



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

SFC Announcement

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In-Year Redistribution of Student Support Funds AY 2025–26



In-Year Redistribution of Student Support Funds AY 2025–26

Issue Date:	5 March 2026
Reference:	SFC/AN/05/2026
Summary:	Announcement of the in-year redistribution of student support funds to colleges for Academic Year (AY) 2025–26, detailing the recovery of unspent funds from AY 2024–25 and the reallocation of funds for AY 2025–26.
FAO:	Principals, Executive Directors, Finance Directors, Chairs, Board Secretaries and Student Support contacts in Scotland’s colleges/ Regional Strategic Bodies; and the general public.
Further Information:	CONTACT: SFC Student Support Team DIRECTORATE: Investment & Research EMAIL: studentsupport@sfc.ac.uk

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In-Year Redistribution of Student Support Funds AY 2025–26

Purpose

1. This letter announces the in-year redistribution of student support funding from the Scottish Funding Council (SFC) to colleges for Academic Year (AY) 2025–26, and it details the recovery and reallocation of unspent funds to support student funding needs across the sector.

Background

2. Demand for student support is difficult to predict. Therefore, to match annual SFC funding to demand as closely as possible, we carry out an annual in-year redistribution exercise. Colleges are not permitted to use student support funding for purposes other than those specified, and we recover funds that colleges do not expect to use in the current year, as well as any unspent funds from the previous year. We use the funds returned to us to reallocate to colleges that need additional student support in the current year.
3. SFC invited colleges to relinquish unspent student support funds or request an increase to their AY 2025-26 student support funding allocations in a [Call for Information](#) letter published on 18 November 2025.

Additional funding requested/relinquished for AY 2025–26

4. The net total of additional student support funding requested (considering funds relinquished) by colleges for AY 2025-26 is circa £5.3 million. This request exceeded the AY 2024-25 underspend of c.£4.0m, leaving a funding shortfall of c.£1.3m. SFC sought extra funding from the Scottish Government to cover this shortfall, and the Government has confirmed that extra funds will be made available to enable SFC to meet colleges' additional funding requests in full.
5. The table in [Annex A](#) details the funding amounts requested or relinquished by each college/region. The table shows the total additional funding to be paid out in AY 2025-26. All additional funds will be paid out in Financial Year (FY) 2025-26.
6. As indicated in the Call for information issued on 18 November 2025, SFC will meet claims for Foundation Apprenticeship travel expenses submitted during the 2025-26 IYR exercise. These funds, set out in [Annex C](#), will be paid to colleges in March 2026.

Recovery of unspent funds and adjustments to budgets

7. Colleges receiving additional funds will have their AY 2025-26 student support funding budgets increased by the amount of additional funding that they have been allocated, as detailed in the table at [Annex A](#). These updated budgets will be reflected in incorporated

colleges' monthly cash-flows pro-formas. Colleges that requested additional funds will receive the funds in March 2026.

8. For the Highlands & Islands multi-college region, we have set out in [Annex A](#) the amounts requested by individual colleges. The Regional Strategic Body (RSB) should note the allocations to individual colleges. The RSB may action in-year transfers of student support funding between colleges within their region.
9. The table in [Annex B](#) details the student support funding amounts remaining in AY 2025-26 to be returned by each college/region. Colleges that are returning unused funds will have their overall FY student support budget reduced by the amount of funding that they are returning. For those colleges that have already adjusted their budgets in July 2025, the March 2026 adjustment to be made will take into account the funds previously not drawn down. This is shown in [Annex B](#), under the column 'Remaining funding adjustments to be made in March 2026'.

Management of payment of funds

10. SFC will contact colleges in May 2026 to seek clarification of their near final position on student support spend in AY 2025-26. Colleges that are forecasting a significant underspend against their budget will have their June and July 2026 payments reduced or will be asked to return surplus funds to SFC, rather than waiting until the AY 2026-27 redistribution exercise in Autumn/Winter 2026.

Conditions of grant and reporting requirements

11. The reallocation of student support funding set out above must only be used for the purpose(s) for which it is allocated. SFC retains the right to audit relevant documentation to satisfy itself that this is the case (and the institution undertakes that it will provide such assistance as SFC requires).
12. These student support funds are for AY 2025-26. Colleges/regions will be asked to report on their use of these funds after the end of AY 2025-26. Any unspent funds will be recovered as part of the AY 2026-27 IYR exercise.
13. SFC may recover funding for non-compliance of any of the conditions of grant or reporting requirements.

Further information

14. If you require any additional information, please contact the SFC Student Support Team at studentsupport@sfc.ac.uk.

Helen Cross

Director, Investment & Research

Annex A

In-year redistribution of student support funding for AY 2025–26

College/Region	Additional funding requested for full AY 25-26	Total adjustment to funding by end Mar 26
Ayrshire College	£0	£0
Borders College	£100,000	£100,000
Dumfries & Galloway College	£150,000	£150,000
Dundee & Angus College	£0	£0
Edinburgh College	£585,400	£585,400
Fife College	£0	£0
Forth Valley College	£0	£0
City of Glasgow College	£600,000	£600,000
Glasgow Clyde College	£0	£0
Glasgow Kelvin College	£150,000	£150,000
Highlands & Islands Region	£300,000	£300,000
UHI Inverness	£180,000	£180,000
UHI Moray	£0	£0
UHI North, West & Hebrides	£0	£0
UHI Orkney	£0	£0
UHI Perth	£120,000	£120,000
UHI Shetland	£0	£0
Newbattle Abbey College	£0	£0
North East Scotland College	£1,400,000	£1,400,000
New College Lanarkshire	£1,515,368	£1,515,368
South Lanarkshire College	£500,000	£500,000
SRUC	£0	£0
West College Scotland	£0	£0
West Lothian College	£0	£0
TOTAL	£5,300,768	£5,300,768

Annex B

Recovery of student support underspend for AY 2024–25 and adjustments to budgets

College/Region	Funding adjustments made in July 25	Remaining funding adjustments to be made in Mar 26	Total adjustment to funding
Ayrshire College	£0	£19,127	£19,127
Borders College	£0	-£8,251	-£8,251
Dumfries & Galloway College	£0	£174,266	£174,266
Dundee & Angus College	£0	£477,653	£477,653
Edinburgh College	£0	£528,210	£528,210
Fife College	£0	£65,724	£65,724
Forth Valley College	£180,000	£59,512	£239,512
City of Glasgow College	£0	£176	£176
Glasgow Clyde College	£0	£148,460	£148,460
Glasgow Kelvin College	£0	£9,059	£9,059
Highlands & Islands Region	£0	£948,443	£948,443
UHI Inverness	£0	£287,113	£287,113
UHI Moray	£0	£193,007	£193,007
UHI North, West & Hebrides	£0	£166,219	£166,219
UHI Orkney	£0	£7,100	£7,100
UHI Perth	£0	£285,800	£285,800
UHI Shetland	£0	£9,204	£9,204
Newbattle Abbey College	£0	£95,684	£95,684
North East Scotland College	£0	£150,122	£150,122
New College Lanarkshire	£0	£186,152	£186,152
South Lanarkshire College	£0	£201,545	£201,545
SRUC	£0	£126,241	£126,241
West College Scotland	£0	£585,569	£585,569
West Lothian College	£0	£16,207	£16,207
TOTAL	£180,000	£3,783,899	£3,963,899

Annex C

Foundation Apprenticeship travel expenses for AY 2025–26

College/Region	FA travel expenses for AY 2025-26
Ayrshire College	£0
Borders College	£0
Dumfries & Galloway College	£29,000
Dundee & Angus College	£22,000
Edinburgh College	£8,000
Fife College	£0
Forth Valley College	£29,500
City of Glasgow College	£0
Glasgow Clyde College	£0
Glasgow Kelvin College	£0
Highlands & Islands Region	£17,500
Newbattle Abbey College	£0
North East Scotland College	£1,746
New College Lanarkshire	£15,500
South Lanarkshire College	£0
SRUC	£0
West College Scotland	£0
West Lothian College	£0
TOTAL	£123,246