



SFC Announcement

Fee anomalies grant for universities in academic year 2017-18

Issue date: 12 July 2017

Reference: SFC/AN/11/2017

Summary: The purpose of this announcement is to describe how the fee anomalies grant will operate in academic year 2017-18.

FAO: Principals / Finance directors of Scotland's universities

Further information: **Contact:** Caroline Leburn
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Fee anomalies grant for universities in academic year 2017-18

Background

1. We recognise that anomalies in fee income may arise because, although our teaching funding method assumes a certain fee income per full-time equivalent (FTE) undergraduate (UG), there are some full-time UG courses where this fee assumption will not match up to what is actually received by the university. We will, therefore, provide fee compensation to Scottish universities for shortfalls arising from the following anomalies:
 - Accelerated courses that do not attract appropriate tuition fee support.
 - Non-postgraduate courses, where institutions' receipt of tuition fees is less than the fee rate assumed by us in our teaching funding model.
 - Outgoing rest of UK ERASMUS (European Community Action Scheme for the Mobility of University Students) students who started their course at Scottish Universities before AY 2012-13.
 - SFC '2+2' articulation places funded in AY 2016-17 where institutions' receipt of tuition fees for students enrolled in a college is less than the £1,820 fee rate assumed by the SFC articulation model.
2. In addition, for AY 2017-18, we will continue to provide funding to Scottish universities based on the numbers of outgoing rest of UK students who started their course at Scottish universities from AY 2012-13 who undertake their ERASMUS year abroad in AY 2017-18.
3. Institutions should note that due to the significant period of time now elapsed, we no longer provide fee anomaly compensation as a result of the changes in full-time fees introduced in Scotland in AY 2006-07.
4. The budget for the fee anomalies grant has been maintained at £1.9 million for AY 2017-18. If total claims for fee anomalies exceed this budget, we will reduce our payments accordingly. However we anticipate that this maintained budget will be sufficient to meet the claims that we expect to receive in AY 2017-18.

Claiming fee anomaly compensation

5. We will consider claims from Scottish universities for fee anomaly compensation in cases where:
 - You have introduced accelerated course provision and are unable to obtain fee support through the normal channels.
 - There are shortfalls in funding resulting from anomalies in the eligibility of full-time non-postgraduate courses to charge full tuition fees.

6. As the claims may vary in nature for fee anomalies listed in paragraph five above, as in previous years there is no standard claim form. A covering letter outlining the nature of the claim, signed by the universities' Registrar / Director of Planning (or equivalent) along with supporting documentation will be sufficient.

Additional articulation places scheme for partnership between colleges and universities

7. SFC is funding 4,416 FTE for articulation routes in AY 2017-18. These places are used to support provision based on the '2+2' model of articulation where recruitment has been to a guaranteed place on a degree course at university.
8. The scheme has been designed so that students enrol on a degree programme, but will spend one or two years at college in the first instance. We are aware that this has not always been the case; if a lower fee than anticipated has been received as a result of the student being enrolled on an HNC/D programme rather than a degree, then we will compensate the universities for the shortfall in fees at a maximum of £535 per FTE.
9. As was the case last year, institutions should write to us with the number of students enrolled on this programme in AY 2016-17 who are attracting a lower fee, detailing the appropriate amount of fee compensation. Claims should be sent by the university Registrar / Director of Planning (or equivalent) to Caroline Leburn, email: cleburn@sfc.ac.uk by 18 August 2017. Subject to confirmation of this data, we intend to pay the shortfall of fees in September 2017.

ERASMUS fee compensation / funding

Background

10. ERASMUS fee compensation is open to outgoing students who spend a full year abroad under the ERASMUS scheme and who ordinarily satisfy the conditions laid down by the Students Awards Agency for Scotland (SAAS) or the appropriate local authority for eligibility for tuition fees support. Institutions are not able to claim fee compensation for students who are ineligible to claim fee support because of previous study.
11. You should note that we only provide compensation for students taking part in the ERASMUS exchange programme, which operates with the European Union, the European Economic Area, and the Candidate Countries. We do not provide fee compensation for students taking part in other exchange programmes.
12. Starting in AY 2016-17, following a review from the Scottish Government and SFC, a new system was provisionally introduced by the Scottish Government to

allow Scottish universities to receive a maximum rate of £1,820 per FTE from SFC and additionally for Scottish universities to charge RUK students, who started on their course on or after 1 September 2012 on their ERASMUS year abroad, 15% of the cost of the maximum full-time tuition fee rate (capped at £9,000 per year in AY 2016-17, increasing to £9,250 for AY 2017-18). This funding compensation is in recognition of the costs incurred by host universities in teaching and supporting incoming European students and to encourage student mobility. Following a review of the new arrangements, it has been agreed that this arrangement will continue for AY 2017-18.

13. The Student Loans Company confirmed that all of the devolved administrations agreed to amend their legislation from AY 2016-17 to enable their students, studying at Scottish universities, to apply for a student loan to cover up to 15% of the cost of the full-time equivalent fee (capped at £9,250 per year for AY 2017-18) when on their ERASMUS exchange year.

ERASMUS claim form (SFC funded portion)

14. As in previous years please use the claim form at Annex A to make your ERASMUS claim.
15. Please do not include the names or other personal details of the students you are claiming for, as this could contravene data protection legislation.

Conditions of grant

16. The following conditions of grant apply:
 - The claim should be signed by the institution's Registrar / Director of Planning, or equivalent, to confirm they are content with the validity of your claim. The return of a claim will be taken as an acceptance of the condition of grant.
 - We reserve the right to scrutinise the documentation relied upon to complete the claim in order to verify its integrity.
 - Institutions are required to use all grant paid for the purpose for which it is provided.
 - SFC provides funding to Scottish universities based on the numbers of RUK outgoing students on their ERASMUS year abroad at the maximum rate of £1,820 per FTE.
 - Scottish universities can only charge RUK students, who started their course on or after 1 September 2012 on their ERASMUS year abroad, 15% of the cost of the maximum full-time tuition fee rate (currently £9,250 per year).

Completion and timescale of returns

17. Articulation claims should be sent to Caroline Leburn, email: cleburn@sfc.ac.uk

by Friday 18 August 2017. All other fee anomalies and / or RUK ERASMUS claims should be sent by Friday 8 June 2018 to Caroline Leburn / Alyssa Newman, Funding Policy Officer, Scottish Funding Council, Apex 2, 97 Haymarket Terrace, Edinburgh, EH12 5HD.

Further information

18. For further information please contact Caroline Leburn, tel: 0131 313 6627, email: cleburn@sfc.ac.uk.

A handwritten signature in black ink, appearing to read 'J. Kemp', with a stylized flourish at the end.

John Kemp
Interim Chief Executive