

EXECUTIVE NOTE

DRAFT: The Fundable Bodies (Scotland) Order 2005

1. The above instrument was made in exercise of the powers conferred by section 7 (1)(a) of the Further and Higher Education (Scotland) Act 2005. The instrument is subject to affirmative resolution procedures.

Policy objectives

2. The purpose of the Order is to modify the Further and Higher Education (Scotland) Act 2005 by adding “The Adam Smith College, Fife” and “Forth Valley College of Further and Higher Education” to the list of fundable bodies at Schedule 2 to the 2005 Act. These additions to the list of fundable bodies were proposed by the Scottish Funding and Higher Education Funding Council, which took over responsibility for funding Scotland’s further education colleges and higher education institutions from 3 October 2005, in place of SFEFC and SHEFC. The Scottish Funding Council may only fund institutions listed in Schedule 2 to the 2005 Act.

3. “The Adam Smith College, Fife” and “Forth Valley College of Further and Higher Education” were formed on 1 August 2005 as a result of the respective mergers of Fife and Glenrothes Colleges and of Falkirk and Clackmannan Colleges. Ministers established these new colleges after taking advice from the Scottish Further Education Funding Council and having consulted widely. This decision was taken in line with Scottish Executive policy which encourages greater strategic collaboration in the further education sector.

Financial effects

4. The Order will have no impact on the existing further education budget since the funding allocated by the Scottish Funding Council to the two new colleges will be broadly in line with that allocated to the four original colleges prior to merger.

**Scottish Executive Enterprise, Transport and Lifelong Learning Department
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