

# Clarity needed on Scottish Funding Council discussions

- [Home](#)
- [All News](#)
- Clarity needed on Scottish Funding Council discussions

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Following today's exchanges at First Minister's Questions, the Scottish Conservatives have demanded a full explanation about the circumstances which led to discussions taking place between the Scottish Funding Council and individual universities about how £50 million could be spent on campus projects.

These discussions occurred despite the fact the Scottish Government had already informed the board of the Scottish Funding Council that they wanted the money back.

The Financial Report to the Scottish Funding Council Board dated 20th February 2014 confirms that the Scottish Government advised the Scottish Funding Council not to apply any of the £50 million funds.

Yet beyond that point, until 2nd October 2014 when the Scottish Government issued further confirmation that it wanted the money back, the Scottish Funding Council was in discussions with universities about the appropriate allocation of these funds to their capital developments.

**Scottish Conservative shadow education secretary, Liz Smith MSP said:**

"This is an extraordinary situation, and the SNP must explain why it was allowed to happen and who was responsible for the gross mismanagement.

"The Scottish Funding Council is handling large amounts of taxpayers' money and it clearly has an obligation as a public body to account for how it is spent.

"£50 million is not an inconsiderable sum, especially at a time when this SNP Government has made real term cuts to the higher education budget.

"As such, it was obviously a matter of very considerable concern to those institutions who thought they would benefit from these funds only to find out later that they had been clawed back.

"There is a complete lack of transparency about this and that is why the Scottish Government should publish full details of why the mistake was made and who was responsible."

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The confusion regarding the £50 million was raised in a confidential report prepared by Edinburgh accountants Scott-Moncrieff that was published this week.

The Scott-Moncrieff report states: *“As a result, additional funding was awarded in the 2011 spending review which was not fully spent in the 2012/13 financial year. In February 2014 the Scottish Government advised the SFC not to take action to apply these funds.”*

For more information, visit:

[http://www.heraldscotland.com/news/education/15040440.Internal\\_inquiry\\_highlights\\_errors\\_and\\_confusion\\_at\\_heart\\_of\\_Scottish\\_Funding\\_Council/](http://www.heraldscotland.com/news/education/15040440.Internal_inquiry_highlights_errors_and_confusion_at_heart_of_Scottish_Funding_Council/)

When asked during FMQs on this issue, Nicola Sturgeon replied:

*“It was only recouped on the basis of explicit assurances from SFC that all financial commitments to colleges and universities had been met.”*