



SPICe

The Information Centre

SPICe Briefing

Scotland's Colleges

4 August 2011

11/55

Camilla Kidner

This briefing gives an overview of Scotland's college sector and covers policy background, legislation and course provision. It focuses mainly on further education and updates SB 07/43.



The Scottish Parliament
Pàrlamaid na h-Alba

CONTENTS

EXECUTIVE SUMMARY	3
POLICY BACKGROUND	4
GOVERNANCE	5
QUALITY	6
PROVISION	6
SUBJECT CHOICE AND ATTENDANCE PATTERNS.....	6
STUDENT DIVERSITY	7
CURRICULUM FOR EXCELLENCE.....	8
EMPLOYMENT SKILLS	9
HIGHER EDUCATION	9
COLLEGE FUNDING	10
THE COLLEGE ESTATE	12
STUDENT SUPPORT	13
TUITION FEES.....	13
BURSARIES, DISCRETIONARY AND CHILDCARE FUNDS	13
EDUCATION MAINTENANCE ALLOWANCE	14
WELFARE BENEFITS AND FURTHER EDUCATION STUDENTS.....	15
OTHER FUNDS.....	16
ANNEX 1 FUNDING 2011/12	17
ANNEX 2 SCOTTISH CREDIT AND QUALIFICATION FRAMEWORK	18
SOURCES	19
RELATED BRIEFINGS	24

EXECUTIVE SUMMARY

Scotland's 41 colleges provide a very diverse range of courses to a broad range of students. They have a relatively high proportion of students from the most deprived areas of Scotland as well as relatively high numbers of students with disabilities and from ethnic minorities.

There are around 350,000 students in Scotland's colleges, most of whom study part time and take further education courses. Colleges are an important provider of vocational education across all age groups and they also provide access to education in a flexible way. They therefore play an important part in delivering the following programmes and policies: the Skills Strategy, Curriculum for Excellence, 16+ Learning Choices, More Choices More Chances and school college partnerships. Many colleges also provide higher education, mainly through the provision of HNCs and HNDs. The recent green paper on higher education emphasised the possibility of further development of articulation¹ between college and university education.

Colleges are charities and receive most of their funding from the Scottish Funding Council. Most of the qualifications they offer are accredited by the Scottish Qualifications Authority and the quality of their provision is reviewed by HMIe every four years. Colleges are represented by the organisation 'Scotland's Colleges' – a charity which provides support and development assistance as well as representing the views of colleges to policy makers.

There was a substantial review of college provision which reported in 2007 and a review of all post 16 education and training is due to report this summer. A pre-legislative paper is expected in September which will cover a wide range of college and university issues and lead to legislation being introduced in 2012. In addition a review of college governance is due to report to Ministers by the end of 2011.

The most high profile current concern is funding. In 2011/12, while the student support budget was increased, the Scottish Funding Council cut colleges' revenue grant by 10% and the capital maintenance grant by 38%. There is also less money available for specific capital projects. Despite this, colleges agreed to maintain student places this year.

Over the last few years there has been considerable investment in the college estate with 27 new build/refurbishments between 2000 and April 2011. There are four more projects due to complete in 2011/12 and large scale projects are planned in Glasgow, Inverness and Kilmarnock. These last three will be funded through non-profit distributing method (NPD) rather than direct grant.

Full time further education students do not pay tuition fees and there is means tested assistance for part time fees. Some students are eligible for financial help with studying, living, travel and childcare costs through college bursaries, discretionary funds and the Education Maintenance Allowance. Most support is means tested and in general, full time students are eligible for greater levels of support than part time students.

¹ For example moving into the 2nd year of a university degree following completion of an HNC.

POLICY BACKGROUND

In the ten years following their removal from local authority control in 1993, much of the policy on colleges related to achieving financial stability and improving governance. As the position stabilised, a wide ranging and substantial review of college provision was undertaken which reported in 2007 with 83 recommendations all of which were accepted by Ministers (Scottish Government online a). The review considered:

- staffing, learners and learning environments;
- the difference colleges make;
- accountability and governance; and
- the strategic future of colleges.

It included an economic analysis which found that for every £1 invested in Scotland's colleges there is an economic return of at least £3.20 (Difference that colleges make working group, 2006). The Government's response to the 2007 review set out their goals as being:

- to raise the efficiency and effectiveness of colleges to the highest possible level, including improving retention and attainment;
- to increase the flexibility and responsiveness of colleges to meet the evolving needs of individuals and employers;
- to deliver an improvement in skills utilisation;
- to extend the reach of colleges; and
- to enhance partnership to ensure coherent learning provision across Scotland and to better support individuals, including easing their transitions to and from college (Scottish Government, 2007a).

There has also been considerable investment in the college estate, moves to ensure that colleges retain their charitable status and further development of school college partnerships. College provision is also a key part of improving the skills base and this is reflected in the Skills Strategy of 2007 (Scottish Government 2007b) and its update in 2010 (Scottish Government 2010a). In that year, the Government commissioned Willy Roe, (then Chair of Skills Development Scotland) to carry out a review of Post 16 Education and Vocational Training Provision in Scotland. A report is expected this summer. In a statement to Parliament on 29 June 2011, Michael Russell MSP, Cabinet Secretary for Education and Lifelong Learning, announced a review of college governance to be chaired by Professor Russell Griggs and that colleges would be included in a pre-legislative paper due in September. He said: "there will be tough choices. We need to be much clearer about the provision on offer – both in the extent to which it is duplicated, and the degree to which it helps people secure positive outcomes when their learning is complete"(Scottish Parliament, 2011).

The SNP manifesto in 2011 included the following commitments:

- creating a simpler more outcome-focused approach to Further Education funding
- making infrastructure improvements in Kilmarnock, Inverness and Glasgow
- encouraging articulation from college to university
- expanding school college partnerships.
- enhancing the role of colleges in delivering Higher Education
- continue the £10 million of additional funding in 2011/12 to provide 50,000 bursaries a year for the next five years
- keeping the Education Maintenance Allowance
- providing HE/FE scholarships for the children of servicemen and women killed while on active duty

GOVERNANCE

In June 2011, Michael Russell announced a review of college governance. He said this: “should pay strong regard to democratic accountability” and “must be geared to providing world-class leadership, inspiration and scrutiny in order to support the economic and social role of colleges in what will inevitably be a highly challenging future financial climate”(Scottish Parliament 2011).

Until 1993, colleges were run by local authorities. The Further and Higher Education (Scotland) Act 1992 (c.37) enabled them to be established as corporate bodies with their own boards of management². The Act gives Ministers the power to establish, merge or close colleges. Ministers also have the power to remove board members in cases of mismanagement (s.24). Colleges are registered charities. The legal requirement that charities must not be subject to Ministerial direction does not apply to colleges.³

In the past, there have been audit commission investigations into college governance failures⁴ although a review of college governance in 2007 found that:

“in general, the standard of accountability and governance in Scotland's colleges is good. However, practice has ranged from 'average' to the 'very good', indeed 'exemplar' in some cases.” ([Linning](#) et al, 2007)

The Scottish Higher and Further Education Funding Council (The Scottish Funding Council or SFC) provides the majority of funding to colleges. It was established in 2005 to replace separate funding bodies for colleges and universities. However, its statutory role goes further than just providing funding. Under the Further and Higher Education (Scotland) Act 2005 it has duties to ensure that funded bodies have accountable officers, a complaints system, arrangements for student support and, when deciding which courses to run, colleges take into account other provision available. The SFC must also ensure that colleges have suitable provision for governance (s.7) and it is entitled to address meetings of college governing bodies (s.16). It also has a role to advise Scottish Ministers about further education (s.17). In exercising its functions, the SFC must consider:

- the need for particular skills in Scotland
- employment issues
- social and cultural issues
- sustainable development
- the UK and international context, and
- the education and support needs of current and prospective students (s.20)

Given their focus on vocational education and training, colleges need to work in partnership with a wide range of local and national organisations. They are therefore involved in local structures and networks such as local employment groups and Community Planning Partnerships.

Most colleges funded by the SFC are members of ‘Scotland’s Colleges’ which is a charitable company, created in 2009 from the merger of four organizations.⁵ It represents the views of colleges and supports them to develop their provision.

² Four funded colleges remain unincorporated. These are: Newbattle Abbey, Shetland, Orkney and Sabhal Mor Ostaig.

³ The Charity Test (Specified Bodies) Scotland Order 2008 disapplied Section 7 (4)(b) of the 2005 Act in relation to listed Scottish colleges.

⁴ The parliament’s audit committee reported on governance at [Inverness \(2006\)](#), [West Lothian, Lews Castle \(2006\)](#) (Scottish Parliament Audit Committee 2005, 2006).

⁵ Scottish Further Education Unit established in 1991, Association of Scottish Colleges established in 1992, Scottish Colleges International established in 2006 and COLEG, established in 1995.

QUALITY

While colleges are independent institutions, oversight of quality is provided through Education Scotland (formerly Her Majesty's Inspector of Education⁶) and the SFC. As part of SFC's quality arrangements, Education Scotland are contracted to undertake independent reviews of college provision at least once every four years. Since 2008 there has been a focus on self-evaluation and reviews are now more focused on high level, strategic issues, leaving space for colleges to develop self-evaluation (HMIe, 2008). In addition, the SFC has a duty under section 3 of the 2005 Act to assure and enhance the quality of the provision it funds and to ensure that colleges make provision for assessing and enhancing quality (s13). The SFC established a Joint Quality Review Group which reported in 2007. This report underpinned guidance (SFC, 2008) issued to colleges in 2008 covering:

- institutional reporting to the council
- the nature and scope of institution-led quality review
- involvement of learners in quality processes and
- public information about quality.

The final year of the current quality arrangements is 2011/12 and SFC are currently working with Education Scotland and other stakeholders to update these.

PROVISION

There are 41 colleges in Scotland which are funded by the Scottish Funding Council and they vary greatly in size and character. The three largest colleges (Glasgow, James Watt and Aberdeen) between them take just under a fifth of the funding for teaching and student support. A merger of Jewel and Esk and Stevenson colleges in Edinburgh which, subject to ministerial approval, is planned for summer 2012, would create Scotland's second largest college and take the number of colleges down to 40 ([BBC News April 2011](#)). The chart at annex 1 shows the teaching and student support funds for 2011/12. Colleges provide a hugely diverse range of courses for full or part time study. Most provision is further education. In general terms this is college based education below Higher National Certificate level (SCQF level 7). A more detailed definition is provided in the 2005 Act.

SUBJECT CHOICE AND ATTENDANCE PATTERNS

No particular type of qualification dominates college provision. Students study a diverse range of courses which can include, for example, SVQs, HNCs, HNDs, modern apprenticeships, employer specific courses and stand alone modules that can be built up into qualifications. The most popular subject groups in 1998-99 and 2009-10 are set out in the table below.

Table 1: Most popular subject groupings by proportion of students 1998-99 and 2009-10.

Subject class	1998-99	2009-10
Family Care/Personal Development / Personal Care and Appearance	12%	15%
Health Care/ Medicine/ Health and Safety	8%	16%
Information Technology and Information	16%	12%
Engineering	8%	8%

(SFC, Infact database)

⁶ In July 2011 HMIe merged with Learning and Teaching Scotland although its functions remain the same.

In 2009, just over half of all students were studying subjects in these groupings. The increase in the family care etc group is mainly due to increases in students studying hair/personal care and the increase in the health care group is mostly due to increases in occupational health and safety and health care management/health studies.

The type of qualifications and study patterns for different subjects is hugely diverse. The Scottish Qualifications Authority (SQA) is the largest single provider of qualifications for colleges. Half of qualification enrolments are for those accredited by the SQA. A further fifth are for those accredited by the college themselves. The remainder are mainly accredited by a very large number of professional bodies or sector specific organisations (Infact database). Qualifications can be mapped onto the Scottish Credit and Qualifications Framework and this enables easier comparison of the wide range of qualifications offered at colleges (see Annex 2).

There is also considerable diversity in patterns of attendance. Only around one fifth of students attend college on a full time basis. Most provision is made up of some kind of part time study – whether during the day, block or day release at evenings or weekends. Sixteen percent use flexible learning which may not be based at the college (Infact database). This diversity in attendance and types of study is matched by the diversity in age of students and makes colleges very different types of education providers compared to schools and universities. Most college students (55%) are under 25 and students aged 16 to 24 are more likely than other age groups to study full time. This age group account for 65% of activity (as measured by WSUMS⁷). School age students and those over 25 years do make up a large proportion of enrolments, but compared to the 16-24 year olds, they are far more likely to study part time.

STUDENT DIVERSITY

Colleges have a relatively high proportion of students from deprived areas and students with disabilities. In 2008/09, a quarter of college students were from the 20% most deprived areas and around one sixth were from the 20% least deprived areas (SFC, 2010a). In 2009/10, around a sixth of college students had a declared disability (the most common being dyslexia). Both colleges and universities have higher proportions of students from ethnic minorities than the 2% in the general population. In 2009/10, 5% of college students were from minority ethnic groups (SFC, baseline report 2010).

In 2010, HMle made recommendations on equality and diversity in colleges ([HMle, 2010](#)). It found that: “All colleges provide effective support to learners whose chances of participation and success may be at risk because of their individual circumstances.” And that: “Marketing teams work well with teaching staff to identify and provide for hard-to-reach groups, overall.” The report found that curriculum planning took good account of equalities issues but highlighted the challenge of providing a broad and appropriate curriculum while still meeting requirements such as cost and performance indicators.

“In an environment where activity levels are limited by available funding, college managers allocate resources in ways which allow colleges to fulfil their mission and strategic aims, but also ensure that they strive for continued financial security. It is often the case that the areas of the curriculum portfolio which meet the needs of a diverse range of learners well are those areas which provide the most challenge for colleges in terms of key indicators, such as cost and PIs.”

⁷ Weighted Student Unit of Measurement, equivalent to about 40 hours study. This enables comparison based on the ‘level of activity’ rather than number of students. It allows account to be taken of the large amount of part time study by many students.

CURRICULUM FOR EXCELLENCE

Curriculum for Excellence is the revised curriculum for all education between the ages of 3 and 18 years and therefore applies to a substantial proportion of college students (38% of enrolments and 49% of activity in 2009). In addition to school leavers, since 2005 school-college partnerships have resulted in many more school children having some experience of college. Curriculum for Excellence is being implemented from August 2010 and emphasises personalisation, learning relevant to life, inter-disciplinary learning and flexibility. The curriculum is structured in four levels up to S3 followed by a 'senior phase' when qualifications will be taken. It is therefore the 'senior phase' that is most relevant to colleges. Guidance outlines how the curriculum should support 'skills for learning, skills for life and skills for work' wherever the learning takes place (Learning and Teaching Scotland, 2009). The new curriculum is also intended to improve transitions such as that between school and college which is also the focus of the 16+ learning choices policy.

Lifelong Partners (Scottish Executive, 2005) set out the strategy for pupils to attend college while still at school and this is now part of Curriculum for Excellence. Specific funding was made available by the Scottish Executive and colleges were given targets to achieve a certain numbers of 'WSUMS'. The table below shows that, although pupils of all ages have been given some access to college, older pupils are attending for more hours.

Table 2: Pupils attending college by year group, 2009-10

Year group	Headcount	FTE
Primary	14,710	445
S1	3,084	124
S2	8,456	185
S3	15,943	1,503
S4	13,579	2,124
S5	9,566	1,555
S6	9,561	1,591
total	83,819	7,528

Source: SFC, Infact Database

School college partnerships can help to deliver the Government's policies on enterprise in education, improving vocational education and reducing the number of young people not in education employment or training. Vocational education has been encouraged in part through the development of 'skills for work' courses. These are available to pupils in S3 and S4 and are delivered in school in partnership with either a college or an employer. This year there are 19 skills for work courses available, mainly at intermediate 1 and 2 although there are Higher level qualifications available in beauty and in health and social care (SQA online).

In 2010, Ministers decided not to continue the target for school involvement with colleges and recommended that activity focus more on S3 to S6:

"I believe that this mechanism for delivery should now form the basis for substantially reduced college funded activity to focus on targeted activities associated with assisting S3 to S6 pupils in pursuit of the entitlements of the Senior Phase of Curriculum for Excellence" (Russell, 2010)

This suggests more of a focus on skills for work courses and on those pupils in need of 'more choices, more chances'⁸. This group is also the focus of the '16+ learning choices' policy which is intended to increase the numbers of young people moving into training and employment.

⁸ i.e. those least likely to move into employment, training or education after leaving school.

Since December 2010, every 16 to 18 year old should have an offer of learning, training, volunteering or work. This means that there should be improved transition between school and college and also that a 16 year old on a one year college course should be offered subsequent learning or training when that course ends. Colleges are one of a large number of partners involved in delivering 16+ learning choices (Scottish Government, online c).

EMPLOYMENT SKILLS

Colleges have a central role to play in improving the skills and employability of people of all ages in Scotland. The 2007 skills strategy was updated in 2010 (Scottish Government 2007b, 2010a). Roddy Henry, Head of Centre for Learning Effectiveness at Scotland's Colleges, has said:

“The college sector contributes significantly to the nation's economy in terms of skills development. The skills strategy challenges colleges to continue to meet, and balance, the needs of learners, employers and society to deliver against the aims of the economic strategy. This has prompted debate on the nature of the college curriculum.

The skills strategy highlights the disparity between Scotland's high qualifications profile and relatively low economic productivity. This opens up debate on how best to continue to develop a range of essential skills which support economic growth within a college curriculum which is largely driven by qualifications, based on vocational knowledge and skills.” (Scottish Government, online d)

Since 2007 Scotland's Colleges, and its predecessor organisations, have worked on implementing the skills strategy in the college sector. This includes promoting volunteering amongst college students, working with Skills Development Scotland on modern apprenticeships and work based learning and using networks to improve links with industry. Work by the Scottish Funding Council on this issue has included:

- working with the joint Scottish Funding Council/Skills Development Scotland Skills Committee to improve skills in key industry sectors
- funding specific projects to address skills issues including developing a common curriculum for allied health professionals; addressing skills gaps in the textiles industry and developing a Screen Academy for the Creative Industries
- investing in projects to develop the employability of graduates from colleges and Higher Education Institutions
- designing better progression routes from Modern Apprenticeships into further and higher education
- providing extra funding to colleges in areas where there is low participation in further education
- funding college and university pilots to identify better ways to promote skills utilisation (Scottish Government, online d).

HIGHER EDUCATION

Nearly all colleges provide higher education courses mostly at HNC/HND level. Colleges take a significant minority of all HE students - 17% of students studying at HE level were studying in a college in 2009/10 (Scottish Government, 2011a). However, these HE students only make up a very small proportion of the total number of college students. Aberdeen and Adam Smith colleges provide the most HE in the college sector, even though HE students only make up 7 and 8% of all students in these colleges (Infact database). The table below shows different pattern of HE provision in colleges and universities. Over the last ten years the proportion of HE students at college has dropped. While the number of HE students at higher education institutions increased from 187,990 in 2000/01 to 237,760 in 2009/10, the number in colleges

has decreased from 72,005 to 49,805. Part of this may be due to some colleges becoming HEIs during this time and declining demand for HNC/HND.

Table 3: Higher education students in Scotland, 2009/10

	College	Universities (HEIs)
Postgraduate	120	54,830
First degree	640	145,535
HNC/HND	36,690	4,540
Other HE	12,355	32,855
Total	49,805	237,760

(Scottish Government, 2011 a)

Thirteen colleges, specialist institutions and research centres recently combined their higher education provision as the '[University of the Highlands and Islands](#)'.

HNC students can move on to the second year or HND students on to the third year of a degree (often referred to as articulation). Over the last five years the SFC has worked to develop this and has funded six regional partnerships known as 'articulation hubs'. In the last few years the number of students moving from HNC/HND to the second or third year of a degree increased from 3,377 in 2006-07 to 3,643 in 2009-10 (SFC, 2011f). The recent Green Paper on higher education emphasised the need to improve articulation between college and university:

“We believe that we have yet to unlock the key benefits of articulation, but we are mindful that this has to be balanced with the costs of developing and implementing a more flexible system. The reality of the links between colleges and universities varies across the sectors reflecting the diverse roles and missions of the institutions in both. This is highlighted by the fact that five universities are responsible for 90% of all articulation.”
(Scottish Government, 2010b)

The green paper also referred to it being cheaper to provide higher education at college than university. While recognising that this is perhaps an over simplistic comparison, the paper did make a tentative suggestion that there could be much greater use of articulation:

“There may be groups of institutions across further and higher education that would like to explore with us areas where there might be the possibility of delivering the start of the degree, in some instances, outwith a university.”

COLLEGE FUNDING

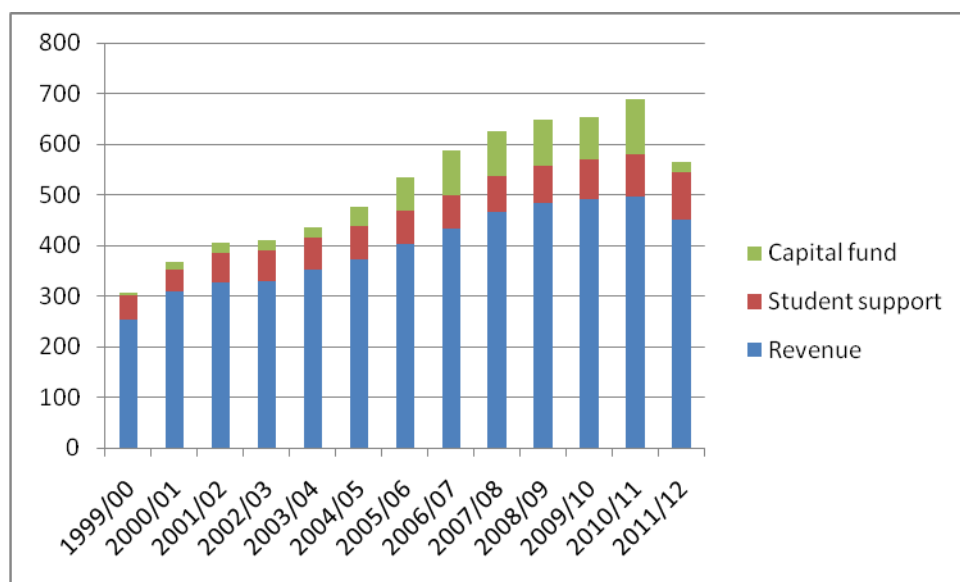
Colleges receive about 70% of their funding from the SFC. Other sources include European funding and fees from students. Over the last ten years, SFC funding for colleges has increased substantially. This changed in the 2011/12 funding allocation which saw a 10% reduction in the teaching grant and a 38% reduction in the budget for building maintenance. There is also less money for specific capital projects, although this budget is now shared with universities and so cannot be identified separately (SFC, 2011a).

Despite these budget cuts, colleges have given a commitment to maintain their level of teaching activity at current levels for the coming year. A recent SFC report (2011c) describes this situation as 'a severe test.' College lecturers' union FELA fear the cuts will result in thousands of redundancies. College staff have protested against individual college plans including 'days of action' in March and May 2011 (BBC, 2011b).

As the draft Budget went through Parliament, the Government agreed to provide an extra £8m for college student places and an extra £15m spread across 2010/11 and 2011/12 for student support. The extra funding translates into 1,200 extra student places in 2011/12 over and above the agreement to maintain student numbers (SFC 2011a).

The table below shows the trend in total funding over ten years, amalgamating teaching, capital and student support funds. The most dramatic changes have been in capital spend but revenue also saw steady increases over the period. Both were cut in 2011/12 although student support has continued to increase. In very general terms, the budget settlement for 2011/12 takes funding back to a level similar to that five years ago. Indications are that Government funding to the SFC will remain the same in cash terms until at least 2015/16 (Scottish Government, 2011b)

Chart 1: General trend in funding council grants to colleges 1999 to 2011. £m cash.



(SFEFC, 1999 to 2005, SFC from 2005). **Notes: There have been changes to funding methods over the years so this chart should be viewed only as an indication of general trends.** Figures are taken from main grant letters issued by the Scottish Further Education Funding Council until 2005 and then the Scottish Funding Council. The revenue figure is made up of the recurrent grant/main teaching grant, fee waiver and any other specified funding line except for student support (childcare and bursaries) and capital/infrastructure investment. There have also been changes in whether figures are given for financial or academic years. Funding methods changed substantially in 2000 and again in 2005. Capital funding for 2011/12 shows only maintenance allocations. There is an extra £38m available but this is for both universities and colleges and so hasn't been included in the chart.

The table below gives the detailed figures for the years since 2009/10.

Table 4: SFC funding to colleges 2009/10 to 2011/12

£m	2009/10	2010/11	2011/12	% change from 2010/11
<i>Academic Year allocations</i>				
Teaching and fee waiver	457.2	468.8	420.9	-10%
Economic downturn	0	8.4	8.4	0%
Advanced Procurement	0	0	1.0	+100%
Student support	79.0	83.9	95.6	+14%
Strategic funds	34.8	28.1	19.5	-30%
Total revenue (academic year)	571.0	580.8	545.5	-6%
<i>Financial Year allocations</i>				
Formula capital (maintenance)	32.2	30.3	18.7	-38%
Other capital (projects)	50.7	78.7	A share of £46.3m	n/a
Total capital (financial year)	82.9	109.0	A share of £65m	n/a

(SFC 2010b, 2010c, 2011a). **Notes:** Out of a joint capital budget of £91m in 2011/12, £44.7m has been allocated: £18.7m to colleges and £26m to universities (mainly for maintenance). The remaining £46.3m will be shared between universities and colleges for specific capital projects.

THE COLLEGE ESTATE

Capital grants to colleges increased substantially between 2000 and 2010 in order to tackle what the SFC described as the 'unacceptable' condition of many college buildings. As a result, nearly one third of the total building space in Scotland's colleges has been built since 2000. The proportion of college space assessed as 'unsatisfactory' has more than halved, falling from nearly 20% in 2004/05 to 8% in 2009/10.

Between 2000 and 2009, the SFC had provided £480m for 24 college estate projects including 14 new build/complete refurbishments addressing the worst condition of the sector's estate. Another four college projects were completed in 2010/11 (Aberdeen, Anniesland, Coatbridge and Langside) and there are a further three which will complete in 2011-12 (Dundee, Forth Valley and Banff and Buchan)

SFC capital maintenance funding is currently distributed to individual colleges using a formula based on each college's volume of teaching activity. This funding must be used in support of colleges' agreed estates strategies. The SFC is currently reviewing its policy on the allocation of maintenance funding in response to more limited capital funding available. In his most recent letter of guidance to the SFC (November 2010) the Cabinet Secretary for Education and Lifelong Learning noted that colleges and universities had benefited from significant levels of investment in recent years, and asked the SFC 'to ensure that the value of that investment is maintained'.

In 2011-12, the SFC was given a joint capital budget for both the college and university sectors of £91m from the Scottish Government (a 53% reduction from the 2010-11 separate budgets which together totalled £193m). Of this, £46.3m will be distributed as project grants to those college and university projects to which the SFC has a contractual commitments (the projects

having been approved prior to the 2011/12 budget announcement). Colleges will receive £18.7m in maintenance funding (a reduction of 38% from 2010/11 when they received £30.3m).

The Scottish Government named three college projects (Glasgow, Inverness and Kilmarnock) in its Budget 2011/12 that will be delivered using revenue financing through the NPD⁹ model rather than direct grant. There are currently in development and the SFC is working with the Scottish Futures Trust and the colleges to deliver these projects.

STUDENT SUPPORT

The following section outlines student support for non-advanced study (further education) only. Student support for those in higher education is covered in Berry, K Higher Education Institutions (forthcoming).

TUITION FEES

Full-time further education students do not pay fees provided they meet certain residency requirements. Most students studying part-time and on distance learning programmes will have to pay tuition fees. However, free tuition is available for people who are (or whose family are) in receipt of some benefits or are on a low income. The maximum amount claimable in 2011/12 is £1,008 p.a for further education ([SFC, 2011e](#)).

BURSARIES, DISCRETIONARY AND CHILDCARE FUNDS

Student loans are not available for further education. Instead there is a system of funds administered by the college. Discretionary and Bursary funds provide support for living, travel and study costs. They have a fixed amount in them each year and so not all eligible students will get support. National policy sets eligibility criteria, maximum awards and the approach to means testing (see table 6). However, the specific operation of the scheme may vary between colleges. Students are advised to check the policy of their college.

Bursaries are available for most full time, non-advanced qualifications and can provide help with maintenance, travel and study costs. The Discretionary Fund, previously known as the 'hardship fund,' is available for most non-advanced, full or part time courses. A maximum allowance of £3,500 p.a for maintenance, travel and study costs can be paid.

The Childcare fund was originally introduced in 2001. From 2011/12 it is being combined with the Higher Education Childcare fund to be jointly administered by the SFC and the Student Awards Agency for Scotland (SFC and SAAS, 2011). This means that HE college students can now access these funds locally from the college rather than SAAS. There is a non means tested fund for lone parents and a means tested discretionary fund for others.

In 2011/12 the SFC is providing £79m for bursaries, £10m for childcare and £7m for the discretionary fund (SFC 2011a, annex D). SFC is also providing £4m for HE Childcare in 2011/12 (SFC/17/2011)

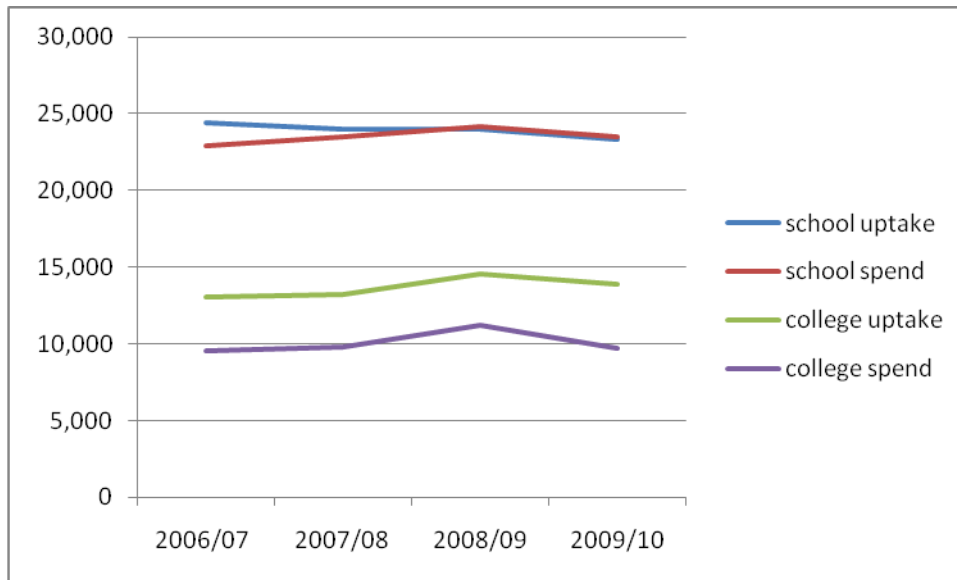
⁹ Non Profit Distribution model for infrastructure investment. The key point is that the private sector builds and maintains the building and is paid for this over 25-30 years rather than the construction being paid for up front by direct capital grant – 'pay-as-you-use' rather than 'pay-as-you-build'.

EDUCATION MAINTENANCE ALLOWANCE

The EMA was introduced in 2005 to provide financial support to 16 year olds from low income families who studying full time in non-advanced education. By 2008 it had been extended to 18 and 19 year olds. Rules changed in 2009/10, removing the £10 and £20 payments for households with an annual income over c.£20,000. From 2009/10 it pays £30 per week where household income is less than £22,403 if the household includes one child, or £20,351 per year if the household includes 2 or more children. Following this change, spend on EMAs reduced by £2.2m (6%) and uptake reduced by 1,770 people (5%). Chart 2 shows the trend in uptake and spend since 2006/07 showing the decline following the rule changes in 2009/10. Currently, 39,000 young people are receiving EMA. For further details on eligibility see:

<http://www.emascotland.com/>

Chart 2: Uptake and spend on EMAs. Student uptake and £000's spent. 2006 - 2009



(Scottish Government, 2010c).

Table 5 below summarises the eligibility and awards payable for the main college administered student support – the bursary, discretionary and childcare funds and the EMA.

Table 5: summary of main financial support available to FE students at college 2011/12

Fund	Age	Part or full time?	Use	Means test?	maximum award
Bursary	16+ not at school	Full time only	maintenance	starts at c.£20 - £24k	over 18: £70 to £89 week
			care for dependent adult		under 18: £35 week
					£57 week
		Part time or full time	travel	not if under 18 yrs	£0.18p per mile
			study costs	not if under 18 yrs	£500 year
			additional support for learning: extra travel, study and accommodation costs	no	items over £500 remain property of college
Discretionary		maintenance, study, travel	college policy	£3,500 year	
EMA	16 - 19	Full time only		starts at c.£20 - £22k	£30 week
Lone parent childcare grant	16+	Part time or full time	Registered childcare	no	£1,215 year
Discretionary childcare fund				yes	At discretion of college

(SFC, 2011e, EMA online). **Notes:** The above gives only a rough guide. For example: access to alternative public funds such as welfare benefits and EMAs will limit access to Bursary funds. For students living away from home, in some circumstances the college can make a contribution towards rent instead of paying the maintenance allowance. For details see national policy (SFC 2011e) and individual college policies.

WELFARE BENEFITS AND FURTHER EDUCATION STUDENTS

The table below sets out the general rules on whether being a part time or full time student in non-advanced education disqualifies a person from claiming benefits. Eligibility for benefits and tax credit for students is complex and the following only describes some general rules for students in non-advanced education.

Table 6: Main benefit eligibility for non-advanced education in college

	Studying part time	studying full time
<i>Income Support</i>	Eligible	Generally not eligible, but exceptions include: some parents, care leavers, students estranged from their parents, refugees learning English.
JSA	Eligible if available for work.	Generally not eligible, but exceptions include lone parents and some employment related training courses.
<i>ESA (income)</i>	Eligible, unless under 19 studying more than 12 hours a week.	Not eligible unless also receiving DLA
<i>ESA (contributory)</i>	Eligible	Eligible
<i>ESA (contributory in youth)</i>	Eligible if under 19	Not eligible
<i>HTB and CTB</i>	Eligible to apply	Generally not eligible but exceptions include those under 21 and some parents.
<i>Council tax</i>	Not counted if studying above certain number of hours.	Not counted
<i>Carers allowance</i>	Eligible to apply	Not eligible
<i>Child benefit</i>	A student who is a parent can claim for their child.	If student is under 19, their parent can claim CB. Student who is a parent can claim for their child
<i>Working Tax Credit</i>	Parents working 16+ hours a week or people over 25 working 30+ hours a week can claim	Parents working 16+ hours a week or people over 25 working 30+ hours a week can claim.
<i>Child Tax Credit</i>	Students over 16 who are parents can claim CTC	Students over 16 can claim CTC for their child. If student is under 20, their parent can claim CTC.

(CPAG 2010, council tax information from Scottish Executive, 2003)

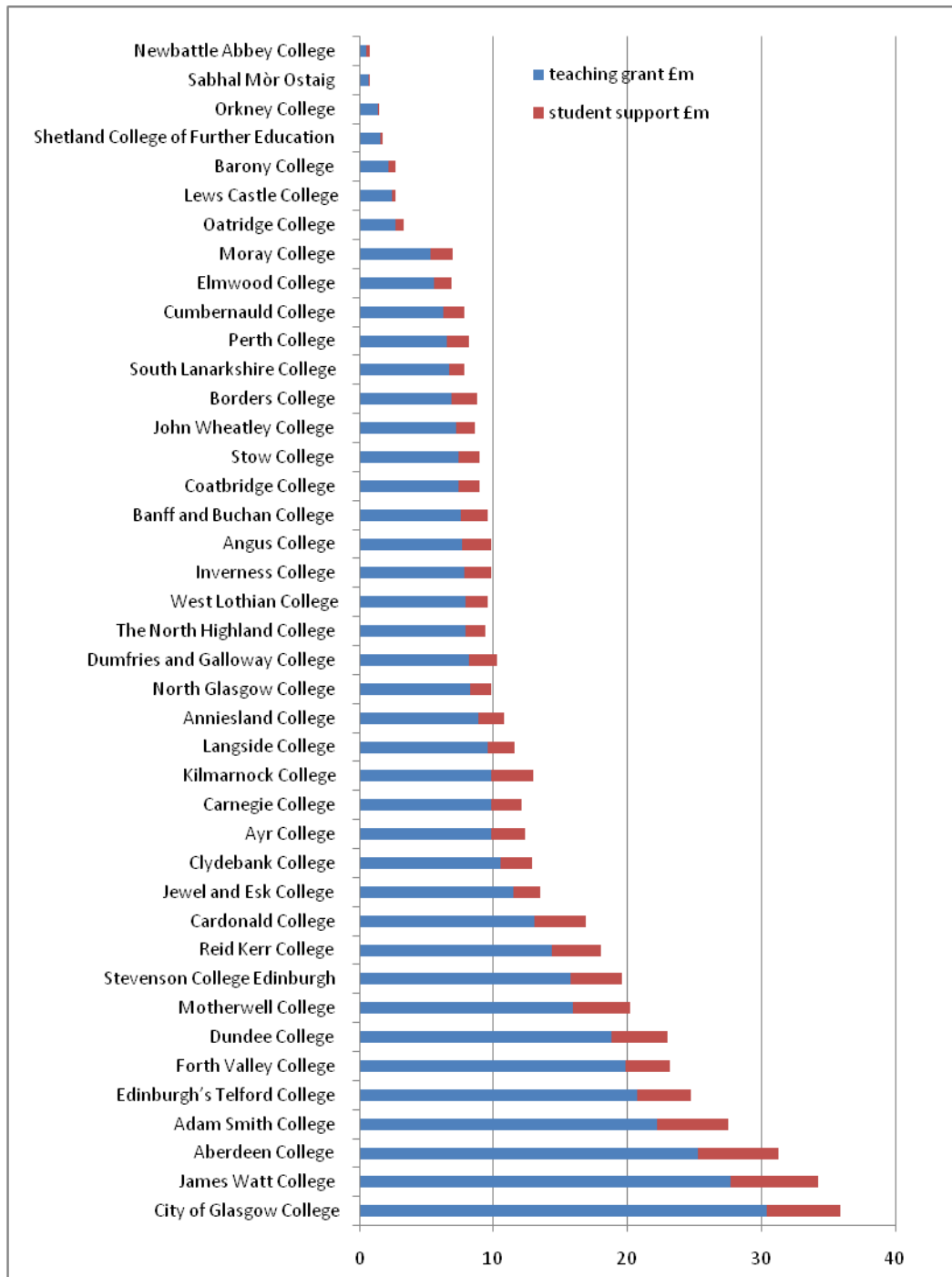
Note: ESA: Employment and Support Allowance replaced incapacity benefit in 2008 and is for those with limited capacity to work. This table does not cover: benefits for students in ‘advanced’ education (in college this is generally HNCs and HNDs), all eligibility requirements or benefits for students over retirement age. Student support from other sources may reduce the amount of benefit received. For further detail see: <http://www.cpag.org.uk/scotland/studentbenefitsproject/>

OTHER FUNDS

An **Individual Learning Account (ILA)** could provide up to £200 for students on incomes under £22,000. See: <http://www.ilascotland.org.uk/ILA+Homepage.htm>. In addition, **Professional and Career Development Loans** of between £300 and £10,000 are available to cover up to 80% of fees and related expenses for courses lasting up to two years (three years if including a year’s work experience). See: <http://www.careers-scotland.org.uk/Education/Funding/PCDL.asp>

ANNEX 1 FUNDING 2011/12

The 41 colleges vary greatly in size and therefore in levels of funding. The chart below shows the teaching and student support funds for 2011/12. The three largest colleges (Glasgow, James Watt and Aberdeen) between them take just under a fifth of the funding for teaching and student support and represent 21% of total activity (SUMS).



Source: SFC Circular 09/2011 annex A. http://www.sfc.ac.uk/news_events_circulars/Circulars/2011/SFC0911.aspx

ANNEX 2 SCOTTISH CREDIT AND QUALIFICATION FRAMEWORK

SCQF level	SQA Qualifications		Higher Education Institutions	Scottish Vocational Qualifications
12			Doctoral Degree	
11			Integrated masters degree Masters degree Post-grad diploma Post-grad certificate	SVQ5
10			Honours degree Graduate diploma Graduate certificate	
9			Bachelors degree Ordinary degree Graduate Diploma Graduate certificate	SVQ4
8		Higher National Diploma	Diploma of Higher Education	
7	Advanced Higher Scottish Baccalaureate	Higher National Certificate	Certificate of Higher Education	SVQ 3
6	Higher			
5	Intermediate 2 Credit Standard Grade	National Certificate		SVQ2
4	Intermediate 1 General Standard Grade		National Progression Award	SVQ1
3	Access 3 Foundation Standard Grade			
2	Access 2			
1	Access 1			

The framework enables students to gain credits for studying which can be built into qualifications. Most mainstream qualifications in Scotland have been allocated a number of SCQF credit points. For example: an Honours Degree has a total of 480 credits with at least 90 at Level 10 and an SQA Higher has 24 credits at Level 6. In some instances it may be possible to transfer SCQF credit points to other learning programmes to ensure that a learner does not have to repeat any learning they have already undertaken. Universities and colleges, SQA and other awarding bodies decide how many of the credit points already received from previous learning can be transferred into their programmes. For example it may be possible to transfer credit from an HND (240 credit points at SCQF Level 8) to a degree programme (360 credit points of which a minimum of 60 are at SCQF Level 9).

In all cases of credit transfer it would be the decision of the accepting learning institution as to how many credit points could be transferred.

For further detail see: <http://www.scqf.org.uk/The%20Framework/>

SOURCES

- BBC News (2011a) *Stevenson and Jewell and Esk Valley Colleges in merger plan*. 27 April 2011. Available at: <http://www.bbc.co.uk/news/uk-scotland-edinburgh-east-fife-13210959> [Accessed 3 June 2011].
- BBC News (2011b) *Further education lecturers stage further cuts protests*. 10 May 2011. Available at: <http://www.bbc.co.uk/news/uk-scotland-13345444>
- CPAG. (2010) *Welfare Benefits and Tax Credits Handbook 2010/11*. London :CPAG.
- Differences colleges make working group. (2006) *Unlocking Opportunity*. Edinburgh: Scottish Executive. Available at: <http://www.scotland.gov.uk/Publications/2006/10/02110410/0>
- EMA Scotland. Available at: <http://www.emascotland.com/> [Accessed 6 June 2011]
- HMIe. (2008). *Arrangements for inspecting colleges 2008 – 12* Livingston: HMIe. Available at: <http://www.hmie.gov.uk/documents/publication/eqafsc..pdf>
- HMIe. (2010) *An aspect report on provision in Scottish colleges. Equality and diversity*. Livingston: HMIe. Available at: <http://www.hmie.gov.uk/documents/publication/edsc.pdf>
- Individual Learning Accounts. Available at: <http://www.ilascotland.org.uk/ILA+Homepage.htm>
- Learning and Teaching Scotland. (2009) *Building the Curriculum 4: skills for learning, skills for life and skills for work*. Glasgow: LTS. Available at: <http://www.ltscotland.org.uk/buildingyourcurriculum/policycontext/btc/btc4.asp>
- Linning, M., Evans, A., Wheelhouse, P., Whyte, R and Leishman, R. (2007) *Review of Scotland's Colleges. Accountability and Governance. Research Findings*. Edinburgh: Scottish Government. Available at: <http://www.scotland.gov.uk/Publications/2007/05/30120035/0>
- Professional and Career Development Loans. Available at: http://www.direct.gov.uk/en/EducationAndLearning/AdultLearning/FinancialHelpForAdultLearners/CareerDevelopmentLoans/DG_10033240
- Russell, M. (2010) *Letter from Cabinet Secretary to Scottish Funding Council*. Dated 17 November 2010. Available at: [http://www.sfc.ac.uk/web/FILES/About the Council/Scottish Government Guidance Letter 17 11 2010.pdf](http://www.sfc.ac.uk/web/FILES/About%20the%20Council/Scottish%20Government%20Guidance%20Letter%2017%2011%202010.pdf)
- Scottish Executive. (2005) *Lifelong Partners*. Edinburgh: Scottish Executive. Available at: <http://www.scotland.gov.uk/Publications/2005/05/12141846/18531>
- Scottish Executive. (2003) *Council tax in Scotland. A guide for students, student nurses, apprentices, skill seekers and school leavers*. Edinburgh: Scottish Executive. Available at: <http://www.scotland.gov.uk/library3/localgov/ctst-00.asp>
- Scottish Funding Council. *Infact Database*. Available at: http://www.sfc.ac.uk/statistics/further_education_statistics/infact_database/infact_database.aspx
- Scottish Funding Council. (2008). *Circular 33/2008. Guidance to colleges on quality*. Edinburgh: SFC. Available at: http://www.sfc.ac.uk/news_events_circulars/Circulars/2008/SFC3308.pdf
- Scottish Funding Council. (2010a) *Measures for Success. Learning for All 4th Update*. Edinburgh: Scottish Funding Council. Available at: [http://www.sfc.ac.uk/web/FILES/ReportsandPublications/Learning for All 2010 report.pdf](http://www.sfc.ac.uk/web/FILES/ReportsandPublications/Learning_for_All_2010_report.pdf)
- Scottish Funding Council. (2010b) *Circular SFC 14/2010. Main grants to colleges and universities for academic year 2010/11*. Edinburgh: SFC Available at: http://www.sfc.ac.uk/news_events_circulars/Circulars/2010/SFC1410.aspx

Scottish Funding Council. (2010c) *Circular SFC 13/2010 Formula capital funding for colleges. 2010-11*. Edinburgh: SFC. Available at:
http://www.sfc.ac.uk/news_events_circulars/Circulars/2010/SFC1310.aspx

Scottish Funding Council. (2011a) *Circular SFC 09/2011. Main grants to colleges and universities for academic year 2011/12*. SFC: Edinburgh: Available at:
http://www.sfc.ac.uk/news_events_circulars/Circulars/2011/SFC0911.aspx

Scottish Funding Council. (2011b) *Scotland's colleges: A baseline report for academic year 2010/11*. Edinburgh: Scottish Funding Council. Available at:
http://www.sfc.ac.uk/web/FILES/ReportsandPublications/Scotlands_Colleges_A_Baseline_Report_for_Academic_Year_200910_-_Feb2011.pdf

Scottish Funding Council. (2011c) *Building Ambition*. Edinburgh: SFC. Available at:
<http://www.sfc.ac.uk/web/FILES/ReportsandPublications/BuildingAmbition.pdf>

Scottish Funding Council. (2011d) *Personal communication June 2011*.

Scottish Funding Council. (2011e) *Circular SFC 11/2011. College sector bursary fund discretionary fund and fee waiver grant policies 2011/12*. SFC: Edinburgh: Available at:
http://www.sfc.ac.uk/news_events_circulars/Circulars/2011/SFC1111.aspx

Scottish Funding Council (2011f) *Learning for All fifth update*. SFC: Edinburgh. Available at:
http://www.sfc.ac.uk/web/FILES/Our_Priorities_Access/Learning_for_All_2011.pdf

Scottish Funding Council and Student's Award Agency for Scotland. (2011). *Further and Higher Education Discretionary Childcare Funds 2011/12*. Edinburgh: SFC. Available at:
http://www.sfc.ac.uk/web/FILES/Funding_Streams_Student_Support/Further_and_Higher_Education_Discretionary_Childcare_Funds_Guidance_2011-12.pdf

Scottish Government a. *Review of Scottish colleges*. Available at:
<http://www.scotland.gov.uk/Topics/Education/skills-strategy/progress/sg/fehe/collegesreview/Q/editmode/on/forceupdate/on> [Accessed 3 June 2011].

Scottish Government b. *Skills for Scotland 2010* Available at:
<http://www.scotland.gov.uk/Topics/Education/skills-strategy> [Accessed 3 June 2011].

Scottish Government c. *16+ Learning Choices*. Available at:
<http://www.scotland.gov.uk/Topics/Education/skills-strategy/progress/sg/economicimprovement/16PlusLearningChoices> [Accessed 3 June 2011]

Scottish Government d. *Skills for Scotland. Skills strategy. Progress by Scottish Government Partners*. Available at: <http://www.scotland.gov.uk/Topics/Education/skills-strategy/progress/others> [Accessed 3 June 2011]

Scottish Government. (2007a) *Review of Scottish Colleges. Promoting Excellence Response of the Scottish Government*. Edinburgh: Scottish Government. Available at:
<http://www.scotland.gov.uk/Publications/2007/11/08154543/1>

Scottish Government. (2007b) *Skills for Scotland. A Lifelong Skills Strategy*. Edinburgh: Scottish Government. Available at:
<http://www.scotland.gov.uk/Publications/2007/09/06091114/0>

Scottish Government. (2010a) *Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth*. Edinburgh: Scottish Government. Available at:
<http://www.scotland.gov.uk/Publications/2010/10/04125111/0>

Scottish Government. (2010b) *Building a smarter future*. Edinburgh: Scottish Government. Available at: <http://www.scotland.gov.uk/Publications/2010/12/15125728/0>

Scottish Government. (2010c) *Education Maintenance Allowances 2009/10*. Edinburgh: Scottish Government. Available at:
<http://www.scotland.gov.uk/Publications/2010/12/14095349/7>

Scottish Government. (2011a) *Higher Education Students and Qualifiers at Scottish Institutions 2009/10*. Edinburgh: Scottish Government. Available at:

<http://www.scotland.gov.uk/Publications/2011/03/25132517/0>

Scottish Government. (2011b) *Illustrative Budget Figures 2013-14, 2014-15*. Edinburgh: Scottish Government. Available at:

<http://www.scotland.gov.uk/Topics/Government/Finance/18127/BudgetFigs2012-15>

Scottish National Party. (2011) *Manifesto 2011*. Edinburgh: SNP. Available at:

<http://manifesto.votesnp.com/>

Scottish Parliament. (2011) *Official Report 29 June 2011*. Edinburgh: Scottish Parliament. Available at:

<http://www.scottish.parliament.uk/Apps2/Business/ORSearch/ReportView.aspx?r=6326>

Scottish Parliament Audit Committee (2005). *7th Report 2005. (Session 2) Further Education Colleges*. SPP 432. Edinburgh: Scottish Parliament. Available at:

<http://www.scottish.parliament.uk/business/committees/audit/reports-05/aur05-07.htm>

Scottish Parliament Audit Committee (2006) *4th Report 2006. (Session 2) The 2004/05 Audit of Inverness College*. SPP 622. Edinburgh: Scottish Parliament. Available at:

<http://www.scottish.parliament.uk/business/committees/audit/reports-06/aur06-04-00.htm>

Scottish Qualifications Agency. *Skills for Work*. Available at:

<http://www.sqa.org.uk/sqa/25259.998.html> [Accessed 3 June 2011]

STV (2011) *Unions slam education bosses as less democratic than former communist countries*. 24 May 2011. Available at: <http://news.stv.tv/scotland/251902-unions-slam-education-bosses-less-democratic-than-former-communist-countries/>

University of the Highlands and Islands. Available at: <http://www.uhi.ac.uk/home> [Accessed 2 June 2011]

This page is intentionally blank

This page is intentionally blank

RELATED BRIEFINGS

Higher Education Institutions (forthcoming)

[SB 10-09 Widening Access to Higher Education: Policy in Scotland \(367KB pdf\)](#) - 19 February 2010

[SB 10-08 Participation in Higher Education: Statistics \(410KB pdf\)](#) - 19 February 2010

[SB 10-07 Barriers to Widening Access to Higher Education \(419KB pdf\)](#) - 19 February 2010

[SB 10-10 Curriculum for Excellence \(337KB pdf\)](#) - 3 February 2010

[SB 08-61 Further Education Colleges Capital Investment Programmes \(107KB pdf\)](#) - 11 November 2008

Scottish Parliament Information Centre (SPICe) Briefings are compiled for the benefit of the Members of the Parliament and their personal staff. Authors are available to discuss the contents of these papers with MSPs and their staff who should contact Camilla Kidner on extension 85376 or email Camilla.kidner@scottish.parliament.uk. Members of the public or external organisations may comment on this briefing by emailing us at spice@scottish.parliament.uk. However, researchers are unable to enter into personal discussion in relation to SPICe Briefing Papers. If you have any general questions about the work of the Parliament you can email the Parliament's Public Information Service at sp.info@scottish.parliament.uk.

Every effort is made to ensure that the information contained in SPICe briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated or otherwise amended to reflect subsequent changes.