



Scottish Funding Council

Promoting further and higher education

SFC/18/93
Agenda item 10
6 December 2018

Use of delegated authority

Purpose

- To report the Interim Chief Executive's use of delegated authority during the period 15 August 2018 until 16 November 2018.

Recommendation

- Note the use of the Interim Chief Executive's delegated authority from 15 August 2018 until 16 November 2018, under the Council's scheme of delegation.

Use of delegated authority

Purpose

1. This paper asks Council to note the use of the Interim Chief Executive's delegated authority during the period 15 August 2018 until 16 November 2018.

Background

2. The Council's agreed scheme of delegation is:

Money	'Risk'	Decided by
Up to £500,000	Low/Medium/High	Chief Executive
£500,001 to £5M	Low/Medium	Chief Executive
£500,001 to £5M	High	Council board
Above £5M	All	Council board

Use of delegated authority

3. Under the scheme of delegation in operation the Interim Chief Executive has approved the following actions under delegated authority from the Council.

SG strategic priorities

4. The full list of Scottish Government (SG) strategic priorities is given in Annex A.

Consents

5. No consents were granted under delegated authority during this period.

FE Capital funds

Grant Line/project	Capital projects: Fife Halbeath Site Purchase
Delegation element	General delegated authority in October 2018 following agreement from Scottish Government
Amount and purpose	Payment of £4,560,960 was paid to Fife College on 31 October. This payment was to allow the College to purchase the site at Halbeath from Shepherd Offshore, over which the College had an option until 31 October 2018.
SG strategic priorities	2 and 9
Identified risk	Medium

HE Capital funds

6. No HE capital funds were approved under delegated authority during this period.

Joint FE/HE Programme Funds

Grant Line/project	Access: Access to Sanitary Products
Delegation element	General delegated authority to accept and award ring-fenced offers of grant from Government, on advice of the Strategic Funding Group by correspondence in August 2018.
Amount and purpose	The Scottish Government has made a commitment to provide access to free sanitary products to students in schools, colleges and universities. The Government will transfer £1,308,000 funding to SFC to distribute to colleges and £1,781,000 to distribute to universities to support delivery.
SG strategic priorities	9
Identified risk	Low

FE Programme Funds

Grant Line/project	Effective Institutions: SLA with Education Scotland
Delegation element	General delegated authority, on advice from the Strategic Funding Group at its meeting on 15 August 2018.
Amount and purpose	Funding of £993,115 has been offered to Education Scotland for AY 2018-19. The annual Service Level Agreement with Education Scotland enables SFC to fulfil its statutory obligations for quality assurance in the college sector. SFC contracts with Education Scotland to provide services to provide assurance about the quality of learning and teaching in colleges and to support colleges to improve.
SG strategic priorities	2
Identified risk	Low

Grant Line/project	Effective Institutions: West College Scotland
Delegation element	General delegated authority, on advice of the Strategic Funding Group by correspondence on 27 July 2018.
Amount and purpose	<p>The College is facing significant financial challenges from 2018-19 onwards, which is being addressed through a Business Improvement Plan (BIP). SFC has been in discussions with the College around the ongoing development of this plan since the College was escalated to a <i>High Level of Engagement</i> at the end of 2016. A key part of the plan is staff restructuring.</p> <p>SFG agreed to strategic funding of up to £1 million for 2018-19 for VS. The first tranche of funding of £300,000 was offered in August and a second tranche was offered in October.</p>
SG strategic priorities	4 and 9
Identified risk	Medium

Grant Line/project	Effective institutions: New College Lanarkshire Voluntary Severance (Phase 2)
Delegation element	General delegated authority, on advice of the Strategic Funding Group by correspondence in November 2018.
Amount and purpose	<p>Funding of £645,000 has been offered to NCL for phase 2 of their VS scheme. The College is facing significant financial challenges, which have been apparent for some time. SFC has been supporting the College in the development of a Business Plan to address its financial challenges. The plan covers a five year recovery period, and includes reductions in staff to be delivered through voluntary severance. The plan envisages this activity being actioned in three phases, with phase 1 completed in 2017-18 achieving a reduction of 29 FTE staff.</p> <p>The College estimates that phase 2, with 18 FTE staff departing in January 2019, will cost £645,000, and generate annual recurrent savings of around £850,000 (although the full year savings will not all be realised in 2018-19).</p>
SG strategic priorities	4 and 9
Identified risk	Medium

Grant Line/project	Effective Institutions: Edinburgh College Capital
Delegation element	General delegated authority, on advice of the Strategic Funding Group at its meeting in September 2016 where it approved the final 3 years of funding for Edinburgh College Capital which contributes to the repayment of a loan.
Amount and purpose	At its meeting of Friday 21 August 2009, the Board agreed to provide capital funding of up to £800,000 per annum for up to 10 years. This funding was awarded to assist the College with additional loan servicing costs required to facilitate the completion of the Milton Road Building project, the original disposal proceeds having fallen through. £800,000 has now been awarded to Edinburgh College in financial year 2018-19 and will be the tenth and final year of the agreement.
SG strategic priorities	2 and 4
Identified risk	Low

HEI programme funds

Grant Line/project	Ring-fenced SG funding: Hydro Nation Scholars Programme
Delegation element	General delegated authority to accept and award ring-fenced offers of grant from Government.
Amount and purpose	£518,294 in AY 2018-19. The Hydro Nation Scholars Programme is an open competition for PhD scholars to undertake approved projects hosted within Scottish Universities and Research Institutes which support the Scottish Government's Hydro Nation strategy. These projects: develop understanding of how and where best to develop the value of Scotland's water resources; enhance Scottish capacity in areas in which Scotland has research excellence; and provide new research and insight into water resources in Scotland.
SG strategic priorities	7
Identified risk	Low

Grant Line/project	Ring-fenced SG funding: National Manufacturing Institute for Scotland (NMIS) Industry Project
Delegation element	General delegated authority to accept and award ring-fenced offers of grant from Government.
Amount and purpose	£1,500,000 over AYs 2018-19 to 2022-23. The NMIS Industry Doctorate Programme in Advanced Manufacturing (NMIS-IDP) and Continuous Professional Development (CPD) Portfolio in Manufacturing Technology and Leadership will create a cohort of 30 industry based PhDs in advanced manufacturing and establish the basis for a CPD Portfolio in Manufacturing Technology and Leadership co-funded by industry and HE partners. The NMIS-IDP and CPD Portfolio will be designed specifically around industry needs and will be delivered in close collaboration with the NMIS development team and advanced manufacturing industry community.
SG strategic priorities	1, 7 and 8.
Identified risk	Low

Grant Line/project	Innovation Centres: Data Lab Phase 2
Delegation element	Specific delegated authority from Council board, 6 September 2018
Amount and purpose	<p>£10,531,900 over AYs 2018-19 to 2023-24, comprising £9,499,900 from SFC Strategic Funds and £1,032,000 ring-fenced funding from Scottish Government. Data Lab is one of eight SFC-funded Innovation Centres with a Scotland wide remit to help industry access world leading research from the academic base and to help translate this into economic value in the Scottish economy.</p> <p>In its Phase 1, Data Lab established itself as a leading organisation in data science in Scotland. Phase 2 funding will support the core activity of the Data Lab across its three pillar model: Collaborative Innovation Projects, Community Building and Skills and Talent. It will provide funding which supports collaborative innovation projects that utilise Scotland's academic excellence in data science. It will also support larger collaboration between universities, businesses and public sector which seek to leverage in large amounts of funding to Scotland to deliver transformational projects.</p>
SG strategic priorities	1, 7 and 8.
Identified risk	Medium

Publication

7. This paper will be published on the Council website following the Council meeting.

Recommendation

8. The Council is asked to note the use of the Interim Chief Executive's delegated authority from 15 August 2018 until 16 November 2018, under the Council's scheme of delegation.

Further information

9. Contact: John Kemp, Interim Chief Executive (tel: 0131 313 6637, email: jkemp@sfc.ac.uk).

List of Scottish Government strategic priorities

1	SFC's role in contributing to effective delivery of the key aims of the Enterprise and Skills Strategic Board
2	High quality learning in a learning system which is seamlessly connected for the learner
3	Access to further and higher education for people from the widest range of backgrounds
4	The highest standards of teaching, governance and financial accountability in colleges
5	Colleges working in partnership
6	Quality learning and good governance in universities
7	Internationally competitive and impactful research
8	Effective knowledge exchange and innovation between universities, colleges, and industry
9	SFC operating as a highly effective public body