Annex C: Conditions of outcome agreement funding

1. Grant is provided to allow colleges/regional strategic bodies to deliver their regional outcome agreements under Sections 9 and 10 of the Further and Higher Education (Scotland) Act 2005 ('the 2005 Act').

2. Governing bodies and their designated officers must comply with the terms of the Financial Memorandum (FM) between the Scottish Funding Council (SFC) and fundable bodies in the college sector: http://www.sfc.ac.uk/web/FILES/Guidance_Governance/Financial_Memorandum_with_the_College_Sector_-_1_December_2014.pdf.

3. Colleges/regional strategic bodies are required to comply with any principles of governance which appear to SFC to constitute good practice in relation to such bodies. Regional strategic bodies receiving grants from SFC are required, when making payments to any college assigned to it, to impose this condition on the college.

4. Colleges/regional strategic bodies must maintain provision of acceptable quality and develop and implement a satisfactory quality improvement strategy.

5. If the Scottish Government revises its grants to SFC we reserve the right to make in-year adjustments to funding. In this case, SFC would renegotiate the terms of its regional outcome agreement with colleges/regional strategic bodies.

6. Where appropriate, colleges/regional strategic bodies must provide data returns requested by SFC by the deadlines and to the standards specified. Our Student Activity Data Guidance for Colleges can be found on the SFC website.

7. Where appropriate, colleges/regional strategic bodies must follow SFC's Student Support guidance.

8. Where a college/regional strategic body is in receipt of European Social Funding (ESF) it must follow SFC's ESF guidance.

Tuition fees

9. Where applicable, colleges must charge student tuition fees at the levels set by Scottish Ministers under either the Student Fees (Specification) (Scotland) Order 2006 or the Student Fees (Specification) (Scotland) Order 2011, whichever is applicable. Regional strategic bodies receiving grants from SFC are required, when making payments to any college assigned to it, to impose this condition on the college. However:

- the tuition fee levels set by Scottish Ministers under the Student Fees (Specification) (Scotland) Order 2006 do not apply to students who do not have a relevant connection with the United Kingdom and Islands or are not excepted students within the meaning of the Education (Fees and Awards) (Scotland) Regulations 2007; and

- the tuition fee levels set by Scottish Ministers under the Student Fees (Specification) (Scotland) Order 2011 do not apply to students who do not have a relevant connection with Scotland or are not excepted students within the meaning of the Education (Fees) (Scotland) Regulations 2011, but any tuition fees charged to students from the rest of the United Kingdom must not exceed £9,000 per year.

Strategic funding

10. Strategic grant funding must only be used for the purpose(s) for which it is provided.

Capital/Maintenance grant

11. Capital grant funding must only be used for items which can be capitalised, including Information Technology (IT). Maintenance grant funding must only be used for estates/infrastructure maintenance and/or debt servicing associated with capital developments.

Failure to adhere to these conditions

12. If the college/regional strategic body does not deliver the regional outcome agreement and the targets within it, or does not meet the other conditions of grant set out in this document, SFC will consider the clawback of grant or reductions in future funding.