

CORRESPONDENCE FROM THE SCOTTISH FUNDING COUNCIL TO THE PUBLIC AUDIT COMMITTEE, DATED 27 JULY 2015

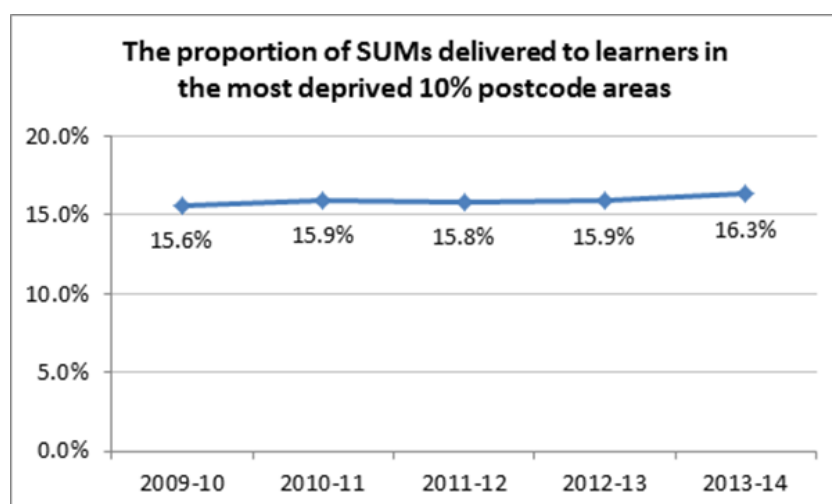
Students from deprived areas in colleges

I am writing in response to your letter of 29th June requesting further information on two matters discussed at your Committee on 24th June.

Students from the most deprived areas

I have attached the most recent figures by college and region at annex A. To show the sector trend over the past 5 years, I have broken the information down into two types: figures for the whole of the student population in colleges and figures for higher education-level provision as these latter figures show the extent to which colleges are contributing to widening access to higher education.

As my colleague said at the Committee, one of the measures we use in our college outcome agreement is the proportion of activity that is going to students from the most deprived decile of the population (as defined by the Scottish Index of Multiple Deprivation). The chart below shows the sector total figures for the past five years.



It shows that the college have slightly increased the proportion of activity to the most deprived postcode areas from an already high base. We have given you these figures as a proportion of activity rather than for headcount as this matches the measure we use in the outcome agreements. The figures for headcount are similar.

As you will know, the government wishes to increase the proportion of higher education students coming from the more deprived areas. In measuring participation in higher education we usually use either the most deprived 20 per cent or the most deprived 40 per cent. For better comparison with the university sector, the table below shows the per cent of full-time higher education students at Scottish colleges from MD 20. Again it shows slight progress from a high base.

Academic Year	Percent MD20
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2009-10	24.8
2010-11	24.9
2011-12	24.5
2012-13	24.9
2013-14	25.5

Freedom of information and Arms-Length Foundations

The Committee has asked for the Scottish Funding Council's view on whether Freedom of Information legislation should extend to Scottish colleges' arms-length foundations (ALFs). The question of extending the legislation to cover ALFs is ultimately a matter for the Scottish Government. ALFs are legally and operationally independent of the colleges and their functions are defined (through their constitutions) and directed by their boards of trustees.

We understand the Committee's concerns over the transparency of the funds donated to ALFs from Scottish colleges and are committed to ensuring appropriate accountability for all funds received by colleges. This will be achieved through drawing on established regulatory processes, in particular those imposed by the Office of the Scottish Charity Regulator (OSCR), and developing our own monitoring arrangements.

The ALFs must comply with charity law and, where appropriate, company law and, as such are required to publish accounts which will illustrate the levels of funds flowing in and out of the ALFs. Compliance with charity law, which includes applying funds for the purpose set out in ALFs constitutions, is monitored by the OSCR. In addition we will scrutinise the accounts of each ALF upon publication and probe the information provided in these to ensure that a robust picture of income and expenditure is available to be provided to the SFC's Audit and Compliance Committee. Using this, and the information we receive through monthly financial monitoring information directly from colleges, we are confident that it will be able to track the flow of funding to and from ALFs on an annual basis.

Also when measured against the range of factors set out by the Scottish Government in their current consultation on coverage of the FOI legislation there appears to be no clear case for extending the coverage.

I hope you find this additional information useful. If you would like further information please do not hesitate to contact me.

Yours sincerely

LAURENCE HOWELLS
CHIEF EXECUTIVE

Annex A

Sums delivered to students from 10% most deprived areas in Scotland in 2013-14 by region

Region	College	Total SUMs	SIMD10 SUMs	SIMD10 as a % of Total SUMs
Aberdeen and Aberdeenshire		155,709	8,625	5.5%
	North East Scotland College	155,709	8,625	5.5%
Ayrshire		147,055	29,065	19.8%
	Ayrshire College	147,055	29,065	19.8%
Borders		26,876	1,877	7.0%
	Borders College	26,876	1,877	7.0%
Dumfries & Galloway		34,869	4,180	12.0%
	Dumfries and Galloway College	34,869	4,180	12.0%
Edinburgh		218,690	22,409	10.2%
	Edinburgh College	218,690	22,409	10.2%
Fife		147,092	11,693	7.9%
	Fife College	147,092	11,693	7.9%
Forth Valley		91,511	9,100	9.9%
	Forth Valley College	91,511	9,100	9.9%
Glasgow		406,271	113,448	27.9%
	City of Glasgow College	155,907	36,729	23.6%
	Glasgow Clyde College	145,029	38,998	26.9%
	Glasgow Kelvin College	105,335	37,720	35.8%
Highlands & Islands		125,670	5,064	4.0%
	Argyll College UHI	7,905	383	4.8%
	Inverness College UHI	31,134	2,331	7.5%
	Lewis Castle College UHI	6,252	3	0.0%
	Moray College UHI	21,133	46	0.2%
	North Highland College UHI	14,202	867	6.1%
	Orkney College UHI	4,253	1	0.0%
	Perth College UHI	29,751	1,426	4.8%
	Shetland College UHI	4,584	2	0.0%
	West Highland College UHI	6,455	6	0.1%
Lanarkshire		194,772	35,921	18.4%
	New College Lanarkshire	149,253	28,399	19.0%
	South Lanarkshire College	45,519	7,522	16.5%

Landbased		21,307	1,288	6.0%
	SRUC	21,307	1,288	6.0%
Newbattle		1,120	160	14.3%
	Newbattle Abbey			
	College	1,120	160	14.3%
Sabhal Mor Ostaig		1,079	26	2.4%
	Sabhal Mor Ostaig			
	UHI	1,079	26	2.4%
Tayside		117,317	18,970	16.2%
	Dundee and Angus			
	College	117,317	18,970	16.2%
West		176,916	47,958	27.1%
	West College			
	Scotland	176,916	47,958	27.1%
West Lothian		45,906	2,348	5.1%
	West Lothian College	45,906	2,348	5.1%
Sector Total		1,912,161	312,132	16.3%