergraduate funds) FTEs both full and part-time.

## Transfer and carry forward of funds



- All transfers between funds must be accounted for in the audited returns to SAAS at the end of October 2023.
- **Any unspent funds from the 2021-22 HE Discretionary Funds and Coronavirus Fund should be returned to SAAS at the end of October 2022.**

## Institution administration

Each institution must nominate a **Fund Manager** to administer each (or all) of the funds. Payment of funds is conditional on the acceptance, in writing, by the Fund Manager(s) of the following requirements:

- Full and proper accounting records will be kept of all Fund transactions;
- Adequate systems of financial management and control are in place; and
- All funds will be applied in accordance with the requirements set out in annual guidance.

It is the responsibility of individual HEIs to notify the SAAS Finance Team of any changes to their nominated Funds Manager.

Institutions should operate a separate interest bearing account for the funds and any interest that accrues should be recognised as income for the funds. Institutions must not transfer accrued interest to any other accounts

Institutions must advise SAAS, in writing, if the details of their Fund Manager(s) and/or bank account(s) change. SAAS will provide a form for this purpose to be completed and returned by the institution.

Institutions must not spend more than their total allocated funds in any academic year as this places the following year's students at an immediate disadvantage in terms of the funds available. If a supplementary allocation of funds is required, an application should be made from the in-year redistribution. Institutions should manage budgets based on their initial allocation as there is no guarantee any funds will be available for redistribution in-year.

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## Annual audited returns required by SAAS

Each year, when funds are allocated and paid by SAAS, Fund Accounts returns for the previous academic year are distributed to institutions for completion and submission to SAAS **by 31 October**. The Fund Accounts must be audited separately from the Institution's accounts.

Each institution will provide SAAS with:

- Audited income and expenditure Fund Accounts for the preceding academic year, signed/authorised by the Principal and independent Auditor;
- Details of Funds expenditure;
- Repayment of any unused Funds, as recorded in the return.

Here is a summary of the current returns requirements for existing funds:

- **Audited returns will be required for the main 2022-23 HE Discretionary Fund by 31st October 2023.**

Fund Managers shall engage the services of an independent auditor who is eligible for appointment as a company auditor under the terms of section 485 of the Companies Act 2006. Alternatively, where this proves impractical, permission may be sought from SAAS to use a suitably qualified person (e.g. CIPFA).

For the purpose of administering the funds, the Fund Managers shall maintain an adequate system of financial management and internal controls, including safeguards against fraud, and shall require their auditors, as part of their audit, to report on the adequacy or otherwise of that system. **A copy of the auditor's report should accompany the Fund Accounts and must be submitted to SAAS by 31 October.**

The auditor's report should

- give an opinion on each of the fund accounts,
- say whether, in the auditor's opinion, the funds have been properly applied in accordance with the requirements set out in this guidance.

**Reasonable administration expenses for auditor's fees and publicity for both Childcare and Discretionary Funds can be met from the HE Discretionary Fund.**

Books and other documents relating to all Fund Accounts shall be open to inspection by Scottish Ministers and by the Comptroller and Auditor General (Audit Scotland).

Returns must only be made on the Annexes provided by SAAS and should be sent to:

Finance Team  
SAAS  
Saughton House  
Broomhouse Drive  
Edinburgh  
EH11 3UT

Telephone 0131 244 4393

## **In-year redistribution of supplementary funds**

Towards the end of the calendar year, SAAS will contact Fund Managers, by email, and invite applications, **if there is** to be an in-year redistribution. Any supplementary funds available for allocation across institutions will generally be as a result of monies unspent by institutions in the previous academic session and repaid to SAAS.

**There is no guarantee of supplementary funds being available. Recent years continue to show a significant drop in the amount of funds returned to SAAS for redistribution. Accordingly, institutions should not plan or commit expenditure on an expectation of receiving supplementary funding from returned underspends. Supplementary allocations are determined as follows:**

- If funds are sufficient, the full amounts requested will be paid as supplementary allocations
- If funds are insufficient, allocations may/will be less than requested
- If funds are severely limited, allocation will be determined on a needs basis

All supplementary funds will be allocated as **Undergraduate Discretionary Funds** and should be distributed by applying the Undergraduate Discretionary Fund criteria.

**Failure to provide audited Fund Accounts by the 31st October deadline will have an impact on the value and timing of the allocation of supplementary funds** and may result in requests for supplementary funds being denied.

## **Financial year information required by SAAS**

SAAS has a responsibility to report its expenditure on a financial year basis (01 April to 31 March), and therefore requires interim fund balance information as at 31 March 2023.

SAAS will write to all Fund Managers in March 2023 to request the value of funds that have not been spent at 31 March and will require the information by early April to incorporate into the Scottish Government's audited accounts.

We also expect to undertake in-year analysis of spending of the funds throughout the year..

# PARAMEDIC, NURSING AND MIDWIFERY DISCRETIONARY FUND

ANY DIFFERENCES IN THE GUIDANCE TO THE MAIN HE FUND ARE HIGHLIGHTED IN THIS SECTION AND ALSO THE PARAMEDIC, NURSING AND MIDWIFERY Q + A.

## Purpose

A ring-fenced allocation of the HE Discretionary Funds is intended to provide non-repayable assistance for Paramedic Science, Nursing and Midwifery (PNMSB) students in financial difficulties in order for them to access and/or continue in Higher Education (HE) and are paid in addition to any other forms of student support.

It will be for Fund Managers to decide how to disburse funds to individual students. The funds should be targeted to those students in particular need, while the criteria being applied should be flexible enough to allow a fair and just response to individual cases. The maximum award from the funds to individual PNMSB students is £2,500. You should only consider awarding sums above this limit in exceptional circumstances. Please contact [SAAS\\_Policy@gov.scot](mailto:SAAS_Policy@gov.scot) for approval.

## Further Information

Support in respect of maintenance costs is available to eligible full PNMSB students who are undertaking pre-registration Nursing and Midwifery courses. It is also available to students on an undergraduate degree programme in pre-registration Paramedic Science leading to eligibility to apply for registration as a paramedic with the Health and Care Professions Council. This also includes students from the rest of the UK who are not in receipt of the Scottish bursary. PNMSB Students applying for Discretionary Funds for support with childcare must be studying a full-time course of education. Students must satisfy the eligibility criteria set out in the Determination (which is further explained in this guidance). Nurses undertaking the pre-registration, post-graduate shortened midwifery programme at the University of Highlands and Islands will be eligible to apply.

## Eligibility Table

The table below outlines the criteria for pre-registration Nursing and Midwifery students who can apply for help from the PNMSB Discretionary Fund:

Eligible to apply to:	The Nursing and Midwifery Discretionary Fund
<u>Domicile/residence</u>	<ul style="list-style-type: none"> <li>Is ordinarily resident* in Scotland on the first day of the first academic year of the course, as set out in the <a href="#">Student Support Scotland Regulations 2022</a>.</li> <li>This can include students from England, Wales and Northern Ireland, who are not in receipt of the Paramedic Science, Nursing and Midwifery Student Bursary.</li> </ul>
Age	<ul style="list-style-type: none"> <li>Must be 16 years or over and past compulsory school leaving age.</li> </ul>
Eligible Courses	<ul style="list-style-type: none"> <li>Must be attending a pre-registration nursing and midwifery course of study.</li> <li>Must be attending an undergraduate degree programme in pre-registration Paramedic Science leading to eligibility to apply for registration as a paramedic with the Health and Care Professions Council.</li> </ul>

	<ul style="list-style-type: none"> <li>This funding may be made available to nurses undertaking the pre-registration, post-graduate shortened midwifery course being run at the University of Highlands and Islands.</li> </ul>
<b>Other Support</b>	<ul style="list-style-type: none"> <li>Must have used full entitlement of all other available student maintenance support such as nursing and midwifery student bursary and allowances.</li> <li>Lone parents should also have claimed the Single Parents Allowance from SAAS and have claimed Child Tax Credits and free nursery places etc, as provided by their local authority.</li> </ul>
<b>Priority Groups for this fund</b>	<ul style="list-style-type: none"> <li>Students who have left care (care-experienced);</li> <li>Students who are estranged;</li> <li>Students with at least one dependent child;</li> <li>Students who are carers;</li> <li>Students with no dependants but living independently and responsible for their own living costs.</li> <li>Students significantly impacted by the cost of living crisis</li> </ul>

## Residence

Normal [residence](#) conditions apply.

## Engagement

Institutions must be satisfied that students are undertaking an appropriate PNMSB course of education and that their attendance is satisfactory. Students who are on maternity leave, medical leave of absence, have temporarily suspended their studies and are not eligible to receive benefits are eligible to apply to the funds. However, institutions should consider the level of support to be awarded given that they are not attending.

## Other support

### Maintenance support

Student maintenance support is an integral part of the system of student support. Students who are eligible for student maintenance support are, of course, free to decide whether to take out student support.

However, as a general rule, a student must have taken out student maintenance support to the full amount to which they are entitled before receiving help from the PNMSB Discretionary Fund.

Institutions should contact SAAS if they are unsure whether a student has applied for their maximum student maintenance support entitlement.

## Higher Education (HE) Discretionary Fund

### Allocations Process

### Part Time Higher Education

### Nursing and Midwifery

### [Return to Table of Contents](#)

## HIGHER EDUCATION (HE) DISCRETIONARY FUND Q + A

**Q. What changes have you made this year?**

A. Details of the changes for 2022-23 are available on [page four](#).

**Q. Some students won't take out a maintenance loan because of their religious beliefs. Are they eligible for assistance from the Discretionary Fund?**

A. Full-time students must take out a living cost loan or bursary, if they are eligible for one, in order to be considered for support from the Discretionary Funds. Institutions may, however, find it helpful to explain that the interest rate attached to student loans merely repays the loan in real terms and is tied to the rate of inflation. It is not an interest rate in the commercial sense of the word, and no profit is made from the interest paid by borrowers.

**Q. Can the Discretionary Fund be used to pay the arrears on a student loan, where the student has defaulted?**

A. No. However, if a student were in difficulty as a result of not being able to receive a student loan, the student would be able to apply for help in meeting their living costs.

**Q. Can students apply more than once during an academic year for help from the Discretionary Fund?**

A. Yes. Students' circumstances change in the course of a year, and there should not be any set limit on the number of times a student can apply for help through the Discretionary Fund.

**Q. Can the Discretionary Fund be used to pay the tuition fees of those students who continue to be liable for their fees e.g. Part-time students?**

A. No, the Discretionary Fund must not be used to help students meet their tuition fees.

**Q. Previously we gave Discretionary Funds to a student who we later found out was ineligible. As it wasn't the student's fault, can we continue to support the student this year even though they continue to be ineligible?**

A. No. Payments from the Discretionary Fund should not be given to ineligible students, even where previous payments were made as a result of a mistake or misunderstanding.

**Q. Can the Discretionary Fund be used to provide support for prisoners studying a course of HE?**

A. No. Prisoners are only entitled to tuition fee support.

**Q. Are students who are on a year out (of study), eligible to apply for assistance from the Discretionary Fund?**

A. No. There is a requirement that students still have to be registered as an actual student and should be attending a course. For students who have temporarily suspended their studies through illness, or who may be experiencing difficulty in finding a placement in industry as an essential part of their course, institutions should first check whether the student continues to be registered as a student. They should also take into account the prospect of the student resuming his or her course and the availability of support from other sources.

**Q. Are institutions free to move Discretionary Funds between themselves?**

A. No. There would be no guarantee that another institution would not be in greater need of those funds.

**Q. Can institutions use the Discretionary Fund to meet the cost of outstanding accommodation fees from students who have withdrawn?**

A. No. This is an internal matter for each institution in terms of how they administer applications for halls of residence. Institutions cannot use the fund for backdated payments to students who have already left.

**Q. Is a student undertaking a Distance Learning course – with no requirement to attend the institution at any time – eligible to apply for help from the Discretionary Fund?**

A. Yes. As long as the applicant meets the residence criteria which apply to student loans, then they can apply. Their course must also have tutor support.

**Q. Can Discretionary Funds be used to assist students who are attending Access courses?**

A. If attendance on the Access Course is required by the institution to enable the student to progress to a Full or Part-time course, then Discretionary Funds can be used if required but it is at the discretion of the institution as to what support is provided.

**Q. Can we transfer funds between our college joint FE/HE Childcare Fund and the HE Discretionary Funds?**

A. Colleges are not usually permitted to transfer funding between their joint FE/HE Childcare Fund and the HE Discretionary Funds. However, if you have fully met student demand for Childcare Funds in the coming year and have remaining Childcare Funds which are not required, you can contact the SFC Student Support Team ([studentsupport@sfc.ac.uk](mailto:studentsupport@sfc.ac.uk)) to request a transfer from your Childcare Fund to your HE Discretionary Fund. If you are looking to transfer funds from the HE Discretionary Fund into the FE/HE Childcare Fund then this should be recorded on your annual returns to SAAS.

**Q. Can we use Discretionary Funds to support students in the summer once their term ends?**

A. Yes. Providing the students are due to return to college/university in the autumn. This can include students who are changing to a different institution in 2022-23 but you would need to be satisfied that the individual is planning to remain a student in 2022-23. We would encourage the **outgoing** institution to provide support up to the end of the academic year 2021-22. Universities and colleges will need to consider the circumstances of each case, particularly where some students may be able to claim benefits over the summer. The award of Discretionary Funds can have an impact on Universal Credits, for example, so consideration needs to be given to what is best for the student.

**Q. Who is eligible for Postgraduate Discretionary Funds?**

A. All postgraduate students, full-time or part-time, are eligible to apply for this apart from postgraduate nursing students who receive the Nursing and Midwifery Student Bursary. Those students may be entitled to support from the Nursing and Midwifery Discretionary Fund. Further information about this fund will be provided by the Scottish Government Health Directorate.

**Q. Can we use the main 2022-23 HE Discretionary Fund to support students not normally eligible for Discretionary Funds on residency grounds?**

A. Only those who have been financially impacted by a global conflict. Further information is available on page 7.

**Q. Will the £4,000 limit still be in place for students?**

A. Yes. The cap will be reinstated from the HE Discretionary Fund for 2022-23. Paramedic Science, Nursing and Midwifery students should be capped at £2,500.

**Q. Will students still have to have taken out their maximum support package from SAAS and other funding bodies?**

A. Yes, they should have taken out or applied for the full amount of support available to them.

**Q. If a university/college has already determined students are in financial hardship through other means, is it necessary for students to submit further evidence to get support from the Discretionary Fund?**

A. We are aware that many institutions operate additional funds to support students in hardship. If you have already identified that students are in financial hardship there should be no evidential requirement for those same students to access support from the Discretionary Funds. Double handling in terms of evidence should be avoided.

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## **ALLOCATIONS PROCESS Q + A**

**Q. What are the allocations of HE Discretionary Funds based on?**

A. The 2022-23 allocations are based on information from Student Awards Agency for Scotland (SAAS), Higher Education Statistics Agency (HESA) and Scottish Funding Council (SFC) for academic year 2020-21, which is the most recent complete set of data available.

The Undergraduate Discretionary Fund allocations take into account the overall numbers of full-time equivalent students, the number of full-time equivalent students aged 25 and over and the number of SAAS supported students declaring household income less than £19,000.

The Postgraduate Discretionary Funds are allocated on the basis of each institution's share of UK domiciled postgraduate (excluding PGDE who are funded like undergraduates through the undergraduate funds) FTEs both full and part-time.

A further adjustment of the allocations is made to benchmark against the financial returns provided by institutions each year.

We are continuing with the deprivation weighting into the methodology for calculating the allocations. This is based on students from the 20% most deprived areas.

**Q. We have money left over from last year – what can we do with it?**

A. Any unused funds from 2021-22 should be returned to SAAS in October 2022.

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## PART-TIME HIGHER EDUCATION Q + A

### **Q. What extra funding is available for institutions' Discretionary Funds for part-time students?**

A. There will be no extra funding for part-time students. However, part-time students will be a priority group when deciding who to help from that fund. Part-time students had always been eligible to access the general discretionary fund when the part-time funds were exhausted but some institutions may have been reluctant to use 'full-time' funds for part-time students. In amalgamating both funds it's hoped that part-time students will be given the same opportunities as full-time students to benefit from the funds. Colleges and universities will be able to provide more flexible support for part-time students and can use the general discretionary funds to help them with study costs, travel costs and childcare costs, based on individual need.

### **Q. How are the HE Discretionary Funds, which had previously been ring-fenced for part-time students and are now included in the general fund, allocated?**

A. The allocation of the funds is based on the full-time equivalent number of part-time students at each institution. This gives a higher weighting to students who are studying a greater percentage of a course because such students will have a higher full-time equivalent. For example a student studying 50% of a full-time course will have a higher full-time equivalent value than a student studying 30%. This is the same allocation process as that used for the Undergraduate Discretionary Fund.

### **Q. Can students who are in employment and attending college on a part-time day release basis access the Discretionary Funds?**

A. Yes but their earnings from part-time work should be taken into account as part of the needs assessment.

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## PARAMEDIC SCIENCE, NURSING AND MIDWIFERY (PNMSB) DISCRETIONARY FUND Q + A

### **Q. Some students won't take out student maintenance, for example because of religious beliefs. Are they eligible for assistance from the Discretionary Fund?**

A. Full-time students must take out their full student maintenance support, if they are eligible, in order to be considered for support from the Discretionary Funds.

### **Q. Can the PNMSB Discretionary Fund be used to pay the arrears on a student maintenance support, where the student has defaulted?**

A. No. However, if a student were in difficulty as a result of not being able to receive student maintenance support, the student would be able to apply for help in meeting their living costs.

### **Q. Is there a limit on how much each student can receive?**

A. Yes. The main fund can be used to support these students but universities should not award over £2,500 per student. Sums over this amount should only be awarded in extreme circumstances.

### **Q. Can students apply more than once during an academic year for help from the Discretionary Fund?**

- A. Yes. Students' circumstances change in the course of a year, and there should not be any set limit on the number of times a student can apply for help through the Discretionary Fund.
- Q. **Previously we gave Discretionary Funds to a student who we later found out was ineligible. As it wasn't the student's fault, can we continue to support the student this year even though they continue to be ineligible?**
- A. No. Payments from the PNMSB Discretionary Fund should not be given to ineligible students, even where previous payments were made as a result of a mistake or misunderstanding.
- Q. **Are students who are on a year out (of study), eligible to apply for assistance from the Discretionary Fund?**
- A. No. There is a requirement that students still have to be registered as an actual student and should be attending a course. For students who have temporarily suspended their studies through illness or maternity leave, institutions should first check whether the student continues to be registered as a student. They should also take into account the prospect of the student resuming his or her course and the availability of support from other sources.
- Q. **Are institutions free to move PNMSB Discretionary Funds between themselves?**
- A. No. There would be no guarantee that another institution would not be in greater need of those funds.
- Q. **Can institutions use the Discretionary Fund to meet the cost of outstanding accommodation fees from students who have withdrawn?**
- A. No. This is an internal matter for each institution in terms of how they administer applications for halls of residence. Institutions cannot use the fund for backdated payments to students who have already left.
- Q. **Is a student undertaking a Distance Learning course eligible to apply for help from the Discretionary Fund?**
- A. Yes. As long as the applicant meets the eligibility and residence criteria which apply to student maintenance support, then they can apply. Their course must also have tutor support.
- Q. **Can the Discretionary Funds be used to support students during the summer academic term?**
- A. Yes. Applications can be considered from continuing students who require additional support over the summer academic term, for example as the nursing and midwifery courses require students to undertake clinical placements, sometimes during the summer term, it is recognised that students may have higher childcare costs.
- Q. **Can funds be moved from and into the ring-fenced PNMSB Fund?**
- A. No. This is a ring-fenced allocation solely for the use of supporting eligible Paramedic Science and Nursing and Midwifery students.

Q. **Do Nursing and Midwifery students have to take out the maximum support package from their funding body before accessing the fund?**

A. Yes.

#### **GLOBAL CONFLICT Q + A**

Q. **Can institutions use the Discretionary Fund to meet the cost of outstanding tuition fees?**

A. No, the funds cannot be used to directly pay tuition fees of a student .

Q. **Does the new arrangements extend to the Nursing and Midwifery Fund?**

A. Yes.

Q. **Can we use the funds to support students whose immediate family members may be impacted by the UK Sanctions regime?**

A. No. It is important that funds are not extended to students who are linked to individuals currently targeted by the UK Sanctions regime. Institutions should aim to ensure that any recipient was not a person 'associated with' one of the designated persons in the UK sanctions regime. The list of designated persons are set out in the '[The UK Sanctions List - GOV.UK \(www.gov.uk\)](http://www.gov.uk)'.

Q. **Is the University Childcare Fund extended to this group?**

A. No. The Childcare Fund remains eligible for those Scottish domiciled students who are in receipt of tuition fees by SAAS. It has not been extended to international students.

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## GUIDING PRINCIPLES

### Use of discretionary funds for students at college and university:

#### Principles for institutions.

Discretionary Funds are an additional source of non-repayable financial support available to students who may be experiencing financial difficulties during their course. In Higher Education, Discretionary Funds are allocated by Scottish Ministers via Student Awards Agency Scotland (SAAS) and are administered by individual institutions. For students in Further Education, the Scottish Funding Council (SFC) issues separate guidance on the disbursement of Discretionary and Childcare Funds. There is also separate [guidance for students](#) which includes details on how to apply.

Below is a set of guiding principles that set a baseline level of consistency in how student applications for discretionary funding are processed and awarded by colleges and universities in Scotland. This has been endorsed by Colleges Scotland, National Association of Student Money Advisers (NASMA), Universities Scotland, Further Education Student Support Advisory Group (FESSAG) and NUS Scotland with the aim of ensuring as positive an experience for students as possible, recognising that students are facing difficult circumstances.

These principles should be read in conjunction with the guidance provided by [SAAS](#) and [SFC](#).

#### Guiding principles for use of discretionary funds:

1. Colleges and universities assess student applications for discretionary funding with the aim of positively allocating discretionary funding based on evidence of need/financial difficulty, within the financial constraints of the budget provided by Scottish Government.
2. Colleges and universities recognise that any student may face financial hardship however look to prioritise support for students who are listed as a priority group within the complementary guidance (linked above).
3. Colleges and universities have a duty of care to their students to protect student wellbeing and to not promote short term borrowing solutions or use of credit cards as an alternative to discretionary fund support.
4. Colleges and universities take a proportionate approach to the evidence they require of students to demonstrate financial hardship. They aim to make the process as simple and straight forward as possible.
5. Colleges and universities treat every student seeking support with respect and confidentiality, fully aware that people may feel sensitive and uncomfortable about sharing highly personal information about themselves and their finances.
6. Colleges and universities are able to support students in managing their money where appropriate, including but not limited to: paying a third party service (such as childcare provider) on their behalf or providing vouchers in place of cash. This is done in consultation with the student.
7. Colleges and universities aim to ensure that, where possible, discretionary funds remain available to students throughout the academic year and where necessary for students ineligible for Universal Credit into the summer break, providing sufficient funds are available.

8. Colleges encourage students on further education courses to make use of the UK and Scottish Government benefits available to them over the summer. Where appropriate and where needed, colleges may support a student with a “transition payment” to help bridge the gap between a further education course finishing and a student’s receipt of first benefit payment.
9. Colleges and universities promote the availability of discretionary funds amongst their students with clear and regular communication throughout the academic year including the summer period providing funds are remaining. Every effort is made to communicate widely, and simply, using plain English, removing all possible barriers to students accessing this type of support.
10. In addition to discretionary funds, colleges and universities offer other forms of support to students who are worried about money. This might include practical money management advice and/or mental health support such as counselling. This is promoted to students by individual institutions.