



Scottish Funding Council

Promoting further and higher education

Comhairle Maoineachaidh na h-Alba

A' brosnachadh foghlam adhartach agus àrd-ìre

15 January 2016

Paul Martin MSP  
Convener, Public Audit Committee  
Room T 3.60  
The Scottish Parliament  
EDINBURGH  
EH99 1SP

*Dear Paul*

I am writing in response to your letter of 18 December in which you ask whether there is any further information on the merger savings in colleges that the Committee has not seen as part of your work on the Colleges 2015 Report. You referred to the Scottish Government letter to you of 30 November and enquired whether that meant there was further information which the Committee had not seen.

To clarify, the information referred to by the Scottish Government in their letter of 30 November, was provided by the SFC in my letter of 26 November and so has been seen by the Committee.

You also asked whether there were any interim figures on progress towards the £50M efficiencies. Since I wrote in November the SFC has published the baseline report on colleges for 2014-15. The report confirms that the college sector met the activity target for 2014-15. This means that the figure for efficiencies in academic year 2014-15, as referenced in my letter of 26 November, has been met and that the progress towards the £50M real terms efficiencies in 2015-16 is on track.

In addition, we will, of course, through our current post-merger evaluation programme, gather college-level information of the savings which allow colleges to operate more efficiently. The evaluations will conclude in time to inform Audit Scotland's planned Colleges 2016 report.

If you would like any further information on this please let me know.

Yours sincerely

**Laurence Howells**  
Chief Executive