

Performance and Resources Committee Meeting

Date of Meeting	Thursday 14 March 2019
Paper Title	Indicative Funding Allocations for 2019-20
Agenda Item	10 (a)
Paper Number	PRC3-J
Responsible Officer	Jim Godfrey, Finance and Resources Director
Recommended Status	Disclosable
Action	For Decision

1. Report Purpose

- 1.1. To provide the Performance and Resources Committee with the latest information regarding the indicative funding for 2019-20.

2. Recommendations

- 2.1. The Committee is asked to:

- **Note** the Indicative Funding Allocations for 2019-20 issued by the SFC
- **Request** that the Indicative Regional Funding Allocations for 2019-20 are presented to the Board for consideration on 25 March 2019.

3. Report

- 3.1. On 28 February 2019, the SFC announced the indicative funding allocations for 2019-20. A copy of the announcement is attached as an annex to this report.
- 3.2. The Executive Director and Finance and Resources Director met with representatives of SFC to discuss the announcement on 26 February 2019. The meeting was beneficial and enabled GCRB to have a better understanding of the background to the SFC decisions.
- 3.3. Work is now underway to examine the implications of the announcement for the Glasgow Region.
- 3.4. It is intended that the indicative regional funding allocations for 2019-20 will be presented to the Glasgow Colleges Sustainability Group on 29 March 2019 and Glasgow Colleges Group on 16 April 2019.

4. Risk Analysis

- 4.1.** One of the key risks facing the Glasgow Region is that “Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs.” The indicative funding announcement contains some sources of funding that enable the Region to meet additional costs in 2019-20. For example, the indicative funding announcement provides £2.26m to meet the costs of National Bargaining in the Glasgow Region.
- 4.2.** However, there are also a range of funding pressures for which there funds have not been provided. For example, a cost of living pay award for staff (£3m), inflationary pressures on non-staff costs (£1m) and additional pension costs relating to the Teachers’ Pension Scheme (£2m)¹. In addition, there are some changes to the amounts of funding allocated in the formula this year. For example, the amount of capital funding will reduce from by 40% or £2.7m (from £6.2m in 2018-19 to £3.5m in 2019-20).
- 4.3.** The indicative settlement for 2019-20 provides for a ‘flat cash’ settlement together with additional funds to meet the cost of National Bargaining. This represents a real terms reduction in resources as a result of the additional financial pressures outlined in the previous paragraph. If the current cost structure continued, the indicative settlement indicates that the gap between income and expenditure could be £8m 2019-20. There would need to be a commensurate reduction in the cost structure, or growth in net income, to ensure that financial sustainability is not jeopardised.

5. Legal Implications

- 5.1.** There are no legal implications associated with this paper.

6. Resource Implications

- 6.1.** The indicative funding available to the region for 2018-19 is set out in the SFC Announcement of 28 February 2019. Work is taking place to determine the indicative allocation within the Glasgow Region for consideration by the Board of GCRB at its next meeting.

7. Strategic Plan Implications

- 7.1.** The provision of funding for 2019-20 provides the resources to support the delivery of the Regional Outcome Agreement and implementation of the Glasgow Region Strategic Plan for College Education.

¹ There is a possibility that some additional funding might be provided to meet the increased costs of the Teachers’ Pension Scheme and further information is awaited regarding this.



SFC Announcement

Outcome agreement funding for colleges – indicative allocations for 2019-20

Issue date: 28 February 2019

Reference: SFC/AN/05/2019

Summary: Announcement of indicative college outcome agreement funding allocations for Academic Year 2019-20.

FAO: Principals / Directors and Board Secretaries of Scotland's colleges.

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Outcome agreement funding for colleges – indicative allocations for AY 2019-20

1. I am writing to provide you with initial Scottish Funding Council (SFC) decisions on indicative outcome agreement funding for colleges in Academic Year (AY) 2019-20.
2. The purpose of providing these indicative allocations is to help colleges plan their provision and for SFC to move towards finalised outcome agreements for AY 2019-20.
3. The indicative allocations set out in this announcement are based on the progress colleges have made towards meeting the targets outlined in their previous outcome agreements. Final funding allocations will reflect, in particular, the extent to which the targets and commitments in draft outcome agreements for AY 2019-20 meet SFC's national aspirations, as identified in our outcome agreement guidance. Should SFC conclude that an outcome agreement is unsatisfactory, we will make the appropriate adjustments to final funding allocations.
4. This approach supports the delivery of SFC's Strategic Plan and is in line with our outcome agreement guidance. It is also consistent with the Minister for Further Education, Higher Education and Science's [Outcome Agreement Guidance Letter](#) of 14 November 2018 and the additional [Joint Strategic Guidance](#) provided to enterprise and skills agencies on 11 January 2019.
5. The indicative funding decisions set out in this announcement are based on the Scottish Government's draft [Scottish Budget 2019-2020](#), announced in December 2018, which was approved by the Scottish Parliament on 21 February 2019.

Key points

6. The key points in this indicative funding announcement for AY 2019-20 are:
 - Teaching funding has been increased to meet the identified national bargaining harmonisation / job evaluation costs – an increase of c.£10 million.
 - Student activity (credit) targets are unchanged from AY 2018-19.
 - Student support funding has increased by c.£7 million to allow colleges to further implement the recommendations of the Review of Student Support.
 - Strategic funding has decreased by c.£6 million.
 - Capital funding has decreased by c.£29 million, partly due to the phasing of the investment in Forth Valley College's new Falkirk campus (which is due for completion in 2019-20).

Scottish Budget

7. The Cabinet Secretary for Finance and the Constitution announced the draft (now approved) '[Scottish Budget 2019-2020](#)' on 12 December 2018 which "invests £600 million in colleges...to develop our future talent and innovation".
8. In 2019-20, the Scottish Government will:

- "Guarantee that higher education will remain free of tuition fees for all eligible Scottish or EU-domiciled undergraduate students studying in Scotland.
- Ensure every eligible care-experienced student receives a full £8,100 non-repayable bursary to finance their studies.
- Ensure that the poorest HE students receive increased bursary support and increased access to bursaries through improvements to the HE bursary threshold."

9. The Scottish Budget in 2019-20 will:

- Provide "continued investment in further and higher education, with a focus on enabling equal access to learning and skills opportunities.
- Continue to take forward actions through our Science, Technology, Engineering and Mathematics (STEM) education and training strategy to improve the supply of STEM and strengthen partnerships between schools, colleges, universities, science centres and employees.
- Invest in additional capacity in relevant courses in Scotland's colleges and universities and in apprenticeship programmes to expand the (Early Learning and Childcare) workforce.
- Support the internationalisation of our universities and colleges including access for Scottish students to take part in international exchanges and to attract talented students to study in Scotland.
- Continue to work with the public, private, and university and college sectors to drive forward our Innovation Action Plan – taking action to support innovation across businesses, sectors and places, using public sector spend to catalyse innovation, and make best use of the research, knowledge and talent of our universities and colleges to drive innovation and growth. *(continued)*

- Improve mental health services for young people and provide support in schools, colleges, universities.
- Provide access to free sanitary products in schools, colleges and universities and extend access to those on a low income who require them.”

10. The SFC budget “invests in Scotland’s colleges and universities, to develop well-educated, highly skilled people and drive inclusive economic growth through skills, research and innovation. In 2019-20 the Scottish Government will work with SFC to:

- Play a leading role in improving Scotland’s skills base by aligning our investment and activities with public sector partners and ensuring that provision in colleges and universities supports employability and productivity in line with the vision set out in the Enterprise and Skills Strategic Plan and our Economic Action Plan.
- Enable learners to move through education into fair work through continuous improvement in learner outcomes; and progressing the ambitions of our Developing the Young Workforce and Learner Journey programmes.
- Deliver key commitments in the STEM Education and Training Strategy to ensure further and higher education provision meets the needs of employers in Scotland.
- Work with colleges to develop initiatives that will work towards reducing child poverty rates.
- Maximise the impact of our investment in research, innovation and internationalisation to support a thriving, outward-looking Scotland.
- Champion diversity at all levels, from course choices to the make-up of senior staff and boards.
- Support all learners to achieve their full potential in education by continuing to make progress towards equal access to higher education by 2030; fund improvements to further education bursary support; support the sector to tackle gender-based violence through Equally Safe; and support students’ mental health and wellbeing, including providing additional counsellors across the sector. *(continued)*

- Provide up to £22.7 million to complete the construction of Forth Valley College’s new campus in Falkirk.
- Continue funding to support the college sector in maintaining the college estate.
- Maintain at least 116,000 full-time equivalent college places.”

11. The Budget paper contains a note on the potential impact on the budget of Brexit outcomes – “If Brexit can be avoided, those resources currently invested in contingency planning and mitigation can be reinvested into our public services and economy. However, if we face a no deal or cliff-edge Brexit I will have to return to Parliament to reassess our spending priorities”.

Overall funds available for college sector

12. The Further Education (FE) Resource budget for FY 2019-20 was announced as £606.5 million; an £18.3 million (3.1%) increase from FY 2018-19.
13. The College Capital budget was announced as £47.6 million; a £29.1 million decrease. This budget includes a funding commitment of £22.7 million to complete Forth Valley College’s new estate project.
14. In setting SFC’s indicative Academic Year (AY) revenue budget for 2019-20, we span two Financial Years (FYs) 2019-20 and 2020-21. We do not have any information on the Scottish Government’s plans for FY 2020-21 and beyond, and as such have planned on the basis of flat cash. On that basis, SFC has set a College revenue budget for AY 2019-20 of £609.6 million as shown in [Table 1](#), which represents an increase of c.£10 million (1.7%) compared with AY 2018-19. (This is the FY budget converted to an AY budget, taking account of the proportion of the FY 2019-20 budget that is already committed to AY 2018-19.)

Teaching funding

15. As set out in [Table 2](#), for AY 2019-20 SFC has increased its core Teaching funding grant by £10.1 million, from £454.0 million to £464.1 million; an overall increase of 2.2%.

National Bargaining costs

16. The costs of the harmonisation / job evaluation related to National Bargaining, down to individual institution level, are taken from information collated and provided by Colleges Scotland.

17. In AY 2019-20 we are providing an uplift to all college / region teaching allocations (excluding SRUC) to ensure that there are sufficient funds to meet the cost of national bargaining harmonisation / job evaluation requirements. This means that not all colleges / regions need or have received the same increase. Over time, SFC intends to return to a simplified 'price x volume' model.
18. Our funding for national bargaining for AY 2019-20 is in addition to funds allocated for AY 2018-19, taking into account the latest information on staff full-time equivalent numbers and salaries. AY 2018-19 in-year changes were detailed in [SFC/AN/03/2019](#). [Table 2](#) shows £10.1 million will be allocated for national bargaining in AY 2019-20 as part of colleges' core teaching funding allocations.
19. [Table 2A](#) shows that within the overall funding available for national bargaining, around £12.3 million has been identified as the costs associated with support staff and middle management job evaluation in AY 2018-19 and AY 2019-20. This is currently an estimated cost as the process of job evaluation is not complete. This element of funding will be held back until there is greater clarity on how these funds should be allocated across the sector.
20. It remains a condition of this additional funding that incorporated colleges are implementing national bargaining. We are currently undertaking consultation with non-incorporated colleges (which are currently shadowing the national bargaining arrangements) as it is our intention that these colleges formally sign up to the National Recognition and Procedures Agreement in order to continue to receive the harmonisation / job evaluation funding in AY 2019-20. As this funding is intended to support the costs of implementing the agreement, funding will be withheld if a college does not observe the terms of the agreement.

AY 2019-20 student activity targets

21. The Scottish Government has reaffirmed its commitment to maintain c.116,000 Full-Time Equivalent (FTE) student places. The core teaching grant allocated for AY 2019-20 should enable the sector to once again meet this student activity commitment by delivering c.1.7 million core credits.
22. SFC uses its demographic model to inform the decision of the allocation of places to colleges / regions and we have updated that model to take account of the increased priority for older learners and part-time study. Our demographic model always works in partnership with other indicators such as historic performance against activity targets.

23. We have had a consultative process with the sector on revising our demographic model, which provides an evidence base for setting college / region activity targets. Based on the feedback from the sector, we intend to revise the current model and have further discussion over the coming months. We said that we did not intend to change the college / region credit targets for AY 2019-20, as the new model is not yet finalised. We have therefore rolled forward the credit targets from AY 2018-19.
24. We also consulted on a method of managing the recovery of funds which would incentivise 'early warning', if a college / region was at risk of falling short of its activity targets. We have informed colleges of our revised process which involves getting formal sign-off from colleges / regions in-year on their expected final credit activity value. Where a college / region cannot confirm that it expects to meet its credit target, we will use this information to transfer credits to other colleges / regions that would be able to deliver additional activity.
25. To encourage colleges to transfer credits where this is appropriate, we will agree with colleges the terms on which transfers will happen including the level of funding that could be retained by the college / region giving up this activity. To make this cost-neutral, the college / region agreeing to take on additional activity will be asked to do so at a reduced credit price. We are currently implementing this in-year re-allocation process for AY 2018-19. As a result there will be some transfers of credits between colleges, however these do not impact on AY 2019-20 credit targets.
26. Individual college / region core activity targets for AY 2019-20 are therefore unchanged at the moment and set out in [Table 3](#).
27. Looking ahead (beyond 2019-20), SFC intends to continue the work on a revised demographic model, as detailed above, and we are reviewing the college funding model in order to address the effects of national bargaining.

Early Learning and Childcare workforce

28. The Scottish Government budget "also supports the landmark increase in early learning childcare provision". Colleges have been delivering additional activity to train childcare professionals over the last two years.
29. We have been working with colleagues in the Scottish Government's Early Years Education division and in order to meet their target output for trained childcare professionals, we still require a substantial amount of activity in AY 2019-20. Our current estimate is that the college sector will be expected to deliver c.50,000 credits in AY 2019-20 (the same as in AY 2018-19 as shown in

[Table 3A](#)), but this is still to be confirmed. Colleges will be expected to fund this activity as a priority from their core teaching funds.

European Social Funding

30. We continue, as in previous years, our commitment to provide on-going match funding for our European Social Fund (ESF) programme. We have therefore set aside c.£8 million as SFC's match-funding commitment for colleges in AY 2019-20, the same amount as last year.
31. SFC will allocate total funding of c.£13 million to colleges for the delivery of additional ESF activity in AY 2019-20, which includes an assumed ESF contribution from the European Commission of c.£5 million, subject to the submission of successful claims to the Scottish Government. This excludes UHI-partner colleges in the Highlands & Islands transitional region (that are funded separately through HE match-funding via UHI). ESF funding is shown in [Table 2](#) and the associated activity (credit) targets in [Table 3](#).

Flexible Workforce Development Fund

32. Under the 'Providing Jobs and Skills for the Future' section of the budget document, there is a commitment to "continuing to deliver the £10 million Flexible Workforce Development Fund" (FWDF).
33. This will be the third year of the FWDF which was set-up as a pilot programme in AY 2017-18. Its purpose is to provide employers with training opportunities to support inclusive growth through up-skilling / re-skilling employees. This was in response to feedback from the Scottish Government's consultation on the introduction of the UK Government Apprenticeship Levy.
34. At this point we are budgeting for the continuation of the current FWDF programme and we have set aside £6 million from our core budget and we expect an additional £4 million of additional funds will be transferred in-year to maintain a total budget of £10 million in AY 2019-20.
35. We continue to monitor this programme and liaise with colleagues in the Scottish Government to refine and improve the efficiency and effectiveness of the programme to meet the Government's objectives.

College / university articulation places

36. Streamlining the learner journey by encouraging articulation between colleges and universities remains a priority for SFC. This was further emphasised in a letter to the Chair of SFC in October 2017 which set out the Minister's expectations that "SFC, alongside universities and colleges, closely monitors the expansion of articulation to ensure it continues to support disadvantaged

learners to progress to degree level study. Where this is not achieved my expectation is, in line with the recommendation, that a proportion of articulation places will be prioritised for disadvantaged learners”.

37. To support this priority area, SFC reviewed the additional articulation places (associate students) scheme in AY 2017-18. The scheme proved successful in increasing the number of articulating students and – with some minor exceptions – the additional places have been filled. We are, therefore, proposing no change to the additional articulation places scheme for AY 2019-20, subject to satisfactory outcome agreement targets with the universities that receive these places. Colleges (and universities) should continue with current arrangements to meet the priorities set out by the Minister to expand articulation and ensure it continues to support disadvantaged learners to progress to degree level study.
38. As discussed and emphasised in previous SFC guidance, we expect 75% of additional articulation (Associate students) funding for those years in which activity is delivered in colleges to be transferred from universities to colleges. SFC will continue to monitor the transfer and impact of this funding.

Student support

39. In AY 2018-19 SFC’s initial budget for student support was £111.0 million, with an additional £4.8 million to be allocated for the implementation of the independent review of student support funding, a total of £115.8 million. This has been increased to £122.8 million for AY 2019-20 ([Table 4](#)); an increase of c.£7 million (6%). This should allow colleges to further implement the recommendations of the Independent Review of Student Support.
40. We expect some demographic changes in the college student population, for example some shift from full-time to part-time provision, which does have implications for student support. We expect that this level of funding, given the demographic changes, will be sufficient to address the review recommendations, in particular:
 - Make bursary level funding available to 18-19 year old students, rather than the lower Education Maintenance Allowance.
 - Increase the maximum annual FE bursary to £4,500pa (£104.65pw when divided by 43 weeks). This is an increase of £5.86 (5.9%) on the 2018-19 weekly maximum of £98.79.
 - Continue to provide Care Experienced students with a bursary of £8,100.

Strategic funds

41. A portion of SFC's annual funding for colleges is earmarked for strategic investments. Strategic funds are used for:
- Services which are best procured on a sector-wide basis, such as Advanced Procurement for Universities and Colleges (APUC), Joint Information Systems Committee (JISC), Education Scotland and College Development Network.
 - Leveraging in other funds to support SFC's strategic objectives and Scottish Government priorities.
 - Driving change or to kick-start new activity.
 - Financial sustainability requirements.
42. The budget for Strategic projects / grants in AY 2018-19 totalled £14.9 million. To ensure that SFC sets a balanced budget for AY 2019-20, the indicative budget for Strategic funds has been reduced by £6.2 million to £8.7 million.

Mental health

43. The Scottish Government's Programme for Government outlines a radical reform of the way we respond to mental ill-health. As part of that, the Government has committed to "providing more than 80 additional counsellors in Further and Higher Education over the next four years." We expect additional ring-fenced funds to be transferred to SFC from the Scottish Government for this purpose and will be working with the college sector on setting a baseline for monitoring this activity and a method of allocating this funding. We anticipate being able to finalise details by the time we announce final outcome agreement funding decisions.

Free sanitary provision

44. SFC anticipates that a further year's funding for the provision of free sanitary products in colleges will be announced in due course. We are currently working with the Scottish Government to confirm funding for FY 2019-20.

Capital

45. The total indicative Capital funding budget for colleges in FY 2019-20 is £47.6 million. Taking into account estate project funding commitments, including £22.7 million for Forth Valley College’s new campus project, there is £21.0 million available for backlog and lifecycle maintenance.

Capital budgets	£ million
Forth Valley College new campus	22.7
College backlog and lifecycle maintenance plans	21.0
Support for business cases for the highest priority campuses	1.5
Fife College ‘very high’ priority maintenance	1.4
New College Lanarkshire (loan repayment)	1.0
Total Capital funding for colleges	47.6

46. The sector’s backlog and lifecycle maintenance needs far exceed the level of funding available. Therefore the overall aim for SFC’s allocation methodology is to ensure we provide a contribution towards these two elements of capital need. Both are important because:
- Backlog maintenance needs to be addressed to ensure historic poor condition is addressed.
 - At the same time colleges need to have some capacity to address their lifecycle maintenance requirements, otherwise future backlog maintenance requirements will escalate.
47. SFC has set out in [Table 5](#) an allocation method which will allow us to make a contribution to both the sector’s backlog and lifecycle needs. This represents the most transparent and best value methodology for allocating the available capital funds.
48. The model allocates some funding based on the amount of backlog maintenance costs and some on lifecycle maintenance costs based on the volume of credits at a college. It uses the following ‘high costs’:‘credits’ ratio which mirrors annual costs to the sector:
- c.60% based on ‘high’ backlog maintenance costs (identified in the 2017 estate condition report).
 - c.40% based on lifecycle maintenance costs (based on recent work with two colleges to estimate sector-wide lifecycle maintenance costs).

49. Therefore we have allocated the £21.0 million in these proportions, resulting in a total of £12.4 million based on high priority backlog maintenance and £8.6 million based on share of the sector's volume of activity (credit) target.

Tables

50. We have attached the following tables for AY 2019-20:

- [Table 1 – College sector – overall indicative budget for AY 2019-20.](#)
- [Table 2 – Indicative teaching funding allocations for AY 2019-20.](#)
- [Table 2A – Indicative national bargaining harmonisation / job evaluation allocations for AY 2019-20.](#)
- [Table 3 – Indicative student activity \(credit\) targets for AY 2019-20.](#)
- [Table 3A – Indicative childcare activity \(credit\) targets for AY 2019-20.](#)
- [Table 4 – Indicative student support funding allocations for AY 2019-20.](#)
- [Table 5 – Indicative capital funding for FY 2019-20.](#)

Further information

51. SFC will confirm final AY 2019-20 funding allocations and provide further information in our Final Outcome Agreement Funding announcement in May 2019.
52. For further information, please contact Lorna MacDonald, Director of Finance, tel: 0131 313 6690, email: lornamacdonald@sfc.ac.uk or Martin Smith, Chief Funding & Information Officer, tel: 0131 313 6528, email: msmith@sfc.ac.uk.



Lorna MacDonald
Director of Finance

Table 1: College sector - overall indicative budget for AY 2019-20

Revenue funding	AY 2019-20 <i>£000</i>
Core Teaching & Fee Waiver funding ¹²	453,990
National Bargaining costs	10,122
Total Teaching	464,112
Core Student Support	111,041
Additional Student Support (Review)	11,739
Total Student Support	122,780
SFC contribution to ESF programme	8,000
Flexible Workforce Development Fund	10,000
Strategic funds	8,735
Total Revenue funding (includes ring-fenced amounts shown below)	613,627

SG ring-fenced funds	
Flexible Workforce Development Fund - to be confirmed	4,000
Total SFC excluding ring-fenced funds	609,627
ESF programme	5,221

Capital funding	FY 2019-20 <i>£000</i>
Backlog and Lifecycle Maintenance	21,029
Support for business cases for the highest priority campuses	1,500
Project funding	
Forth Valley College: new Falkirk Campus	22,700
New College Lanarkshire: loan repayment (former Coatbridge Campus)	994
Fife College 'very high' priority backlog	1,377
Total Capital funding	47,600

College NPD expenditure	29,300
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¹ There was an increase to the Highlands & Islands teaching allocation of £184,269 following the Final Outcome Agreement Funding Allocations published in May 2018 ([SFC/AN/09/2018](#))

² The Core Teaching and Fee Waiver grant takes account of the adjustments to National Bargaining announced in [SFC/AN/03/2019](#)

Table 2: Indicative teaching funding allocations for AY 2019-20

College/Region	Final core teaching funding allocation AY 2018-19 (including national bargaining adjustments Feb 2019)	Total national bargaining costs AY 2019-20	Indicative core teaching funding allocation for AY 2019-20	Funding percentage change (from final core teaching funding allocation for AY 2018-19)	ESF teaching funding 2018-19	ESF teaching funding 2019-20	Total teaching funding including ESF 2018-19	Total teaching funding including ESF 2019-20
	£	£	£	%	£	£	£	£
Ayrshire College	34,953,450	512,645	35,466,096	1.5%	223,293	224,755	35,209,969	35,690,851
Borders College	8,544,856	210,887	8,755,743	2.5%	134,524	135,405	8,729,765	8,891,148
Dumfries & Galloway College	9,820,471	209,215	10,029,686	2.1%	0	0	9,733,992	10,029,686
Dundee & Angus College	27,156,862	631,921	27,788,783	2.3%	1,154,055	1,161,614	28,194,299	28,950,397
Edinburgh College	44,701,211	966,910	45,668,121	2.2%	348,082	350,362	45,052,974	46,018,483
Fife College	34,423,212	874,440	35,297,652	2.5%	628,510	632,627	35,004,583	35,930,279
Forth Valley College	21,909,163	534,916	22,444,078	2.4%	478,510	481,644	22,512,801	22,925,722
Glasgow Region	88,412,499	2,258,798	90,671,297	2.6%	4,566,278	4,596,187	93,592,094	95,267,483
Highlands & Islands Region ^{1,2,5}	44,477,138	2,375,162	46,852,301	5.3%	0	0	43,931,793	46,852,301
Lanarkshire Region	45,035,131	579,808	45,614,938	1.3%	3,155,524	3,176,193	48,670,964	48,791,131
Newbattle Abbey College ⁵	847,889	30,865	878,754	3.6%	0	0	856,559	878,754
North East Scotland College	32,009,077	249,195	32,258,272	0.8%	624,285	628,374	32,597,000	32,886,646
Sabhal Mòr Ostaig ⁵	1,622,474	63,427	1,685,901	3.9%	0	0	1,785,461	1,685,901
SRUC ³	9,041,679	0	9,041,679	0.0%	0	0	9,041,679	9,041,679
West College Scotland	39,948,690	359,652	40,308,342	0.9%	1,626,517	1,637,171	41,824,487	41,945,513
West Lothian College	11,086,593	264,276	11,350,869	2.4%	195,279	196,558	11,253,883	11,547,428
Scotland	453,990,396	10,122,117	464,112,513	2.2%	13,134,857	13,220,890	467,992,301	477,333,402

¹ - The Highlands & Islands Region revised funding allocation is related to a change in credit target agreed after May publication and resultant increase in teaching grant of £184,269.

² - Colleges in the Highlands & Islands transitional region will be allocated ESF through a separate HE grant to the University of the Highlands & Islands.

³ - SRUC will be allocated ESF through HE funding.

⁴ - This relates to column 6 and 7 from Table 1: Revised Teaching Funding Allocations for AY 2018-19, published in February 2019.

⁵ - We are still in discussions with non-incorporated colleges.

Table 2A: Indicative National Bargaining costs for AY 2019-20 (showing Support Staff & Middle Management Job Evaluation estimates)

	AY 2018-19 Announcement Support staff & middle management job evaluation estimate	AY 2018-19 Adjustment Support staff & middle management job evaluation estimate	AY 2018-19 Revised Support staff & middle management job evaluation estimate	AY 2019-20 Support staff & middle management job evaluation estimate	AY 2018-19 Announcement Other national bargaining harmonisation costs	AY 2018-19 Adjustment Other national bargaining harmonisation costs	AY 2018-19 Revised Other national bargaining harmonisation costs	AY 2019-20 Other national bargaining harmonisation costs
	£	£	£	£	£	£	£	£
Ayrshire College	766,562	20,020	786,582	71,507	1,211,440	-53,246	1,158,194	441,138
Borders College	209,469	4,375	213,843	19,440	445,827	-54,759	391,068	191,447
Dumfries & Galloway College	207,687	11,941	219,628	19,966	452,788	74,538	527,326	189,249
Dundee & Angus College	628,160	-8,202	619,959	56,360	1,379,202	124,820	1,504,023	575,561
Edinburgh College	1,089,032	-56,293	1,032,739	93,885	1,497,131	52,613	1,549,744	873,024
Fife College	848,143	38,766	886,909	80,628	1,763,886	8,373	1,772,258	793,812
Forth Valley College	503,979	16,174	520,152	47,287	665,452	-141,302	524,150	487,629
Glasgow Region	1,793,322	28,330	1,821,653	165,605	4,646,490	-641,647	4,004,843	2,093,193
Highlands & Islands Region	1,838,769	280,160	2,118,929	202,953	5,239,227	265,185	5,504,412	2,172,210
Lanarkshire Region	918,302	-65,482	852,820	77,529	2,547,626	-414,827	2,132,799	502,279
Newbattle Abbey College	100,062	2,661	102,723	9,338	61,194	-11,331	49,863	21,527
North East Scotland College	543,384	47,934	591,318	53,756	1,110,408	-11,572	1,098,836	195,439
Sabhal Mòr Ostaig	406,843	-14,788	392,055	43,178	720,489	-148,198	572,291	20,249
SRUC	0	0	0	0	0	0	0	0
West College Scotland	813,445	43,445	856,890	77,899	802,330	-292,724	509,606	281,753
West Lothian College	276,258	4,276	280,534	25,503	671,293	23,713	695,006	238,773
Scotland	10,943,416	353,317	11,296,733	1,044,835	23,214,783	-1,220,366	21,994,417	9,077,282

Table 3: Indicative student activity (credit) targets for AY 2019-20

College/Region	Final core activity target 2018-19	Final ESF activity target 2018-19	Final total activity target 2018-19	Indicative core activity target 2019-20	Indicative ESF activity target 2019-20	Total activity target 2019-20
	<i>Credits</i>	<i>Credits</i>	<i>Credits</i>	<i>Credits</i>	<i>Credits</i>	<i>Credits</i>
Ayrshire College	124,086	871	124,958	124,086	860	124,946
Borders College	25,176	478	25,654	25,176	472	25,648
Dumfries & Galloway College	30,176	0	30,176	30,176	0	30,176
Dundee & Angus College	103,314	4,494	107,807	103,314	4,433	107,747
Edinburgh College	186,612	1,357	187,968	186,612	1,338	187,950
Fife College	130,234	2,451	132,685	130,234	2,418	132,652
Forth Valley College	84,201	1,816	86,018	84,201	1,792	85,993
Glasgow Region	368,592	17,554	386,145	368,592	17,317	385,909
Highlands & Islands Region ^{1,2}	110,382	0	110,382	110,382	0	110,382
Lanarkshire Region	172,545	12,169	184,715	172,545	12,005	184,551
Newbattle Abbey College	921	0	921	921	0	921
North East Scotland College	133,070	2,460	135,529	133,070	2,427	135,496
Sabhal Mòr Ostaig	799	0	799	799	0	799
SRUC ³	22,747	0	22,747	22,747	0	22,747
West College Scotland	157,855	6,368	164,223	157,855	6,282	164,137
West Lothian College	43,646	786	44,431	43,646	775	44,421
Scotland	1,694,354	50,804	1,745,158	1,694,354	50,119	1,744,473

¹ - Colleges in the Highlands & Islands transitional region will be allocated ESF activity through a separate HE grant to the University of the Highlands & Islands (UHI).

² - The Highlands and Islands Region received a revised credit target which was agreed after the May publication. This resulted in an increase of 552 credits.

³ - SRUC will be allocated ESF activity through HE funding.

Table 3A: Indicative childcare activity (credit) targets for AY 2019-20

College/Region	Total Childcare credits (to be sourced from core credit targets) 2018-19	Credits for PDAs 2019-20	Credits for HNCs 2019-20	Total Childcare credits (to be sourced from core credit targets) 2019-20
	<i>Credits</i>	<i>Credits</i>	<i>Credits</i>	<i>Credits</i>
Ayrshire College	5,489	0	5,489	5,489
Borders College	1,200	0	1,200	1,200
Dumfries & Galloway College	1,278	0	1,278	1,278
Dundee & Angus College	3,082	0	3,082	3,082
Edinburgh College	6,639	750	5,889	6,639
Fife College	4,690	0	4,690	4,690
Forth Valley College	2,683	0	2,683	2,683
Glasgow Region	6,932	1,000	5,932	6,932
Highlands & Islands Region ¹	0	0	0	0
Lanarkshire Region	8,077	158	7,919	8,077
Newbattle Abbey College ²	0	0	0	0
North East Scotland College	3,140	250	2,890	3,140
Sabhal Mòr Ostaig ²	0	0	0	0
SRUC ²	0	0	0	0
West College Scotland	4,814	0	4,814	4,814
West Lothian College	2,640	0	2,640	2,640
Scotland	50,665	2,158	48,507	50,665

¹ - Colleges in the Highlands & Islands Region are allocated Childcare activity/funding through HE funding.

² - Newbattle Abbey College, Sabhal Mòr Ostaig and SRUC do not receive Childcare activity/funding.

Table 4: Indicative Student Support funding allocations for AY 2019-20

College / Region	Final student support funding 2018-19 prior to in-year redistribution ¹	Share of additional funding for implementation of review of student support ²	Student support funding including additional funding for implementation of review of student support 2018-19 ²	Total student support funding 2019-20 prior to in-year redistribution ¹	Funding percentage change from 2018-19 inclusive of additional funding
	£	£	£	£	%
Ayrshire College	9,593,931	182,595	9,776,526	10,040,480	2.7%
Borders College	1,701,506	134,938	1,836,444	2,031,506	10.6%
Dumfries & Galloway College	1,787,151	184,007	1,971,158	2,237,151	13.5%
Dundee & Angus College	7,648,414	535,418	8,183,832	8,957,814	9.5%
Edinburgh College	9,335,591	509,477	9,845,069	10,581,551	7.5%
Fife College	7,707,048	325,037	8,032,085	8,501,947	5.8%
Forth Valley College	3,807,681	140,238	3,947,918	4,150,641	5.1%
Glasgow Region	22,159,503	1,391,905	23,551,408	25,563,497	8.5%
Highlands & Islands Region	8,513,623	299,422	8,813,045	9,245,879	4.9%
Lanarkshire Region	13,849,191	185,642	14,034,833	14,303,191	1.9%
Newbattle Abbey College	221,678	8,587	230,265	242,678	5.4%
North East Scotland College	7,834,675	475,960	8,310,636	8,998,667	8.3%
Sabhal Mòr Ostaig	0	0	0	0	0.0%
SRUC	2,219,928	80,022	2,299,950	2,415,628	5.0%
West College Scotland	11,485,637	171,739	11,657,376	11,905,637	2.1%
West Lothian College	3,175,893	175,011	3,350,904	3,603,893	7.5%
Scotland	111,041,450	4,800,000	115,841,450	122,780,160	6.0%

¹ - As in previous years, there will be a planned in-year redistribution in 2019-20.

² - Scottish Government provided £5.2 million for Student Support Review (£4.8m for SFC and £0.4m transferred to SAAS).

Table 5: Indicative capital funding for FY 2019-20

College/Region	FY 2019-20 indicative capital based on gross high priority backlog maintenance	FY 2019-20 indicative capital for lifecycle maintenance based on share of volume target	Total indicative capital funding based on high priority backlog & lifecycle maintenance (college estate survey) for FY 2019-20
	£	£	£
Ayrshire College	124,000	645,000	769,000
Borders College	138,000	131,000	269,000
Dumfries & Galloway College	27,000	157,000	184,000
Dundee & Angus College	1,109,000	537,000	1,646,000
Edinburgh College	1,455,000	969,000	2,424,000
Fife College	964,000	676,000	1,640,000
Forth Valley College	0	437,000	437,000
Glasgow Region	1,623,000	1,915,000	3,538,000
Highlands & Islands Region	958,000	573,000	1,531,000
Lanarkshire Region	1,165,000	896,000	2,061,000
Newbattle Abbey College ¹	762,000	0	762,000
North East Scotland College	1,617,000	691,000	2,308,000
Sabhal Mòr Ostaig ¹	216,000	0	216,000
SRUC	492,000	118,000	610,000
West College Scotland	1,710,000	820,000	2,530,000
West Lothian College ²	35,000	69,000	104,000
Scotland	12,395,000	8,634,000	21,029,000

¹ - Newbattle Abbey College and Sabhal Mòr Ostaig do not receive capital funding for lifecycle maintenance.

² - West Lothian College's capital funding is adjusted to reflect a loan repayment.