
Board Meeting

Date of Meeting	Monday 16 March 2015
Paper Title	Indicative Funding Allocations Session 2015-/16
Agenda Item	7
Paper Number	BM5-D
Responsible Officer	Principals Lead – Finance Vice Principals
Status	Disclosable
Action	For Decision

Glasgow Colleges Regional Board

Indicative Funding Allocations Session 2015/16

Sustainable Institutions Group

1. Introduction

The Scottish Funding Council (SFC) has published recently indicative funding decisions at a Regional level for the college sector for academic year 2015/16. The purpose of this report is to outline what these decisions are and how they are likely to impact on the Glasgow Region as a total area.

The SFC have provided their indicative funding at a regional level, the actual allocations to individual colleges in multi-college regions is being modelled by the SFC in discussion with the three Glasgow colleges. The split of funding between the three colleges will need to be agreed within the next month to enable Colleges to undertake financial planning for the next academic year.

2. Indicative Funding Allocations

Appendix 1 provides a copy of the circular issued by the SFC. This provides the basis for the student activity targets and funding which will be allocated to colleges through the Regional Outcome Agreement process.

It confirms that the overall FE budget is in line with the budget bill considered by the Scottish Parliament and the expectations of the college sector. The Scottish Government have not published financial plans beyond fiscal year 2015/16 (year ended 31 March 2016) and therefore the academic year funding to colleges will partly fall in the 2016/17 fiscal year. There is a risk that the Scottish Government expenditure plans for the April to July 2016 period will not support the level of FE spend assumed in this indicative allocation.

The indicative allocation for the core grant from SFC to the Glasgow Region has 1% increase due to a 1% growth in student activity which is as a consequence of the implementation of the SFC demographic model. The model will in future support the allocation of FE activity and SFC grant between regions.

The core grant funding is split into three elements:

- a) the main teaching and fee waiver grant used to fund overall teaching for previous WSUMs and now credits,
- b) Extended learning Support (ELS) Grant used to fund activity to the specific students with those needs, and
- c) social inclusion funding which is allocated based on the level of students from deprived postcodes with the Region.

The table below summarises the indicative Glasgow Region position compared to previous year. SFC have implemented a new funding model from 2015/16 for the College sector which is called the simplified funding model, moving from WSUMs to Credits. SFC committed that the new funding model would be neutral for all Colleges, receiving the same grant for the same volume of activity. To achieve this SFC applied a transitional adjustment for each Region. In addition to the new funding model SFC also implemented their demographic model and for this year the changes in grant resulting from the demographic model will be limited to

no more than 1% increase or decrease for any Region. As a result the Glasgow Region increase from the demographic model has been limited to 1% increase.

The full effect of the new funding model if fully implemented is also shown in the table below:

2014-15 core grant	£76,360,093
2014-15 WSUMs target	452,511
2015-16 core grant (+1%)	£77,123,694
2015-16 WSUMs target	457,037
2015-16 Credit Target	367,761
Allocations if new Simplified funding model fully implemented:	
Teaching & Fee Waiver	£66,153,889
ELS Premium	£ 9,280,742
Social Inclusion Funding	£ 2,273,660
Total	£77,708,291
Transitional adjustment	-£584,597
Restricted to	£77,123,694

Overall, the funding settlement is essentially a 'flat cash' settlement yet again. This means that there is no allowance for pay inflation or general inflation on non-pay expenditure.

The operating costs of the Glasgow Colleges Regional Board (GCRB) may need to be 'top sliced' from the available funding to the three colleges.

New Funding Methodology

The circular confirms that the SFC are moving to the new demographic funding methodology. The circular outlines the transitional arrangements and confirms that some redistribution of activity is taking place in academic year 2015/16 with the Borders, Dumfries & Galloway, Glasgow, Lanarkshire and West Lothian regions gaining 1% with a 1% reduction for the North East, Edinburgh and the Lothians, Fife and the West Regions. Appendix 1 summaries the grant allocations for all the College Regions. Glasgow has the lowest grant allocation per credit in Scotland. The Region is expected to deliver 21.7% of the sector credits target but will receive only 19.6% of the total core funding and 17.3% of the sector student support budget. This is despite the region having a high proportion of residents who reside within the most deprived datazones. Glasgow will however attract 28% of the sector social inclusion funding, however, as the new model has not been fully implemented the region will not receive the full benefit of this in session 2015/16.

It should be noted for Glasgow that the total funding allocated through the new model is more than the proposed cash allocation to the sector as a result of the transitional arrangements. This means Glasgow is expected to deliver its activity commitments for £584,597 less than the new model would allocate to the region. Glasgow has by far the largest adverse transitional adjustment with the total adjustment only £3,756. Edinburgh, West, Ayr, Fife, Dundee and Angus and Forth Valley have all benefited substantially from the transitional approach to the

implementation of the new methodology. The SFC demographic model has generated Glasgow a 1% increase in activity and a 1% increase in cash funding.

Student Support Funds

There are three main student support funds allocated to Colleges to administer on behalf of others and these total £18.3M in 2015/16 down from £19.3M in 2014/15. Student funding rates and scales are to be increased by inflation (1.6%). Further work is still to be done on the allocation of funds between each of the strands (Bursary, Childcare and Discretionary). There is a significant concern about the decisions which have already been taken to reallocate some funding on the basis of perceived demand and spend in different colleges / regions. This has resulted in a £1m or 5.3% cash reduction in the proposed allocation. This reduces the amount of resource available to the Glasgow colleges to pay to students in Bursary, Childcare, Travel and Hardship support to students from some of the most deprived communities in Scotland. The College will also have to fund the inflation on the awards and cope with higher demand as a consequence of the increased activity target. A separate report has been prepared which details this issue further.

The proposed Student Support allocation is reduced for the Glasgow Region from £19.3m to £18.3m. The reduced Student Support Fund budget will need to be allocated among all three colleges.

Strategic Funds

The circular states that £17m in strategic funds are fully committed. It is assumed that some of this has been allocated to the implementation of the Glasgow Curriculum and Estates Review recommendations in line with the report provided to the Glasgow Colleges Regional Board and the SFC in November 2014.

European Funds

There are significant European Funds available to the sector over the next three years, these will contribute to the college total allocations to a greater extent than they have done in recent years. This represents an additional risk to funding levels in the medium term, however it is providing extra resource for the coming 3 years.

3. SFC Capital Grants

In respect of the Capital / Maintenance Grants, the Glasgow total has reduced from £5.4m to £4m. This has been reduced across the sector as capital allocations are focussed on specific projects. This is a 25% reduction compared to the current academic/financial year and will result in less funding for maintenance of property and investment in new equipment across the region.

4. Future Cost Pressures

In addition to the cuts in funding outlined above there are significant cost pressures facing the three Glasgow colleges which will impact on their ability to operate sustainably. These include:

- Increased Scottish Teachers Superannuation Scheme Employer Costs from September totalling circa £1.1m in a full year;
- Removal of Employers National Insurance rebate for staff in approved pension schemes from 1 April 2016 (cost of £1.4m in a full year); and
- Additional property costs associated with the Unitary Charges as the City of Glasgow campus project becomes operational.

Overall the funding settlement is extremely challenging for the regional colleges who will also have to manage the changes outlined in the first stage of the implementation of the Curriculum and Estates Review.

5. Risk Analysis

The indicative funding settlement for the Glasgow Region increases the risk that the region will be unable to meet its activity target and provide support to students within the resources available to it.

6. Legal Implications

The SFC have not yet published an Equalities Impact Assessment in respect of the implementation of the new Funding Methodology.

7. Financial Implications

The proposed allocation of activity and funding to Glasgow has significant implications in respect of the ability of the three Colleges to operate on a financially sustainable basis, support students and invest in equipment and infrastructure.

8. Recommendations

The GCRB are recommended to:

- i) Note the contents of this report and its appendices;
- ii) Note the challenging nature of the funding settlement and cost pressures facing the Glasgow Colleges in the coming year;
- iii) Note the reduction in Student Support, Capital and Maintenance grants;
- iv) Note the negative impact on Glasgow in respect of the transitional arrangements put in place in respect of the new Funding Methodology; and
- v) Consider whether the GCRB should request the Scottish Funding Council to reconsider the reasonableness of the activity target and/or proposed funding allocations for the Glasgow Region.

Annex A - College sector funding and targets 2015-16

Overall funding allocations, AY 2015-16

		Ayr	Borders	Dumfries	D&A	Edin	Fife	Forth	Glasgow	Highlands	Lanark	Newbattle	NE	SMO	SRU	West	W. Lothian
	Sector total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total	Regional total
Teaching and fee waiver **	£394,028,251	£31,975,352	£6,837,729	£8,413,961	£23,832,537	£41,774,374	£30,288,858	£19,766,914	£77,123,694	£32,546,898	£38,198,401	£666,951	£29,376,767	£623,833	£6,581,944	£37,154,497	£8,865,541
European Social Fund*	£19,545,519	£2,098,496	£210,642	£605,439	£766,710	£262,395	£1,014,702	£656,981	£5,931,146	£0	£2,891,238	£0	£1,004,495	£0	£0	£2,451,097	£318,283
Student support	£105,289,270	£10,341,947	£1,901,095	£2,188,604	£6,753,117	£10,706,409	£9,078,018	£3,671,124	£18,252,901	£8,063,086	£12,327,397	£256,107	£7,666,970	£24,618	£1,584,531	£10,009,452	£2,463,893
Capital/Maintenance	£20,000,000	£1,641,244	£317,136	£380,867	£1,204,880	£2,303,856	£1,576,897	£1,061,244	£4,042,292	£1,387,515	£1,982,664	£0	£1,593,577	£0	£409,077	£1,937,277	£161,475
Teaching and fee waiver per credit	£233	£255	£294	£277	£231	£214	£233	£235	£210	£295	£227	£720	£215	£777	£361	£234	£221
European Social Fund per credit	£12	£17	£9	£20	£7	£1	£8	£8	£16	£0	£17	£0	£7	£0	£0	£15	£8
Student support per credit	£62	£82	£82	£72	£65	£55	£70	£44	£50	£73	£73	£277	£56	£31	£87	£63	£61
Capital/Maintenance per credit	£12	£13	£14	£13	£12	£12	£12	£13	£11	£13	£12	£0	£12	£0	£22	£12	£4

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF some funds are still to be allocated to regions

Student number targets, AY 2015-16

Credits **	1,693,825	125,507	23,266	30,371	103,232	195,452	129,760	83,984	367,761	110,400	168,467	926	136,514	803	18,241	159,025	40,116
ESF Credits	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Total credits to be delivered	1,693,825	125,507	23,266	30,371	103,232	195,452	129,760	83,984	367,761	110,400	168,467	926	136,514	803	18,241	159,025	40,116

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Annex B - College sector funding and targets 2015-16

Sector		Ayr	Borders	Dumfries	D&A	Edin	Fife	Forth	Glasgow	Highlands	Lanark	Newbattle	NE	SMO	SRU	West	W. Lothian
2014-15 announced teaching and fee waiver grant	£394,047,608	£31,975,352	£6,770,029	£8,330,655	£23,832,537	£42,196,337	£30,594,806	£19,766,914	£76,360,093	£32,546,898	£37,820,199	£666,951	£29,673,502	£623,833	£6,581,944	£37,529,795	£8,777,764
2014-15 WSUM target	2,265,072	183,269	35,413	42,529	143,420	254,687	175,203	118,503	452,511	155,736	223,748	1,392	177,057	631	34,054	216,326	50,592
Change from 2014-15	0%	0%	1%	1%	0%	-1%	-1%	0%	1%	0%	1%	0%	-1%	0%	0%	-1%	1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£394,028,251	£31,975,352	£6,837,729	£8,413,961	£23,832,537	£41,774,374	£30,288,858	£19,766,914	£77,123,694	£32,546,898	£38,198,401	£666,951	£29,376,767	£623,833	£6,581,944	£37,154,497	£8,865,541
2015-16 WSUM target (2014-15 adjusted for change in volume)	2,264,887	183,269	35,767	42,955	143,420	252,140	173,451	118,503	457,037	155,736	225,985	1,392	175,286	631	34,054	214,162	51,098
Equivalent credit target for 2015-16	1,693,825	125,507	23,266	30,371	103,232	195,452	129,760	83,984	367,761	110,400	168,467	926	136,514	803	18,241	159,025	40,116
Notional breakdown of teaching and fee waiver	£394,024,495	£31,779,672	£6,852,749	£8,383,937	£23,693,435	£41,424,430	£30,120,870	£19,612,237	£77,708,290	£33,019,768	£38,286,322	£666,951	£29,440,898	£623,833	£6,581,201	£36,899,971	£8,929,930
Teaching and fee waiver	£328,492,713	£26,321,819	£5,571,056	£6,477,135	£18,977,322	£35,894,049	£25,687,585	£15,826,271	£66,153,889	£24,878,353	£32,647,121	£666,951	£24,858,633	£623,833	£4,556,138	£31,640,084	£7,712,472
ELS premium	£49,531,782	£4,678,234	£843,949	£1,021,909	£3,839,246	£4,941,203	£3,512,470	£3,441,499	£9,280,742	£3,906,526	£4,364,018	£0	£3,534,738	£0	£825,062	£4,328,090	£1,014,097
Social Inclusion funding	£8,000,000	£779,620	£37,744	£84,893	£476,867	£589,177	£520,815	£344,467	£2,273,660	£234,889	£1,275,183	£0	£247,527	£0	£0	£931,797	£203,360
Rural premium	£8,000,000	£0	£400,000	£800,000	£400,000	£0	£400,000	£0	£0	£4,000,000	£0	£0	£800,000	£0	£1,200,000	£0	£0
Assumed fees from other sources	£60,700,930	£3,630,349	£415,155	£743,894	£3,201,411	£7,143,538	£4,484,591	£3,350,494	£16,611,795	£1,770,969	£5,878,177	£0	£5,617,135	£0	£782,988	£5,693,597	£1,376,836
Gross Funding	£454,725,425	£35,410,022	£7,267,904	£9,127,831	£26,894,847	£48,567,968	£34,605,461	£22,962,731	£94,320,085	£34,790,737	£44,164,499	£666,951	£35,058,033	£623,833	£7,364,188	£42,593,569	£10,306,766
2015-16 teaching and fee waiver grant to be paid	£394,028,251	£31,975,352	£6,837,729	£8,413,961	£23,832,537	£41,774,374	£30,288,858	£19,766,914	£77,123,694	£32,546,898	£38,198,401	£666,951	£29,376,767	£623,833	£6,581,944	£37,154,497	£8,865,541
2015-16 T & FW using simplified approach (for information only)	£394,024,495	£31,779,672	£6,852,749	£8,383,937	£23,693,435	£41,424,430	£30,120,870	£19,612,237	£77,708,290	£33,019,768	£38,286,322	£666,951	£29,440,898	£623,833	£6,581,201	£36,899,971	£8,929,930
Difference in grant if simplified approach had been fully implemented	-£3,756	-£195,679	£15,020	-£30,024	-£139,102	-£349,944	-£167,988	-£154,677	£584,596	£472,870	£87,921	£0	£64,131	£0	-£743	-£254,525	£64,388
Teaching & fee waiver grant per credit	£233	£255	£294	£277	£231	£214	£233	£235	£210	£295	£227	£720	£215	£777	£361	£234	£221



SFC Announcement

Outcome Agreements for colleges – indicative funding decisions for AY 2015-16

Issue date: 30 January 2015

Reference: SFC/AN/02/2015

Summary: To provide colleges with the Scottish Funding Council's initial decisions on funding Outcome Agreements for academic year 2015-16.

FAO: Regional Chairs, Principals and Directors of Scotland's colleges

Further information: **Contact:** Martin Smith
Job title: Deputy Director of Funding Policy
Department: Funding Policy
Tel: 0131 313 6528
Email: msmith@sfc.ac.uk

Contact: Kelly Parry
Job title: Funding Policy Officer
Department: Funding Policy
Tel: 0131 313 6547
Email: kparry@sfc.ac.uk



Scottish Funding Council
Promoting further and higher education

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD
T 0131 313 6500
F 0131 313 6501
www.sfc.ac.uk

Outcome Agreements for colleges – indicative funding decisions for AY 2015-16

Purpose

1. I am writing to provide you with the Scottish Funding Council's (SFC) initial decisions on funding Outcome Agreements for academic year (AY) 2015-16. The figures are indicative only and cannot be finalised until the budget bill has been agreed by the Scottish Parliament and we have finalised and agreed your Outcome Agreement, which we expect to be in April. The purpose of providing these indicative figures is to help you plan your provision and for us to move towards your finalised Outcome Agreement for AY 2015-16.
2. The decisions on funding are in line with the Ministerial Letter of Guidance of 31 July 2014. They support SFC's strategy, in particular the extent to which what has been planned in the emerging draft Outcome Agreements meet the national aspirations identified by SFC. They also take account of performance against the AY 2013-14 and AY 2014-15 Outcome Agreements where that is likely to affect the amount or type of funding we should allocate for AY 2015-16.

Overall available funds for the college sector

3. For AY 2015-16 we will allocate around £530.3 million. This is the same as our financial year (FY) budget for 2015-16. We have used this to set an AY budget for 2015-16 as the Scottish Government has not yet published plans for the financial years beyond 2015-16. Our AY budget is an indicative figure. The FY 2015-16 figure will be confirmed through the passing of the Budget Bill by the Scottish Parliament by March 2015. The £530.3 million represents the delivery of the Scottish Government's commitment to increase college resource funding to £525.7 million and includes funds that are ring-fenced for HE Childcare (£3.9 million) and English for Speakers of Other Languages (ESOL) (£0.7 million). These funds were previously transferred to the SFC in-year, but have now been baselined into the SFC's budget at the start of the financial year. We will continue the current criteria and arrangements for the Employability Fund.
4. The decisions on funding are in line with the Ministerial Letter of Guidance of 31 July 2014. The Government's main priorities for the college sector continue to be:
 - Maintaining student numbers
 - Delivering Opportunities for All
 - Increasing youth employment

5. The scale of the Government's ambition for increasing youth employment is signalled in Developing the Young Workforce – Scotland's Youth employment Strategy. The Government's national target for a 40% reduction in youth unemployment by 2021 would establish Scotland as one of the top performing European youth labour markets.
6. The strategy also highlights the need to make progress on the issue of gender in general college provision, with a specific recommendation that the new senior phase pathways be designed in a way that encourages more gender balance across occupations.
7. The overall budget breakdown is set-out in Table 1. In addition to revenue funds there is £25.5 million of capital and maintenance funding, £5.5 million of which is ring fenced for specific project investment.

College funding allocations by region

8. We have been working with the college sector over the past few years to develop a new system to allocate student places to regions. The number of student places is informed by our demographic places model, historical performance against activity targets, regional skills assessment and Outcome Agreement negotiations.
9. We have also developed a new funding allocation and pricing model in partnership with the sector that is easier to understand, responsive to planned changes in curriculum delivery and aligns with our demographic model to ensure colleges are paid to deliver the number of places required for their region.
10. We have been parallel running these systems with three regions during AY 2014-15 and will now roll out this method across Scotland from AY 2015-16, in line with our Letter of Guidance.
11. As a result of simplifying our pricing and measurement system (WSUMs to Credits) there would be small changes to funding allocations. However, we have worked closely with the college sector to provide stability and have agreed that we would transition any funding changes and ensure that in AY 2015-16 the effect is neutral. That is, no college will gain or lose as a result of the move in AY 2015-16 from WSUMs to Credits.
12. We have used our demographic model together with evidence from college regions on their performance of meeting existing targets and discussion about their own assessment of need and capacity for growth. The result of this is that we are proposing to redistribute a small amount of activity from the Edinburgh, Fife, North East and West College regions to Borders, Dumfries and Galloway,

Glasgow, Lanarkshire and West Lothian. There are no changes to the activity levels for any other college regions.

13. The Ministerial Letter of Guidance asks the SFC to ensure that no region meeting its targets should lose out by more than 1% for AY 2015-16. The table below shows the percentage change in regional teaching funding from AY 2014-15 to AY 2015-16 as a result of the new credit method and demographic changes.

Region	Change in funding
Borders, Dumfries & Galloway, Glasgow, Lanarkshire, West Lothian	+1%
Ayrshire, Dundee & Angus, Forth Valley, Highlands & Islands, SRUC, Newbattle, SMO	0%
North East, Edinburgh & Lothians, Fife, West	-1%

Student support

14. Consistent with the Ministerial Letter of Guidance to 'deliver inflationary increases to college bursaries and childcare support', we have uprated the bursary rates and scales by 1.6% and the overall childcare funding by 1.6% and this is reflected in the indicative student support budget figure set out in Table 1.
15. The distribution of this budget figure for the initial allocation of student support funds for AY 2015-16 is based on the AY 2014-15 initial allocation plus the best estimate of in-year funds which we received from colleges this month. Additionally, we have advised colleges that they can use funds previously set aside for depreciation to provide additional student support for AY 2014-15. We have provided details of this in [SFC/AN/03/2015](#). We are considering the implications of this for AY 2015-16 and will look to agree a detailed way forward with the Scottish Government, Colleges Scotland and the National Union of Students (Scotland) (NUS).
16. In the initial allocation we have also redistributed student support funds in line with the changes in provision set-out in paragraph 12 and the table above.
17. We have not at this point split the funds between bursary, childcare and discretionary funds. We intend to do this for April with the final Outcome Agreements.
18. We have been working to review the current system of student support. A review group was established in order to progress this area of work and a

number of recommendations for improvement have been drafted. We are currently considering the recommendations, and will consult Scottish Government colleagues, the sector, Colleges Scotland, the NUS and others on the content of the recommendations as well as implementation, timescales and resources. This area of work has not been concluded in time to influence the indicative distribution of student support as set out in the attached tables and will be considered for 2015-16 onwards.

Strategic funds

19. Our strategic funds budget for AY 2015-16 is around £17 million and is fully committed for the continuation of existing projects, including residual matters relating to mergers, and support for sector-wide agencies and services, for example Education Scotland and the JISC academic network. We have reviewed our approach to how we fund the sector-wide agencies and have Outcome Agreements in place for them. The overall strategic funds budget is also indicative and the final amounts might change. In particular, discussions between the sector, the various agencies and ourselves about the nature, level and funding of cross-sector activities are ongoing and therefore there could be some shifts between total teaching funds and strategic funds between now and our final decisions.

European funds

20. The Ministerial Letter of Guidance asked SFC to “enhance the range of provision colleges deliver through the 2014-20 European funding programme. You should therefore continue to collaborate with the Scottish Government, colleges, SDS and relevant partners to maximise the funding available”.
21. SFC and SDS submitted a joint proposal for European Structural Funds for the new programme 2014-20. The proposal was considered under the Scottish Government’s strategic intervention theme of ‘Competitiveness, Innovation and Jobs’. SFC has an indicative allocation for its programme, which including match funding is around £160 million over the six year period, covering the following four areas:
 - Youth Employment Initiative (South West Scotland Colleges)
 - European Social Funds (ESF) (Colleges in Lowland and Uplands Scotland)
 - Highlands & Islands ESF transitional funding
 - Higher level skills (HE articulation and taught postgraduates)
22. The Youth Employment Initiative (YEI) aims to integrate young people not in employment, education or training into the labour market. A specific objective

is to reduce youth unemployment in South West Scotland. The funds need to be spent in the first three years of the new programme and have a higher intervention rate than other ESF funds. Part of the YEI will support college places and address issues that prevent young people taking up these places, for example childcare commitments.

23. The Scottish Government European Operational Programme sets out investment priorities to invest in education and vocational training. Specific objectives have been set to address structural skills gaps and to increase higher level skills to support the development of key growth sectors.
24. For colleges we have set aside match funding of £5.6 million and £2.4 million student support for 2015-16. This £8 million of match funding should lever in an additional £11.5 million (that is £9.3 million YEI and £2.2 million ESF (LUPS)).
25. At this stage we cannot confirm the funding as we need to submit a final application with projected outputs and outcomes. Our Outcome Agreement Managers have been discussing with colleges what can be delivered in addition to core targets. As we expect similar amounts of funding in AY 2016-17 and AY 2017-18 we are working with colleges to plan delivery of core and additional YEI and ESF provision over the three year period.
26. We have set out in the attached tables indicative funding levels for YEI and ESF. These are subject to confirmation of funding from Scottish Government and, in some cases, further discussion with individual colleges. We aim to confirm these allocations in April when we finalise the Outcome Agreements for AY 2015-16.

Capital and Maintenance funding

27. We intend to allocate £25.5 million infrastructure budget for colleges. Of this, £5.5 million is ring-fenced for specific project investment. We will allocate the balance of funding according to the colleges' share of teaching funding and this will be apportioned between capital and maintenance at individual college level according to their needs.
28. Each college region's formula allocation will be split between Capital and Maintenance based on projected capital expenditure as submitted in their Financial Forecasting Returns. Capital allocations must only be used for items which can be capitalised, including IT. Maintenance allocations must only be used for building maintenance, which is not capitalised.
29. We are beginning to work with the sector to develop a ten-year investment strategy for infrastructure.

Funding tables

30. We have attached the following tables:

- Table 1 – College sector - overall budget for AY 2015-16
- Annex A – Overall funding allocations and credit targets - sector and individual college regions
- Annex B – Breakdown of teaching allocations - sector and individual college regions
- Annex C – Further information and payment timetable for incorporated colleges.

Further information

31. Please contact Martin Smith, Deputy Director, Funding Policy for further information, tel: 0131 313 6528, email: msmith@sfc.ac.uk or Kelly Parry, Funding Policy Officer, tel: 0131 313 6547, email: kparry@sfc.ac.uk.



Laurence Howells
Chief Executive

Table 1

College Sector - Overall budget for academic year 2015-16

	Budget 2015-16 £000
Teaching	
Core teaching and waiver	394,028
Match funding for ESF	5,600
Total teaching	399,628
Student support	
Core student support	105,289
Student support for ESF	2,400
Total student support	107,689
Strategic funding	16,983
Transfer to SDS	6,000
Overall total	530,300
College infrastructure	25,500

Only SFC match funding for ESF is shown in the table above.

Annex A - College sector funding and targets 2015-16

Scotland

Overall funding allocations, AY 2015-16

	Sector total
Teaching and fee waiver **	£394,028,251
European Social Fund*	£19,545,519
Student support	£105,289,270
Capital/Maintenance	£20,000,000

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF some funds are still to be allocated to regions

Student number targets, AY 2015-16

Credits **	1,693,825
ESF Credits	*
Total credits to be delivered	1,693,825

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

North East

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£29,376,767
European Social Fund*	£1,004,495
Student support	£7,666,970
Capital/Maintenance	£1,593,577

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	136,514
ESF Credits	*
Total credits to be delivered	136,514

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Ayrshire

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£31,975,352
European Social Fund*	£2,098,496
Student support	£10,341,947
Capital/Maintenance	£1,641,244

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	125,507
ESF Credits	*
Total credits to be delivered	125,507

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Borders

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£6,837,729
European Social Fund*	£210,642
Student support	£1,901,095
Capital/Maintenance	£317,136

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	23,266
ESF Credits	*
Total credits to be delivered	23,266

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Dumfries and Galloway
Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£8,413,961
European Social Fund*	£605,439
Student support	£2,188,604
Capital/Maintenance	£380,867

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	30,371
ESF Credits	*
Total credits to be delivered	30,371

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Dundee and Angus

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£23,832,537
European Social Fund*	£766,710
Student support	£6,753,117
Capital/Maintenance	£1,204,880

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	103,232
ESF Credits	*
Total credits to be delivered	103,232

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Edinburgh and Lothians

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£41,774,374
European Social Fund*	£262,395
Student support	£10,706,409
Capital/Maintenance	£2,303,856

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	195,452
ESF Credits	*
Total credits to be delivered	195,452

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Fife

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£30,288,858
European Social Fund*	£1,014,702
Student support	£9,078,018
Capital/Maintenance	£1,576,897

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	129,760
ESF Credits	*
Total credits to be delivered	129,760

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Forth Valley

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£19,766,914
European Social Fund*	£656,981
Student support	£3,671,124
Capital/Maintenance	£1,061,244

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	83,984
ESF Credits	*
Total credits to be delivered	83,984

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Glasgow

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£77,123,694
European Social Fund*	£5,931,146
Student support	£18,252,901
Capital/Maintenance	£4,042,292

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	367,761
ESF Credits	*
Total credits to be delivered	367,761

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Highlands and Islands
Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£32,546,898
European Social Fund*	£0
Student support	£8,063,086
Capital/Maintenance	£1,387,515

* The European Social Fund allocation is still to be allocated

Student number targets, AY 2015-16

Credits **	110,400
ESF Credits	*
Total credits to be delivered	110,400

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Lanarkshire

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£38,198,401
European Social Fund*	£2,891,238
Student support	£12,327,397
Capital/Maintenance	£1,982,664

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	168,467
ESF Credits	*
Total credits to be delivered	168,467

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

Newbattle Abbey

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£666,951
European Social Fund	£0
Student support	£256,107
Capital/Maintenance	£0

Student number targets, AY 2015-16

Credits **	926
ESF Credits	
Total credits to be delivered	926

** Annex B outlines the change from 2014-15 for these lines

Sabhal Mòr Ostaig

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£623,833
European Social Fund	£0
Student support	£24,618
Capital/Maintenance	£0

Student number targets, AY 2015-16

Credits **	803
ESF Credits	
Total credits to be delivered	803

** Annex B outlines the change from 2014-15 for these lines

SRUC

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£6,581,944
European Social Fund*	£0
Student support	£1,584,531
Capital/Maintenance	£409,077

* The European Social Fund allocation is still to be allocated

Student number targets, AY 2015-16

Credits **	18,241
ESF Credits	*
Total credits to be delivered	18,241

** Annex B outlines the change from 2014-15 for these lines

West

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£37,154,497
European Social Fund*	£2,451,097
Student support	£10,009,452
Capital/Maintenance	£1,937,277

* The European Social Fund allocation is to pay for the ESF credits target and associated student support

*European Social Fund allocation includes matched funding from ESF

Student number targets, AY 2015-16

Credits **	159,025
ESF Credits	*
Total credits to be delivered	159,025

*European Social Fund allocation includes matched funding from ESF

*European Social Fund Credits to be confirmed

** Annex B outlines the change from 2014-15 for these lines

West Lothian

Overall funding allocations, AY 2015-16

	Regional total
Teaching and fee waiver **	£8,865,541
European Social Fund*	£318,283
Student support	£2,463,893
Capital/Maintenance	£161,475

** The European Social Fund allocation is to pay for the ESF credits target and associated student support*

**European Social Fund allocation includes matched funding from ESF*

Student number targets, AY 2015-16

Credits **	40,116
ESF Credits	*
Total credits to be delivered	40,116

**European Social Fund allocation includes matched funding from ESF*

**European Social Fund Credits to be confirmed*

*** Annex B outlines the change from 2014-15 for these lines*

Annex B - College sector funding and targets 2015-16
Sector

2014-15 announced teaching and fee waiver grant	£394,047,608
2014-15 WSUM target	2,265,072
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£394,028,251
2015-16 WSUM target (2014-15 adjusted for change in volume)	2,264,887
Equivalent credit target for 2015-16	1,693,825
Notional breakdown of teaching and fee waiver	£394,024,495
Teaching and fee waiver	£328,492,713
ELS premium	£49,531,782
Social Inclusion funding	£8,000,000
Rural premium	£8,000,000
Assumed fees from other sources	£60,700,930
Gross Funding	£454,725,425
2015-16 teaching and fee waiver grant to be paid	£394,028,251
2015-16 T & FW using simplified approach (for information only)	£394,024,495
Difference in grant if simplified approach had been fully implemented	-£3,756

North East

2014-15 announced teaching and fee waiver grant	£29,673,502
2014-15 WSUM target	177,057
change from 2014-15	-1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£29,376,767
2015-16 WSUM target (2014-15 adjusted for change in volume)	175,286
Equivalent credit target for 2015-16	136,514
Teaching and fee waiver grant under new simplified approach	£29,440,898
Teaching and fee waiver	£24,858,633
ELS premium	£3,534,738
Social Inclusion funding	£247,527
Rural premium	£800,000
Assumed fees from other sources	£5,617,135
<i>Gross Funding</i>	<i>£35,058,033</i>
2015-16 teaching and fee waiver grant to be paid	£29,376,767
2015-16 T & FW using simplified approach (for information only)	£29,440,898
Difference in grant if simplified approach had been fully implemented	£64,131

Ayrshire

2014-15 announced teaching and fee waiver grant	£31,975,352
2014-15 WSUM target	183,269
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£31,975,352
2015-16 WSUM target (2014-15 adjusted for change in volume)	183,269
Equivalent credit target for 2015-16	125,507
Teaching and fee waiver grant under new simplified approach	£31,779,672
Teaching and fee waiver	£26,321,819
ELS premium	£4,678,234
Social Inclusion funding	£779,620
Rural premium	£0
Assumed fees from other sources	£3,630,349
<i>Gross Funding</i>	<i>£35,410,022</i>
2015-16 teaching and fee waiver grant to be paid	£31,975,352
2015-16 T & FW using simplified approach (for information only)	£31,779,672
Difference in grant if simplified approach had been fully implemented	-£195,679

Borders

<i>2014-15 announced teaching and fee waiver grant</i>	£6,770,029
<i>2014-15 WSUM target</i>	35,413
Change from 2014-15	1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£6,837,729
<i>2015-16 WSUM target (2014-15 adjusted for change in volume)</i>	35,767
Equivalent credit target for 2015-16	23,266
Teaching and fee waiver grant under new simplified approach	£6,852,749
Teaching and fee waiver	£5,571,056
ELS premium	£843,949
Social Inclusion funding	£37,744
Rural premium	£400,000
Assumed fees from other sources	£415,155
<i>Gross Funding</i>	<i>£7,267,904</i>
2015-16 teaching and fee waiver grant to be paid	£6,837,729
2015-16 T & FW using simplified approach (for information only)	£6,852,749
Difference in grant if simplified approach had been fully implemented	£15,020

Dumfries and Galloway

2014-15 announced teaching and fee waiver grant	£8,330,655
2014-15 WSUM target	42,529
Change from 2014-15	1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£8,413,961
2015-16 WSUM target (2014-15 adjusted for change in volume)	42,955
Equivalent credit target for 2015-16	30,371
Teaching and fee waiver grant under new simplified approach	£8,383,937
Teaching and fee waiver	£6,477,135
ELS premium	£1,021,909
Social Inclusion funding	£84,893
Rural premium	£800,000
Assumed fees from other sources	£743,894
<i>Gross Funding</i>	<i>£9,127,831</i>
2015-16 teaching and fee waiver grant to be paid	£8,413,961
2015-16 T & FW using simplified approach (for information only)	£8,383,937
Difference in grant if simplified approach had been fully implemented	-£30,024

Dundee and Angus

2014-15 announced teaching and fee waiver grant	£23,832,537
2014-15 WSUM target	143,420
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£23,832,537
2015-16 WSUM target (2014-15 adjusted for change in volume)	143,420
Equivalent credit target for 2015-16	103,232
Teaching and fee waiver grant under new simplified approach	£23,693,435
Teaching and fee waiver	£18,977,322
ELS premium	£3,839,246
Social Inclusion funding	£476,867
Rural premium	£400,000
Assumed fees from other sources	£3,201,411
Gross Funding	£26,894,847
2015-16 teaching and fee waiver grant to be paid	£23,832,537
2015-16 T & FW using simplified approach (for information only)	£23,693,435
Difference in grant if simplified approach had been fully implemented	-£139,102

Dundee and Angus

2014-15 announced teaching and fee waiver grant	£23,832,537
2014-15 WSUM target	143,420
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£23,832,537
2015-16 WSUM target (2014-15 adjusted for change in volume)	143,420
Equivalent credit target for 2015-16	103,232
Teaching and fee waiver grant under new simplified approach	£23,693,435
Teaching and fee waiver	£18,977,322
ELS premium	£3,839,246
Social Inclusion funding	£476,867
Rural premium	£400,000
Assumed fees from other sources	£3,201,411
Gross Funding	£26,894,847
2015-16 teaching and fee waiver grant to be paid	£23,832,537
2015-16 T & FW using simplified approach (for information only)	£23,693,435
Difference in grant if simplified approach had been fully implemented	-£139,102

Edinburgh and Lothians

2014-15 announced teaching and fee waiver grant	£42,196,337
2014-15 WSUM target	254,687
Change from 2014-15	-1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£41,774,374
2015-16 WSUM target (2014-15 adjusted for change in volume)	252,140
Equivalent credit target for 2015-16	195,452
Teaching and fee waiver grant under new simplified approach	£41,424,430
Teaching and fee waiver	£35,894,049
ELS premium	£4,941,203
Social Inclusion funding	£589,177
Rural premium	£0
Assumed fees from other sources	£7,143,538
<i>Gross Funding</i>	<i>£48,567,968</i>
2015-16 teaching and fee waiver grant to be paid	£41,774,374
2015-16 T & FW using simplified approach (for information only)	£41,424,430
Difference in grant if simplified approach had been fully implemented	-£349,944

Fife

2014-15 announced teaching and fee waiver grant	£30,594,806
2014-15 WSUM target	175,203
Change from 2014-15	-1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£30,288,858
2015-16 WSUM target (2014-15 adjusted for change in volume)	173,451
Equivalent credit target for 2015-16	129,760
Teaching and fee waiver grant under new simplified approach	£30,120,870
Teaching and fee waiver	£25,687,585
ELS premium	£3,512,470
Social Inclusion funding	£520,815
Rural premium	£400,000
Assumed fees from other sources	£4,484,591
<i>Gross Funding</i>	<i>£34,605,461</i>
2015-16 teaching and fee waiver grant to be paid	£30,288,858
2015-16 T & FW using simplified approach (for information only)	£30,120,870
Difference in grant if simplified approach had been fully implemented	-£167,988

Forth Valley

2014-15 announced teaching and fee waiver grant	£19,766,914
2014-15 WSUM target	118,503
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£19,766,914
2015-16 WSUM target (2014-15 adjusted for change in volume)	118,503
Equivalent credit target for 2015-16	83,984
Teaching and fee waiver grant under new simplified approach	£19,612,237
Teaching and fee waiver	£15,826,271
ELS premium	£3,441,499
Social Inclusion funding	£344,467
Rural premium	£0
Assumed fees from other sources	£3,350,494
<i>Gross Funding</i>	<i>£22,962,731</i>
2015-16 teaching and fee waiver grant to be paid	£19,766,914
2015-16 T & FW using simplified approach (for information only)	£19,612,237
Difference in grant if simplified approach had been fully implemented	-£154,677

Glasgow

2014-15 announced teaching and fee waiver grant	£76,360,093
2014-15 WSUM target	452,511
Change from 2014-15	1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£77,123,694
2015-16 WSUM target (2014-15 adjusted for change in volume)	457,037
Equivalent credit target for 2015-16	367,761
Teaching and fee waiver grant under new simplified approach	£77,708,290
Teaching and fee waiver	£66,153,889
ELS premium	£9,280,742
Social Inclusion funding	£2,273,660
Rural premium	£0
Assumed fees from other sources	£16,611,795
<i>Gross Funding</i>	<i>£94,320,085</i>
2015-16 teaching and fee waiver grant to be paid	£77,123,694
2015-16 T & FW using simplified approach (for information only)	£77,708,290
Difference in grant if simplified approach had been fully implemented	£584,596

Highlands and Islands

2014-15 announced teaching and fee waiver grant	£32,546,898
2014-15 WSUM target	155,736
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£32,546,898
2015-16 WSUM target (2014-15 adjusted for change in volume)	155,736
Equivalent credit target for 2015-16	110,400
Teaching and fee waiver grant under new simplified approach	£33,019,768
Teaching and fee waiver	£24,878,353
ELS premium	£3,906,526
Social Inclusion funding	£234,889
Rural premium	£4,000,000
Assumed fees from other sources	£1,770,969
<i>Gross Funding</i>	<i>£34,790,737</i>
2015-16 teaching and fee waiver grant to be paid	£32,546,898
2015-16 T & FW using simplified approach (for information only)	£33,019,768
Difference in grant if simplified approach had been fully implemented	£472,870

Lanarkshire

2014-15 announced teaching and fee waiver grant	£37,820,199
2014-15 WSUM target	223,748
Change from 2014-15	1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£38,198,401
2015-16 WSUM target (2014-15 adjusted for change in volume)	225,985
Equivalent credit target for 2015-16	168,467
Teaching and fee waiver grant under new simplified approach	£38,286,322
Teaching and fee waiver	£32,647,121
ELS premium	£4,364,018
Social Inclusion funding	£1,275,183
Rural premium	£0
Assumed fees from other sources	£5,878,177
<i>Gross Funding</i>	<i>£44,164,499</i>
2015-16 teaching and fee waiver grant to be paid	£38,198,401
2015-16 T & FW using simplified approach (for information only)	£38,286,322
Difference in grant if simplified approach had been fully implemented	£87,921

Newbattle Abbey

2014-15 announced teaching and fee waiver grant	£666,951
2014-15 WSUM target	1,392
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£666,951
2015-16 WSUM target (2014-15 adjusted for change in volume)	1,392
Equivalent credit target for 2015-16	926
Teaching and fee waiver grant under new simplified approach	£666,951
Teaching and fee waiver	£666,951
ELS premium	£0
Social Inclusion funding	£0
Rural premium	£0
Assumed fees from other sources	£0
Gross Funding	£666,951
2015-16 teaching and fee waiver grant to be paid	£666,951
2015-16 T & FW using simplified approach (for information only)	£666,951
Difference in grant if simplified approach had been fully implemented	£0

Sabhal Mòr Ostaig

2014-15 announced teaching and fee waiver grant	£623,833
2014-15 WSUM target	631
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£623,833
2015-16 WSUM target (2014-15 adjusted for change in volume)	631
Equivalent credit target for 2015-16	803
Teaching and fee waiver grant under new simplified approach	£623,833
Teaching and fee waiver	£623,833
ELS premium	£0
Social Inclusion funding	£0
Rural premium	£0
Assumed fees from other sources	£0
Gross Funding	£623,833
2015-16 teaching and fee waiver grant to be paid	£623,833
2015-16 T & FW using simplified approach (for information only)	£623,833
Difference in grant if simplified approach had been fully implemented	£0

SRUC

2014-15 announced teaching and fee waiver grant	£6,581,944
2014-15 WSUM target	34,054
Change from 2014-15	0%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£6,581,944
2015-16 WSUM target (2014-15 adjusted for change in volume)	34,054
Equivalent credit target for 2015-16	18,241
Teaching and fee waiver grant under new simplified approach	£6,581,201
Teaching and fee waiver	£4,556,138
ELS premium	£825,062
Social Inclusion funding	£0
Rural premium	£1,200,000
Assumed fees from other sources	£782,988
<i>Gross Funding</i>	<i>£7,364,188</i>
2015-16 teaching and fee waiver grant to be paid	£6,581,944
2015-16 T & FW using simplified approach (for information only)	£6,581,201
Difference in grant if simplified approach had been fully implemented	-£743

West

2014-15 announced teaching and fee waiver grant	£37,529,795
2014-15 WSUM target	216,326
Change from 2014-15	-1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£37,154,497
2015-16 WSUM target (2014-15 adjusted for change in volume)	214,162
Equivalent credit target for 2015-16	159,025
Teaching and fee waiver grant under new simplified approach	£36,899,971
Teaching and fee waiver	£31,640,084
ELS premium	£4,328,090
Social Inclusion funding	£931,797
Rural premium	£0
Assumed fees from other sources	£5,693,597
<i>Gross Funding</i>	<i>£42,593,569</i>
2015-16 teaching and fee waiver grant to be paid	£37,154,497
2015-16 T & FW using simplified approach (for information only)	£36,899,971
Difference in grant if simplified approach had been fully implemented	-£254,525

West Lothian

2014-15 announced teaching and fee waiver grant	£8,777,764
2014-15 WSUM target	50,592
Change from 2014-15	1%
2015-16 teaching and fee waiver grant (2014-15 adjusted for change in volume)	£8,865,541
2015-16 WSUM target (2014-15 adjusted for change in volume)	51,098
Equivalent credit target for 2015-16	40,116
Teaching and fee waiver grant under new simplified approach	£8,929,930
Teaching and fee waiver	£7,712,472
ELS premium	£1,014,097
Social Inclusion funding	£203,360
Rural premium	£0
Assumed fees from other sources	£1,376,836
<i>Gross Funding</i>	<i>£10,306,766</i>
2015-16 teaching and fee waiver grant to be paid	£8,865,541
2015-16 T & FW using simplified approach (for information only)	£8,929,930
Difference in grant if simplified approach had been fully implemented	£64,388

Annex C – Payment and cash-flow pro-forma schedule for incorporated colleges 2015-16

1. Incorporated colleges are classified as central government entities for the purposes of accounting and budgeting. It is SFC's responsibility to allocate both cash and resource budgets to colleges/regions in order to support the delivery of their Outcome Agreements, to distribute cash on the basis of need, monitor cash paid out by SFC against the overall FY budget, monitor spend against FY resource budget, monitor college sustainability and to provide information to the Scottish Government and to Her Majesty's Treasury.
2. We will make payment to all incorporated colleges on the basis of need. In order to ascertain this need, colleges will be required to complete a monthly pro-forma stating their cash requirement for that month and their projected future cash requirement.
3. In FY 2014-15 colleges were asked to submit an annual cash-flow in addition to the monthly cash-flows. It has been decided that this annual cash-flow will not be required for FY 2015-16. Instead, the first FY 2015-16 cash-flow to be issued by SFC will be the April 2015 monthly cash-flow.
4. A timetable of payment dates and dates for the issuing and return of cash-flow pro-forma is attached:

Date	Action
19 March 2015	SFC issue April cash-flow pro-forma to colleges
1 April 2015	Return April cash-flow pro-forma to SFC
14 April 2015	April payment to colleges
23 April 2015	SFC issue May cash-flow pro-forma to colleges
1 May 2015	Return May cash-flow pro-forma to SFC
14 May 2015	May payment to colleges
21 May 2015	SFC issue June cash-flow pro-forma to colleges
2 June 2015	Return June cash-flow pro-forma to SFC
15 June 2015	June payment to colleges
18 June 2015	SFC issue July cash-flow pro-forma to colleges
2 July 2015	Return July cash-flow pro-forma to SFC
14 July 2015	July payment to colleges
23 July 2015	SFC issue August cash-flow pro-forma to colleges
4 August 2015	Return August cash-flow pro-forma to SFC
14 August 2015	August payment to colleges
20 August 2015	SFC issue September cash-flow pro-forma to colleges
1 September 2015	Return September cash-flow pro-forma to SFC
14 September 2015	September payment to colleges

17 September 2015	SFC issue October cash-flow pro-forma to colleges
1 October 2015	Return October cash-flow pro-forma to SFC
14 October 2015	October payment to colleges
22 October 2015	SFC issue November cash-flow pro-forma to colleges
2 November 2015	Return November cash-flow pro-forma to SFC
16 November 2015	November payment to colleges
19 November 2015	SFC issue December cash-flow pro-forma to colleges
2 December 2015	Return December cash-flow pro-forma to SFC
14 December 2015	December payment to colleges
-	The January payment will be based on the information returned in the December cash-flow.
-	
14 January 2016	January payment to colleges
21 January 2016	SFC issue February cash-flow pro-forma to colleges
2 February 2016	Return February cash-flow pro-forma to SFC
15 February 2016	February payment to colleges
18 February 2016	SFC issue March cash-flow pro-forma to colleges
2 March 2016	Return March cash-flow pro-forma to SFC
14 March 2016	March payment to colleges