



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

SFC GUIDANCE

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Guidance on unallocated college capital maintenance fund for FY 2023-24



Guidance on unallocated college capital maintenance fund for FY 2023-24

Issue Date:	22 June 2023
Reference:	SFC/GD/17/2023
Summary:	This guidance outlines the principles and process for colleges to access the ringfenced capital maintenance fund of £4.7m for Financial Year (FY) 2023-24.
FAO:	Principals, Finance Directors and Estates Directors of Scotland's colleges, and the general public.
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Guidance on unallocated college capital maintenance fund for FY 2023-24

Introduction

1. SFC's [College final funding allocations](#) outlines the capital maintenance funding allocated to colleges for FY 2023-24. In addition to the allocated capital maintenance funding, SFC ringfenced £4.7m of the capital maintenance budget to support the highest priority needs such as significant known and emerging health and safety issues. This has been agreed with the college sector as an appropriate way of directing resources to the most pressing needs while the [College Infrastructure Strategy](#) delivery is being progressed.
2. This guidance outlines the principles and process for colleges to access the ringfenced capital maintenance fund of £4.7m. A methodology for future college capital maintenance allocations from FY 2024-25 onwards will be developed during the next FY, as part of the College Infrastructure Strategy delivery.

Principles for accessing the unallocated capital maintenance funds

3. The £4.7m unallocated capital fund will be made available in the first instance to respond to emergency or very high priority needs during FY 2023-24. Given the known issues with the condition of the college estate, this fund is unlikely to be sufficient. However, all colleges unable to address emergency repairs or very high priority maintenance needs within existing funding are encouraged to notify SFC as soon as possible. This will ensure SFC is made aware of the extent of the immediate, very high priority need across the college sector.
4. Colleges should be aware of the approach and key principles set out in the College Infrastructure Strategy in preparing their request for financial support. Future infrastructure investments should:
 - Deliver positive student **experience** and **outcomes**.
 - **Provide access** to suitable college infrastructure across Scotland, including use of digital.
 - Enable colleges to deliver their **strategic plans**.
 - Ensure that future capital **investment responds to future needs**, including digital delivery and does not only replace like for like.
 - Provide **flexibility** of funding to support a range of types and scale of capital projects.
 - **Demonstrate collaboration**, such as with other colleges, schools, universities, local authorities, and health care providers.

- Be based on a **decision-making process** that is clear, transparent and evidence based.
5. Whilst we recognise that preparing a funding request creates additional work for applicant colleges, the proposed process is transparent and open to all colleges. It will ensure that funding allocations are based on demonstrable need in FY 2023-24.

Application process for unallocated capital maintenance funding

6. In the first instance, colleges should contact SFC to arrange an exploratory discussion by emailing estates@sfc.ac.uk. The first allocations will be made in September and therefore indications of need should be submitted by the end of July or earlier. The email should briefly outline the nature of the issue and any mitigating actions taken to date or planned. Should the proposed project cost be greater than £1m and/or delivery likely to extend beyond FY 2023-24, colleges are also advised to present an interim solution. SFC will arrange an initial meeting to agree next steps and forward a standardised application form for completion if appropriate. SFC will consider all bids received before the end of July.
7. The application form is aligned with:
 - The Strategic Outline Case (SOC) included in the Scottish Government's [Scottish Capital Investment Manual](#) which will be adopted by SFC as part of the College Infrastructure Strategy delivery.
 - The Scottish Government's [Infrastructure Investment Plan for Scotland: A guide to Property Asset Strategy in the Public Sector](#).
8. The form comprises sections summarised in the table below. It should be completed by college management with limited need for input from external technical advisors. All options should be considered, prior to selecting the preferred solution. These include consideration of alternative delivery arrangements through partnership or other collaboration arrangements.

9. SFC will assess the proposals and notify colleges of the outcome within 2 to 3 weeks of receipt unless there are exceptional factors to the application.

Section 1	Section 2	Section 3	Section 4
Issue Identification	Options Description	Options Appraisal (complete for <i>all</i> proposed options)	Preferred Option
Describe the capital maintenance / repair to be addressed.	Option 1: Do nothing Do nothing – cease using affected building/area or asset.	Strategic Will the option support delivery of the college's strategic and estate plans? Does it respond to the CIS and Infrastructure Investment Plan principles and approach?	Describe the delivery plan. Include approvals and contractual requirements and timescale.
Evidence of extent of issue (e.g., surveyors report / building safety report) and early estimate cost to repair or reinstate.	Option 2: Relocate Relocate affected building users to other buildings on campus or other college sites as space and utilisation allows. Include estimated cost to make alterations to other college assets or make use of available college land to deliver a medium-term solution.	Financial / Economic What is the cost to deliver each option? How does the cost compare against Option 1 – do nothing? What is the long-term cost implication of this option? Will further investment be required? If so, when? Describe other impacts (and, if	Prepare a risk register Summary of the governance arrangements. Interim measures in place with associated costs.



possible, estimate costs) associated with students, staff and college performance in general that would be avoided by this option.

Health, safety, and accessibility implications of not addressing the issue

Option 3: Collaborate
Describe collaboration discussions or agreements made with other colleges, universities, or local stakeholders to secure an asset that enables continued service delivery.

Commercial
Can a realistic deal be struck that would enable delivery of the option?
Is there a readily available product/ solution and expertise that can be procured to deliver this option?
What are the implications of standards, regulation, and planning on the option?

Impact on students, staff, other users, and curriculum delivery (including financial & credit delivery implications)

Option 4: Curriculum design
Redesign affected curriculum to enable service delivery using remaining infrastructure.

Management
Are there realistic and robust delivery plans?
How can the proposal be delivered within a



Consider further use of digital and/or hybrid delivery.

reasonable timeframe?

What are the interim measures to ensure continuous service delivery?

Relevance of affected asset to college's long-term strategic or estate plans

Option 5: Repair or replace

Repair or replace the asset and reinstate activities as before.

Hybrid solution

Consider if there is a combination of options that provide a best value solution.