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## AVAILABLE FUNDS RECONCILED TO GRANT-IN-AID LETTER

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### PURPOSE

1. This paper presents the Financial Year (FY) 2022-23 grant-in-aid allocation to Scottish Funding Council (SFC) as set out in the final Budget Allocation and Monitoring Letter (Appendix 1).

### RECOMMENDATIONS

2. The Finance Committee is invited to note the SFC's budget and grant-in-aid allocation for FY 2022/23.

### FINANCIAL IMPLICATIONS

3. There are no specific financial implications arising from this paper.

### RISK ASSESSMENT

4. There are no specific risks associated with this paper.

### IMPACT ASSESSMENTS

### EQUALITY AND DIVERSITY

5. There are no equality and diversity issues associated with this paper.

### ISLAND COMMUNITIES

6. The recommendations in this paper do not have an impact on island communities.

### CARBON REDUCTION

7. There are no carbon reduction issues associated with this paper.

### PUBLICATION

8. This paper will be published on the SFC website but Appendix 1 is withheld from publication under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public.

## FURTHER INFORMATION

9. Contact: Tiffany Ritchie, Deputy Director Finance & Operations, email: [tritchie@sfc.ac.uk](mailto:tritchie@sfc.ac.uk) or Gordon Laidlaw, Assistant Director Finance, email: [glaidlaw@sfc.ac.uk](mailto:glaidlaw@sfc.ac.uk).

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## SFC GRANT-IN-AID ALLOCATION FY 2022-23

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### PURPOSE

10. This paper presents the Financial Year (FY) 2022-23 grant-in-aid allocation to Scottish Funding Council (SFC) as set out in the final Budget Allocation and Monitoring Letter (Appendix 1).

### GRANT-IN-AID ALLOCATION

11. The Scottish Government confirmed the FY 2022-23 grant-in-aid allocation to the Scottish Funding Council (SFC) on 7<sup>th</sup> June 2022. The award is in line with the draft budget as reported to the Finance Committee in May 2022 (FC/22/38). The Budget Allocation and Monitoring Letter (Appendix 1) sets out SFC's detailed budget for FY 2022-23 analysed in terms of HM Treasury's classification and reporting requirements.
12. The letter sets out SFC's grant-in-aid of **£1,947m** for FY 2022-23, comprising:
  - Resource budget of **£1,502m**.
  - Capital budget of **£423m**.
  - Financial Transactions budget of **£22m**.
13. The letter also sets out a Depreciation budget of **£27m**, which is "non-cash" so does not form part of grant-in-aid.
14. The Scottish Government provide updates to reflect changes to the SFC budget and grant-in-aid amounts that are contained in the Budget Allocation and Monitoring Letter, via the Autumn and Spring Budget Revisions (ABR/SBR). A provisional ABR projection (**£71m**) has been issued to SFC and Parliamentary approval for this is expected in October. We will update the Committee when the ABR is confirmed and the SBR advised.
15. The Budget Allocation and Monitoring Letter contains a total figure of **£2,040m** including a number of budgets listed as "to be confirmed". These balances have been clarified through subsequent discussions with the SG through the ABR process, and we are therefore anticipating that the SFC total budget after SBR transfers will be revised to **£2,065m**.
16. Including the provisional ABR, the SFC's FY 2022-23 grant-in-aid summary is as follows:

SFC	BASELINE	ABR	BUDGET
SFC Administration	£7,634,000	£162,000	£7,796,000
FE Recurrent	£675,681,000	£6,792,000	£682,473,000
HE Recurrent	£789,207,000	£64,618,000	£853,825,000
FE Capital	£74,700,000	-£2,100,000	£72,600,000
HE Capital	£348,000,000	£1,600,000	£349,600,000
College NPD Expenditure	£29,300,000	£0	£29,300,000
HE Financial Transactions	£22,100,000	£0	£22,100,000
<b>SFC Total</b>	<b>£1,946,622,000</b>	<b>£71,072,000</b>	<b>£2,017,694,000</b>

17. The above total is expected to increase to **£2,065m** after SBR.
18. These projections are as anticipated by the Executive, and in line with what we reported to the Finance Committee in May 2022.

## RECOMMENDATIONS

19. The Finance Committee is invited to note the SFC's budget and grant-in-aid allocation for FY 2022-23.