

# SAAS

Student  
Awards  
Agency  
Scotland

Funding your future

[www.saas.gov.uk](http://www.saas.gov.uk)

HIGHER EDUCATION

# *Discretionary Funds*

GUIDANCE

## 2025 to 2026 Academic Year



Scottish  
Government  
[gov.scot](http://gov.scot)

- ✓ Informing Choices
- ✓ Funding Futures
- ✓ Supporting Success

## USEFUL CONTACTS

### Student Awards Agency Scotland

Saughton House  
Broomhouse Drive  
EDINBURGH  
EH11 3UT  
0300 555 0505  
<http://www.saas.gov.uk/>

If you have any queries about eligibility or implementation of the regulations presented in this guidance, please contact the SAAS Policy Team who will be able to advise you further.

[SAAS\\_Policy@gov.scot](mailto:SAAS_Policy@gov.scot)



### The Scottish Government

Student Financial Support Team  
Atlantic Quay  
150 Broomielaw  
Glasgow  
G2 8LU  
<https://www.gov.scot/>

Chief Nursing Officer's Directorate  
St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG  
<https://www.gov.scot/>



## IMPORTANT DATES

**31<sup>st</sup> October**

✓ Audited Fund Accounts to be sent to SAAS

**31<sup>st</sup> March**

✓ SAAS will contact Fund Managers to provide End of Tax Year Interim Balance (until 31<sup>st</sup> March) in early April

## Table of Contents

<b>INTRODUCTION</b> .....	<b>4</b>
ABOUT THE FUND .....	4
<b>ELIGIBILITY</b> .....	<b>6</b>
ELIGIBILITY TABLE .....	6
RESIDENCE.....	7
AGE.....	8
ENGAGEMENT .....	8
PREVIOUS STUDY RULE/LINK TO TUITION FEE ELIGIBILITY .....	9
OTHER SUPPORT .....	9
MODE OF STUDY/COURSE ELIGIBILITY .....	9
DISABLED STUDENTS .....	10
RESTRICTED FUNDING REGISTER.....	10
<b>ASSESSMENTS</b> .....	<b>11</b>
HOW NEEDS ARE ASSESSED .....	11
ADVICE TO STUDENTS .....	12
DISBURSEMENT AND PAYMENT AMOUNTS .....	13
TREATMENT OF FUNDS BY INSTITUTIONS.....	15
ADMINISTRATION .....	15
<b>PARAMEDIC, NURSING AND MIDWIFERY DISCRETIONARY FUND</b> .....	<b>19</b>
PURPOSE .....	19
FURTHER INFORMATION.....	19
ELIGIBILITY TABLE .....	19
RESIDENCE.....	20
ENGAGEMENT .....	20
DISABLED STUDENTS .....	20
OTHER SUPPORT .....	20
<b>INTERNATIONAL STUDENTS' EMERGENCY FUND</b> .....	<b>21</b>
PURPOSE .....	21
ABOUT THE FUND .....	21
ELIGIBILITY FOR THE FUND .....	21
RESIDENCY STATUSES .....	22
ASSESSMENTS.....	22
APPEALS, APPLICATIONS AND DECISION-MAKING PROCESS .....	22

## **ANNEX A – GUIDING PRINCIPLES**

# INTRODUCTION

These notes provide guidance to assist Fund Managers in the operation of the Higher Education (HE) Discretionary Funds which have been allocated to them by Scottish Ministers.

Institutions should use these guidelines to assist them to devise suitable systems, for which they will be accountable, to undertake the receipt and disbursement of the funds.

## ABOUT THE FUND

### Changes for the 2025 to 2026 academic year

- An allocation of £8m will be issued to the sector in August 2025 covering the current financial year up to the end of March 2026.
- An allocation of £4m will be issued to the sector in April 2026, covering the remaining period of the 2025 to 2026 academic year from April 2026 to 31<sup>st</sup> July 2026.
- Any unspent funds from the 2025 to 2026 academic year should be returned to SAAS along with an audited return by 31 October 2026.
- There is **no cap** for the main HE fund. It is a matter for Fund Managers to determine the maximum amount of support they may wish to award a student depending on their circumstances.
- There will be no change to the Childcare Fund with no cap in place.
- A £2,500 cap will remain in place for Nursing and Midwifery, and Paramedic Science students (PNMSB). Paramedic Science students should be supported from the ring-fenced PNMSB allocation.
- The International Fund remains available. Institutions can transfer money in and out of this from the main HE Fund. Further information is available on Page 21.
- Eligible students must access the full living cost loan and/or bursary they are entitled to, from their funding body. **This includes the Special Support Loan.**

### Purpose of the HE 2025 to 2026 academic year Discretionary Funds

Discretionary Funds are intended to provide non-repayable assistance for students in financial difficulties in order for them to access and/or continue in Higher Education (HE) and are paid in addition to any other forms of student support. In HE, Discretionary Funds are allocated by Scottish Ministers, via Student Awards Agency Scotland (SAAS) and are administered by individual institutions. For students in Further Education, the Scottish Funding Council (SFC) issues separate guidance on the disbursement of Discretionary and Childcare Funds. Further information will be available in due course at [www.sfc.ac.uk](http://www.sfc.ac.uk).

The further and higher education childcare funds **in the college sector** are pooled creating a FE/HE discretionary childcare fund administered by the colleges. SFC will issue separate guidance for funding officers.

It will be for fund Managers to decide how to disburse funds to individual students. The funds should be targeted to those students in particular need, while the criteria being applied should be flexible enough to allow a fair and just response to individual cases.

## What the discretionary funds cannot be used for:

- To pay arrears on a student loan where a student has defaulted
- To pay for student's tuition fees
- To provide support for prisoners studying courses of HE
- To provide support for students who have taken a year out from studies
- For institutions to meet the outstanding accommodation fees for students who have withdrawn
- Students who do not meet the residency criteria who have not been impacted by a global conflict
- Students who were previously awarded discretionary funds in error cannot continue to receive support
- To support students who have been placed on the [SAAS Restricted Funding Register](#). To identify these students, students on the register will not normally be able to access any SAAS funding for a set period of time, including a loan.
- To support SSSC-funded Postgraduate Social Work students - further information below.

## Higher Education Discretionary Fund

Support is available to eligible full and part-time students who are undertaking HNC, HND, degree or equivalent courses (including pre-entry medicine). Eligible students must satisfy the various criteria laid out in this guidance.

Support is available to eligible full and part-time students undertaking postgraduate courses, including PhD students.

Please note, students in receipt of an Educational Psychology training grant as part of the two year MSc in Educational Psychology will not be entitled to support from PG Discretionary Funds.

Students receiving SSSC bursaries instead of postgraduate funding from SAAS should access support through the SSSC Discretionary Payment and will not be entitled to support from the HE Discretionary Funds.

## Priority Groups

It is for the college/university to determine those who should have priority access to their funds but we ask when making awards, the institution consider any legal duties/obligations that may be applicable to providing financial support to specific cohorts of students.

### Corporate Parenting

Corporate Parenting Duties as defined<sup>[1]</sup> in the Children and Young People (Scotland) Act 2014 ask that colleges and universities "*uphold the rights and safeguard the wellbeing of looked after children, young people and care leavers*" (Care Experienced).

[Return to Table of Contents](#)

# ELIGIBILITY

## Eligibility Table

### Residence

Ordinary Residence

Asylum seekers

Other Residency Exceptions

### Age

### Attendance

### Previous Study

### Other Support

Maintenance Loan

Tuition Fee Loan

### Mode of Study/Course Eligibility

### Disabled Students

[Return to Table of Contents](#)

## ELIGIBILITY TABLE

The table below outlines the criteria for full-time and part-time **undergraduate and postgraduate** students who can apply for help from the discretionary funds:

<b>Eligible to apply to:</b>	<b>The HE Discretionary Fund</b>	
<b><u>Domicile/residence</u></b>	<p>Is UK domiciled and meets residency criteria set out in the Education (Access Funds) (Scotland) Determination 2023, or is eligible to receive maintenance support under legislation applicable in other parts of the UK.</p> <p>Or</p> <p>Is ordinarily resident in Scotland on the relevant date, as set out in <a href="#">The Student Support (Scotland) Regulations 2022</a> as amended</p> <p>Criteria is set out <a href="#">in this guidance</a>.</p>	
<b><u>Age</u></b>	Must be 16 years or over and past compulsory school leaving age.	
<b><u>Eligible Courses</u></b>	Must be attending any form of learning at HE level.	
<b><u>Other Support</u></b>	Must have used full entitlement of all other available support such as student maintenance support. (including living cost loan, special support loan or bursary)	
Students on the <a href="#">SAAS Restricted Funding Register</a> are not entitled to receive Discretionary Funds.		

## RESIDENCE

### Ordinary Residence

To be eligible to apply for support from the Discretionary Funds, students must meet the following conditions:

- ordinary resident in Scotland, or the United Kingdom
- ordinary residence in the United Kingdom and Islands throughout the period of 3 years immediately preceding the relevant date; and be one of the following-
- settled in the United Kingdom within the meaning given by section 33(2A) (Interpretation) of the Immigration Act; **or**
- a person who has not applied for refugee status but has been informed in writing by a person acting under the authority of the Secretary of State for the Home Department that is thought right to allow you to enter or remain in the United Kingdom and been granted leave to enter or remain accordingly which has not expired; **or**
- the spouse, civil partner or child of a person described in the two preceding sub-paragraphs above.

### Asylum Seekers

The Home Office provides living cost support to people in the asylum process (asylum seekers) who are destitute. This is known as Asylum Support. They can access either financial support of £40.85 and (no choice) accommodation, or financial support alone, known as subsistence-only. In Scotland, they have full access to the NHS and, everyone has the Right to education from nursery through to Secondary school. People in the Asylum Process have the right to access Higher education and from 2023-24 young asylum seekers may be entitled to support from SAAS for tuition fees only.

The support provided by Home Office is for essential living costs. The HE Discretionary Fund can be used to support this group with **travel, childcare and other study** costs. For students who are on Sanctuary Scholarships via their university/college and/or are not in receipt of Asylum Support, further living cost support is allowed.

Similar to people who are in receipt of some social security, Asylum Support is means-tested. If people who are in receipt of Asylum Support receive payments for **living costs** from elsewhere, they will be considered no longer destitute by the Home Office and their Asylum Support will be impacted, with the potential consequence of losing their accommodation and subsistence. Travel, childcare and other study costs are all allowed if it is clear that they are essential to be able to fulfil a course of study. People in the Asylum process who choose to enter a course of Higher Education are NOT entitled to living cost support from SAAS.

Bank accounts: There are well-known challenges for people newly arrived to the UK to open bank accounts because of anti-money laundering legislation, and this also affects people in the asylum process. We suggest that colleges and universities should provide this travel and study support in the form of physical items (vouchers, pre-paid cash cards, etc), and not cash or BACS payments. Childcare costs must be paid directly to the childcare provider.

Institutions should consider options around using the funds to purchase vouchers and pre-paid cash cards for study costs. Examples include:

[www.love2shop.co.uk](http://www.love2shop.co.uk)

[www.yordex.com](http://www.yordex.com)

We would ask institutions to be mindful of bulk buying any cards/vouchers towards the end of the academic year to ensure unspent funds are returned to SAAS as normal.

The rules surrounding what support can be given to Asylum Seekers can be complex, and if you have any doubt on what can be provided, please contact Scottish Refugee Council on 0808 196 7274 (9am – 5pm Monday – Friday) where they will be happy to provide further guidance.

## Other Residency Exceptions

If a student is not eligible for support under the general residence conditions, they may still be eligible to apply to the Discretionary Fund for support under one of the exceptions to the ordinary residence conditions. Detailed information about the exceptions to our residency criteria can be found at [SAAS Residency conditions](#). If you need further clarification on residency eligibility, please contact the [SAAS Policy Team](#), who will be happy to assist you.

EU nationals who are eligible for full living cost support will also be eligible to apply to the fund, as will those EU nationals with protected rights eligible for tuition fees only, who were here by the end of 2020, have pre-settled status, but haven't been in the UK for 3 years.

## Additional Residency Exception – students directly impacted by global conflicts

Students facing financial hardship as a **direct** consequence of a global conflict will be eligible to apply for the HE Discretionary Funds. Institutions should assess 'need' in the normal way. This means that some international students will have access to the funds.

When can students access funds – examples of a **direct** impact will be where access to financial support from overseas has reduced or disappeared or there is a requirement for students to support families overseas because of a conflict.

When students cannot access funds – funds should not be awarded to pay the cost of tuition fees or to cover expensive accommodation costs.

**Also, it is important to note that an unintended consequence of access to the Discretionary Funds is NOT to provide financial support to individuals currently targeted by the UK Sanctions regime. Institutions should aim to ensure that any recipient was not a person 'associated with' one of the designated persons in the UK sanctions regime. The list of designated persons are set out in the ['The UK Sanctions List - GOV.UK \(www.gov.uk\)'](http://www.gov.uk).**

[Return to Chapter index](#)

## AGE

Students are not eligible for support from Discretionary Funds unless they are deemed to have attained the age of 16 years under section 33 of the Education (Scotland) Act 1980. Therefore, students entering HE before they are deemed to have reached the age of 16 are not eligible to apply for support from the Discretionary Funds.

[Return to Chapter index](#)

## ENGAGEMENT

Institutions must be satisfied that students are undertaking an appropriate course of education and that their attendance is satisfactory. Students who are on Medical Leave of Absence, have temporarily suspended their studies and are not eligible to receive benefits are eligible to apply to the funds. However, institutions should consider the level of support to be awarded given that they are not attending.

[Return to Chapter index](#)

## PREVIOUS STUDY RULE/LINK TO TUITION FEE ELIGIBILITY

There are no previous study rules which attach to the Discretionary Fund. Students who are not eligible for tuition fee support due to previous study can still be considered eligible for support from the Discretionary Funds.

[Return to Chapter index](#)

## OTHER SUPPORT

### Maintenance Loan

Student loans are an integral part of the system of student support. Students who are eligible for a maintenance student loan are, of course, free to decide whether to take out a loan and, if so, how much to borrow.

**However, a full-time student must have taken out, or applied for, the full living cost loan and/or bursary, that they are entitled to – this includes the Special Support Loan.** The only exception to this rule is when the application is in relation to Disabled Students Allowance (DSA), see [Disabled Students section](#) for further details. Institutions should contact SAAS if they are unsure whether a student has applied for any living cost support entitlement.

Institutions may find it helpful to explain to students who do not wish to take out a student loan for religious reasons, that the interest rate attached to student loans merely repays the loan in real terms and is tied to the rate of inflation. It is not an interest rate in the commercial sense of the word, and no profit is made from the interest paid by borrowers.

### Tuition Fee Loan

Students do not need to have taken out their tuition fee loan (if eligible) in order to receive assistance from the Discretionary Funds. However, HEIs should be satisfied that the decision not to take out a tuition fee loan is not impacting on their ability to meet other living-costs for which they are seeking assistance from the Discretionary Funds.

[Return to Chapter index](#)

## MODE OF STUDY/COURSE ELIGIBILITY

The Discretionary Funds must only be used to assist students in one of the following groups:

- Undergraduate students who are undertaking full or part-time undergraduate courses in HE
- Postgraduate full or part-time students who are studying in HE at levels above first degree. Please note, students in receipt of an Educational Psychology training grant as part of the two year MSc in Educational Psychology) will not be entitled to support from the Funds and nor will postgraduate social work students receiving a bursary from SSSC

### Distance Learning Courses

Students who meet the eligibility and residence criteria who have applied for maintenance support, can apply for Discretionary Funds as long as the course has tutor support.

## Access Courses

If attendance on the Access Course is required by the institution to enable the student to progress to a Full or Part-time course, then Discretionary Funds can be used if required but it is at the discretion of the institution as to what support is provided.

## DISABLED STUDENTS

Discretionary Funds are not intended to provide additional study support that is available from the Disabled Students' Allowance (DSA) unless:

- The funds are to be used to meet the reasonable cost of a diagnostic assessment (mainly for dyslexic students, there is no requirement for the student to have taken out a student maintenance loan).

Neither should the funds be used to provide any support that should be met by the institution as a 'reasonable adjustment' under the Equality Act 2010.

## RESTRICTED FUNDING REGISTER

An individual may be placed on the Restricted Funding Register by SAAS in certain circumstances where they have acted in bad faith and lost entitlement to receive public funding for education, and restrictions have been placed on the funding they can receive. Individuals on the register are not entitled to receive Discretionary Funds. The full [Restricted Funding Policy](#) can be viewed on the SAAS website.

[Return to Chapter index](#)

## How Needs Are Assessed

### Factors for Consideration in the Assessment of Need

### Advice to Students

## HOW NEEDS ARE ASSESSED

A balanced and proportionate approach should be taken when considering each application in regards to evidence submitted/assessed. The priority is to make the administrative process as straightforward as possible for students. However, it remains at the discretion of each institution as to what evidence is permitted. **A Good Practice Guide/Set of Principles has been established and is available at Annex A.**

In addition to their application a student *may* provide:

- proof of their accommodation (rent/ tenancy agreement) for those who are seeking support for accommodation costs
- a recent bank statement for those who are seeking support for other hardship reasons.
- details of their weekly income/expenditure.
- any other information which the institution feels is relevant to assessing hardship.

It is for institutions to decide what evidence is required in order to verify the information provided by the student. However, in the interests of prudence and value for money, institutions should examine a random sample of cases to compare estimated expenditure with actual expenditure incurred. Students should therefore be informed that they may be asked to provide proof of actual expenditure later in the year. Institutions must remember however, that payments from the Discretionary Fund should only be made when the student has applied for a living cost student loan and/or bursary (if eligible). The funding a student receives is confirmed on their SAAS Award Notice. Institutions may wish to devise their own proforma for students to sign before gaining support from the funds. This should include a declaration from the student that they are getting support from SAAS.

## Factors for consideration in the assessment of need:

- Whether the claimed deficit between income and expenditure constitutes real need and cannot reasonably be reduced to a manageable level by the student;
- Whether the payment should be in instalments or in the form of a short term repayable cash advance;
- The availability of support from alternative sources, for example, bursaries, assistance from SAAS, assistance from a Local Education Authority (for students from England, Wales and Northern Ireland), Social Security Benefits.
- The circumstances of students and types of need prevalent locally and any existing local schemes for improving access;
- The frequency with which payments to individuals should be made and entitlement reviewed; and
- In considering requests for support from the Funds from students who have temporarily suspended their studies through illness, or who may be experiencing difficulty in finding a placement in industry as an essential part of their course, institutions should first check whether the student continues to be registered as a student. They should also take into account the prospect of the student resuming his or her course and the availability of support from other sources.
- Whether a student has already been determined as in financial hardship and supported through other means by the institution, further evidence should not be required to provide additional evidence should not be required, to avoid double handling.

## ADVICE TO STUDENTS

Institutions may receive enquiries about assistance from all the Funds before courses actually start. Those administering these Funds may advise prospective eligible students of the amount which they will receive on starting their course if the Discretionary Fund allocations have been finalised. This will vary each academic year so it might not be possible to advise students prior to the start of their course.

Students can apply for Discretionary Fund more than once during an academic year - there is no limit on the number of times they can request help through the fund. Each institution should make their application and assessment process clear to students. Students may not have to submit a new application each time they require assistance within the same academic year, they may only need to submit evidence of their current financial situation.

[Return to Chapter index](#)

## Disbursement and Payment Amounts

Summer support

Students on benefit in the second and subsequent years of their course

## Treatment of Funds by Institutions

Appeals, Applications and Decision-Making Process

Publicity

Treatment by the Department of Work and Pensions (DWP) of payments from both funds

## Administration

Allocation and Payment of Funds

Transfer and Carry Forward of Funds

Institution Administration

Annual Audited Returns Required by SAAS

In Year Redistribution of Supplementary Funds

Financial Year Information Required by SAAS

[Return to Table of Contents](#)

## **DISBURSEMENT AND PAYMENT AMOUNTS**

Assistance from the funds can be given in the form of a cash payment to the student, or vouchers may be more appropriate in certain circumstances.

Institutions will decide how to disburse funds to individual students. The funds should be targeted to those students in particular need, while the criteria being applied should be flexible enough to allow fair and proportionate response to individual cases.

It should be noted that very large individual payments to a few students disproportionately reduces the amount of funds available for other cases of hardship. Similarly, very small amounts may cause an administrative burden, however, if the payment of small amounts is considered to be an effective means of dealing with an application, then institutions are free to disburse as they consider appropriate.

Managers are free to take account of any other factors they decide are appropriate.

Institutions should operate a rolling programme for applications so that students can apply for help at any time during the academic year as opposed to institutions simply considering applications for assistance at two or three fixed times a year. Institutions should also seek to ensure that applications are processed as quickly as practicable, taking into account that some payments will be issued while remote working practices continue.

Included in the allocation of Discretionary Funds is a fund for administration which can be used to cover reasonable costs for **audit, advertising and publicity** of the Discretionary and Childcare funds.

Institutions will wish to ensure that a disproportionate amount of funds are not being used to recruit those who would otherwise be deterred from commencing a course rather than meeting cases of hardship ensuing after students have started their courses.

Institutions can use the Discretionary Funds to provide scholarships or bursaries to assist with meeting the living costs, **but not the tuition fees**, of students who would otherwise be deterred from entering or continuing HE because of their financial circumstances. Students must meet the overall eligibility criteria for the Discretionary Funds to receive bursary/scholarship assistance from the Discretionary Funds.

The total that can be spent by institutions on new bursaries in the academic year should not exceed 10% of the institutions' total Discretionary Fund budget.

A key principle of this bursary scheme is that students should know in advance of starting their course what assistance will be available to them, although no payments should be made until the student has enrolled. The bursary scheme should not be used, however, to top up an existing studentship or postgraduate award made by SAAS or any Research Council.

This will require the Discretionary Fund allocations to have been finalised. This will vary each academic year so it might not be possible to advise students prior to the start of their course.

Institutions should be aware of the need to retain enough money in the Discretionary Fund for emergency use and the potential impact of bursary support on benefits entitlement.

Institutions should also ensure that rUK students are aware of their eligibility to access support through Discretionary Funds, to ensure that those that require financial support can apply for it.

### **Summer support**

Some continuing students find that they need financial assistance late in the academic year to help support them over the long summer vacation. Institutions may wish to consider holding back some of the funds, and keep in place arrangements for considering late applications.

Universities and colleges will need to consider the circumstances of each case, particularly for those students who have childcare and/or caring responsibilities over the summer; are conducting a placement or other course related activity over the summer and therefore are limited in their capability to work during this period. There may also be other personal circumstances out with the student's control that affect their ability to gain employment over the summer.

Universities and colleges should also be mindful that some students may be able to claim benefits over the summer, whilst others may have managed to secure employment. This should be considered when assessing applications for support.

Students must also be due to return to college/university in the autumn. This can include students who are changing to a different institution in the 2026 to 2027 academic year but institutions would need to be satisfied that the individual is planning to remain a student in the 2026 to 2027 academic year. We would encourage the **outgoing** institution to provide support up to the end of the 2025 to 2026 academic year.

### **Students on benefits in the second and subsequent years of their course**

Students commencing their course in the coming academic year continue to be able to claim any income-related benefits to which they are entitled until such time as they commence their course. Continuing students, however, are unlikely to be able to claim benefits such as Universal Credits over the summer. As

a result, some continuing students may need assistance from the Discretionary Fund until they receive their loan payment at the start of the autumn term.

[Return to Chapter index](#)

## **TREATMENT OF FUNDS BY INSTITUTIONS**

### **Appeals, Applications and Decision-Making Process**

Institutions should have an appeals procedure in place for cases where students have applied unsuccessfully for help from all the funds. This procedure should be clear and students should be informed of their right to appeal. It will be for each institution to resolve any appeals internally with individual students about the award of a payment from the funds. Appeals should not be referred to the Scottish Ministers or SAAS.

Institutions should have a transparent application and decision-making process. Again it will be for each institution to ensure that they have their own arrangements in place.

### **Publicity**

Institutions are responsible for publicising the availability of these funds to their students.

### **Treatment by the Department of Work and Pensions (DWP) of payments from both funds**

Payments from the funds will be disregarded as long as they are not intended for general living costs and do not, therefore, duplicate provision from the benefits system. However, payments in relation to housing costs which could be met by income related benefits will be regarded as income by the DWP.

Where a student receives a one-off payment, this would be considered as capital rather than income. As long as the student's (and any partners) total capital is within the limits (less than £6,000) this will not affect their universal credit, housing benefit, income-related ESA and other means tested benefits. If the capital received is between £6,000 and £16,000 there will be a reduction in their benefits.

If a student receives regular payments then this would be considered as income, not capital and would impact their entitlement to benefits, therefore it is important that payments are not regular and not for a specific time period.

[Return to Chapter index](#)

## **ADMINISTRATION**

### **Allocation and payment of funds**

The total funds to be allocated to each institution will be disbursed in August 2025 and April 2026.

The Discretionary Fund allocations take into account:

- the overall numbers of full-time equivalent students,
- the number of full-time equivalent students aged 25 and over
- the number of SAAS supported students declaring parental/spousal income less than £21,000.
- Part-time students
- How institutions have spent funds over the last 3 years
- SIMD weighting

## Transfer and carry forward of funds

- All transfers between funds must be accounted for in the audited returns to SAAS at the end of October 2026.
- Universities can transfer funds between the main HE Fund, the International Fund and the Childcare Fund. Colleges can transfer funds between the HE Fund and the International Fund
- **Any unspent funds from the 2025 to 2026 academic year HE Discretionary Funds should be returned to SAAS at the end of October 2026.**
- Discretionary Funds cannot be moved directly between institutions.

## Institution administration

Each institution must nominate a **Fund Manager** to administer each (or all) of the funds. Payment of funds is conditional on the acceptance, in writing, by the Fund Manager(s) of the following requirements:

- Full and proper accounting records will be kept of all Fund transactions;
- Adequate systems of financial management and control are in place; and
- All funds will be applied in accordance with the requirements set out in annual guidance.

It is the responsibility of individual HEIs to notify the SAAS Finance Team of any changes to their nominated Fund Manager.

Institutions should operate a separate interest bearing account for the funds and any interest that accrues should be recognised as income for the funds. Institutions must not transfer accrued interest to any other accounts

Institutions must advise SAAS, in writing, if the details of their Fund Manager(s) and/or bank account(s) change. SAAS will provide a form for this purpose to be completed and returned by the institution.

Institutions must not spend more than their total allocated funds in any academic year as this places the following year's students at an immediate disadvantage in terms of the funds available. If a supplementary allocation of funds is required, an application should be made from the in-year redistribution. Institutions should manage budgets based on their initial allocation as there is no guarantee any funds will be available for redistribution in-year.

[Return to Chapter index](#)

## Annual audited returns required by SAAS

Each year, when funds are allocated and paid by SAAS, Fund Accounts returns for the previous academic year are distributed to institutions for completion and submission to SAAS **by 31 October**. The Fund Accounts must be audited separately from the Institution's accounts.

Each institution will provide SAAS with:

- Audited income and expenditure Fund Accounts for the preceding academic year, signed/authorised by the Principal and independent Auditor;
- Details of Funds expenditure;
- Repayment of any unused Funds, as recorded in the return.

**Here is a summary of the current returns requirements for existing funds:**

- **Audited returns will be required for the main 2025 to 2026 academic year HE Discretionary Fund by 31st October 2026.**

Fund Managers shall engage the services of an independent auditor who is eligible for appointment as a company auditor under the terms of section 485 of the Companies Act 2006. Alternatively, where this proves impractical, permission may be sought from SAAS to use a suitably qualified person (e.g. CIPFA).

For the purpose of administering the funds, the Fund Managers shall maintain an adequate system of financial management and internal controls, including safeguards against fraud, and shall require their auditors, as part of their audit, to report on the adequacy or otherwise of that system. **A copy of the auditor's report should accompany the Fund Accounts and must be submitted to SAAS by 31 October.**

The auditor's report should

- give an opinion on each of the fund accounts,
- say whether, in the auditor's opinion, the funds have been properly applied in accordance with the requirements set out in this guidance.

**Reasonable administration expenses for auditor's fees and publicity for both Childcare and Discretionary Funds can be met from the HE Discretionary Fund.**

Books and other documents relating to all Fund Accounts shall be open to inspection by Scottish Ministers and by the Comptroller and Auditor General (Audit Scotland).

Returns must only be made on the Annexes provided by SAAS and should be sent to:

Finance Team  
SAAS  
Saughton House  
Broomhouse Drive  
Edinburgh  
EH11 3UT

[Saas\\_Finance\\_Mailbox@gov.scot](mailto:Saas_Finance_Mailbox@gov.scot)

[Return to Chapter index](#)

## **Financial year information required by SAAS**

SAAS has a responsibility to report its expenditure on a financial year basis (01 April to 31 March), and therefore requires fund balance information as at 31 March 2026.

SAAS will write to all Fund Managers in March 2026 to request the value of funds that have not been spent at 31 March and will require the information by early April to incorporate into the Scottish Government's audited accounts.

We also expect to undertake in-year analysis of spending of the funds throughout the year.

[Return to Chapter index](#)

# PARAMEDIC, NURSING AND MIDWIFERY DISCRETIONARY FUND

ANY DIFFERENCES IN THE GUIDANCE TO THE MAIN HE FUND ARE HIGHLIGHTED IN THIS SECTION.

## PURPOSE

A ring-fenced allocation of the HE Discretionary Funds is intended to provide non-repayable assistance for Paramedic Science, Nursing and Midwifery (PNMSB) students in financial difficulties in order for them to access and/or continue in Higher Education (HE) and are paid in addition to any other forms of student support.

It will be for Fund Managers to decide how to disburse funds to individual students. The funds should be targeted to those students in particular need, while the criteria being applied should be flexible enough to allow a fair and just response to individual cases. The maximum award from the funds to individual PNMSB students is £2,500. You should only consider awarding sums above this limit in exceptional circumstances. Please contact [SAAS\\_Policy@gov.scot](mailto:SAAS_Policy@gov.scot) for approval.

This ring-fenced allocation for supporting eligible PNMSB students cannot be moved to or from the funding allocated for UG or PG Discretionary Funding.

## FURTHER INFORMATION

Support in respect of maintenance costs is available to eligible full PNMSB students who are undertaking pre-registration Nursing and Midwifery courses. It is also available to students on an undergraduate degree programme in pre-registration Paramedic Science leading to eligibility to apply for registration as a paramedic with the Health and Care Professions Council. This also includes students from the rest of the UK who are not in receipt of the Scottish bursary. PNMSB Students applying for Discretionary Funds for support with childcare must be studying a full-time course of education. Students must satisfy the eligibility criteria set out in the Determination (which is further explained in this guidance). Nurses undertaking the pre-registration, post-graduate shortened midwifery programme at the University of Highlands and Islands will be eligible to apply.

## ELIGIBILITY TABLE

The table below outlines the criteria for pre-registration Nursing and Midwifery students who can apply for help from the PNMSB Discretionary Fund:

Eligible to apply to:	The Nursing and Midwifery Discretionary Fund
<u>Domicile/residence</u>	<ul style="list-style-type: none"><li>Is ordinarily resident in Scotland on the relevant date, as set out in <a href="#">The Student Support (Scotland) Regulations 2022</a> as amended, OR</li><li>Students who are ordinarily resident in England, Wales or Northern Ireland, who are not in receipt of the Paramedic Science, Nursing and Midwifery Student Bursary.</li></ul>
Age	<ul style="list-style-type: none"><li>Must be 16 years or over and past compulsory school leaving age.</li></ul>
Eligible Courses	<ul style="list-style-type: none"><li>Must be attending a pre-registration nursing and midwifery course of study.</li><li>Must be attending an undergraduate degree programme in pre-registration Paramedic Science leading to eligibility to apply for registration as a paramedic with the Health and Care Professions Council.</li></ul>

	<ul style="list-style-type: none"> <li>This funding may be made available to nurses undertaking the pre-registration, post-graduate shortened midwifery course being run at the University of Highlands and Islands.</li> </ul>
<b>Other Support</b>	<ul style="list-style-type: none"> <li>Must have used full entitlement of all other available student maintenance support such as nursing and midwifery student bursary and allowances.</li> <li>Lone parents should also have claimed the Single Parents Allowance from SAAS and have claimed Child Tax Credits and free nursery places etc, as provided by their local authority.</li> </ul>
<b>Priority Groups for this fund</b>	<ul style="list-style-type: none"> <li>Students who have left care (care-experienced);</li> <li>Students who are estranged;</li> <li>Students with at least one dependent child;</li> <li>Students who are carers;</li> <li>Students with no dependants but living independently and responsible for their own living costs.</li> <li>Students significantly impacted by the cost of living crisis</li> </ul>

## RESIDENCE

Normal [residence](#) conditions apply.

## ENGAGEMENT

Institutions must be satisfied that students are undertaking an appropriate PNMSB course of education and that their attendance is satisfactory. Students who are on maternity leave, medical leave of absence, have temporarily suspended their studies and are not eligible to receive benefits are eligible to apply to the funds. However, institutions should consider the level of support to be awarded given that they are not attending.

## DISABLED STUDENTS

Discretionary Funds are not intended to provide additional study support that is available from the Disabled Students' Allowance (DSA) unless:

- The funds are to be used to meet the reasonable cost of a diagnostic assessment (mainly for dyslexic students, there is no requirement for the student to have taken out a student maintenance loan).

Neither should the funds be used to provide any support that should be met by the institution as a 'reasonable adjustment' under the Equality Act 2010.

## OTHER SUPPORT

### Maintenance support

Student maintenance support is an integral part of the system of student support. Students who are eligible for student maintenance support are, of course, free to decide whether to take out student support.

However, as a general rule, a student must have taken out student maintenance support to the full amount to which they are entitled before receiving help from the PNMSB Discretionary Fund.

Institutions should contact SAAS if they are unsure whether a student has applied for their maximum student maintenance support entitlement.

# INTERNATIONAL STUDENTS' EMERGENCY FUND

**ANY DIFFERENCES IN THE GUIDANCE TO THE MAIN HE FUND ARE HIGHLIGHTED IN THIS SECTION.**

## PURPOSE

These notes provide guidance to assist Fund Managers in the operation of an International Students' Emergency Fund across Further and Higher Education, for which funding has been allocated to them by Scottish Ministers.

The fund is intended to support students studying in Scotland who are not eligible for home fee status and/or living cost support.

The fund cannot be used to assist international students to pay their tuition fees. This remains a matter for individual students but we would expect colleges and universities to be supportive of students who have been placed into difficult circumstances that has resulted in them struggling to meet their fee costs. Institutions could consider reduced tuition fees or fee waivers for such students.

**Institutions may also supplement this guidance with their own fund procedures.**

## ABOUT THE FUND

- Nursing, midwifery and Paramedic Science students who meet the eligibility criteria can also apply.
- Postgraduate students who meet the eligibility criteria can apply
- Part-time students who meet the eligibility criteria can also apply.
- Monies from this fund can be transferred to and from the main Discretionary Funds.

## ELIGIBILITY FOR THE FUND

- Students must be facing financial hardship as a result of a significant change of circumstances and at risk of not being able to continue with their studies due to that hardship. Changes of circumstances can include being unable to return home because of conflicts or the fear of persecution.
- Student must be non-UK domiciled on an international fee place OR be UK domiciled but **not eligible to receive living cost support from a UK funding body.**
- Student **must have applied** to the Home Office for a form of leave or extension and are NOT eligible for living cost support from SAAS. Asylum seekers are eligible as they are not entitled to living cost support from SAAS.
- Due to the recent changes in legislation there will be some students who are no longer eligible for this fund, but they will instead be eligible for the normal Discretionary Funds as they are now eligible for living cost funding from SAAS.
- This fund can be used to support **all** eligible students up to 31 July 2026, subject to funds being available.

## RESIDENCY STATUSES

Institutions will need to determine with students that they are not receiving living cost support as a 'home' student from a UK funding body or college. You may also wish to check that students are being given a fee status of 'international' from your institution.

These funds are only available to those 'international' students who have applied to the Home Office to reside or extend their stay in the UK. International students here on the normal student visas will not be eligible to apply. However, any international student incurring financial hardship as a direct consequence of a [global conflict](#) can apply to the main Discretionary Fund.

### Asylum Seekers

The type of support that can be offered to asylum seekers from the Fund is different to any other group.

Asylum seekers are eligible for both the International Fund and the Discretionary Fund, for more information see the [Asylum Seeker](#) section.

## ASSESSMENTS

A balanced approach should be taken when considering each application in regards to evidence submitted/assessed. However, it remains at the discretion of each institution as to what evidence is permitted.

In addition to their application a student **may** provide:

- evidence of a Home Office application/status.
- confirmation they are not receiving living cost support from a UK funding body or college
- a recent bank statement (can be screenshot).
- details of their weekly income/expenditure.
- any other information which the institution feels is relevant to assessing hardship.

## APPEALS, APPLICATIONS AND DECISION-MAKING PROCESS

In line with the main HE Discretionary Fund, institutions should have an appeals procedure in place for cases where students have applied unsuccessfully for help from all the funds. This procedure should be clear and students should be informed of their right to appeal. It will be for each institution to resolve any appeals internally with individual students about the award of a payment from the funds. Appeals should not be referred to the Scottish Ministers or SAAS.

Institutions should have a transparent application and decision-making process. Again, it will be for each institution to ensure that they have their own arrangements in place.

A copy of this and the main HE Discretionary Fund guidance document will be published on the SAAS website at: [Other sources of funding](#) and can be referred to in any appeal documentation.

### Monitoring

We are conscious of adding further administrative measures for sector staff but we would ask you to keep a note of the number of students who receive support from this fund.

We are committed to monitoring the spend of this fund along with the main HE Discretionary Fund so further requests for high level spend may be requested during the 2025 to 2026 academic year.

## GUIDING PRINCIPLES

### Use of discretionary funds for students at college and university:

#### Principles for institutions.

Discretionary Funds are an additional source of non-repayable financial support available to students who may be experiencing financial difficulties during their course. In Higher Education, Discretionary Funds are allocated by Scottish Ministers via Student Awards Agency Scotland (SAAS) and are administered by individual institutions. For students in Further Education, the Scottish Funding Council (SFC) issues separate guidance on the disbursement of Discretionary and Childcare Funds. There is also separate [guidance for students](#) which includes details on how to apply.

Below is a set of guiding principles that set a baseline level of consistency in how student applications for discretionary funding are processed and awarded by colleges and universities in Scotland. This has been endorsed by Colleges Scotland, National Association of Student Money Advisers (NASMA), Universities Scotland, Further Education Student Support Advisory Group (FESSAG) and NUS Scotland with the aim of ensuring as positive an experience for students as possible, recognising that students are facing difficult circumstances.

These principles should be read in conjunction with the guidance provided by [SAAS](#) and [SFC](#).

#### Guiding principles for use of discretionary funds:

1. Colleges and universities assess student applications for discretionary funding with the aim of positively allocating discretionary funding based on evidence of need/financial difficulty, within the financial constraints of the budget provided by Scottish Government.
2. Colleges and universities recognise that any student may face financial hardship however may prioritise support for students in line with legal obligations.
3. Colleges and universities have a duty of care to their students to protect student wellbeing and to not promote short term borrowing solutions or use of credit cards as an alternative to discretionary fund support.
4. Colleges and universities take a proportionate approach to the evidence they require of students to demonstrate financial hardship. They aim to make the process as simple and straight forward as possible.
5. Colleges and universities treat every student seeking support with respect and confidentiality, fully aware that people may feel sensitive and uncomfortable about sharing highly personal information about themselves and their finances.
6. Colleges and universities are able to support students in managing their money where appropriate, including but not limited to: paying a third party service (such as childcare provider) on their behalf or providing vouchers in place of cash. This is done in consultation with the student.
7. Colleges and universities aim to ensure that, where possible, discretionary funds remain available to students throughout the academic year and where necessary for students ineligible for Universal Credit into the summer break, providing sufficient funds are available.
8. Colleges encourage students on further education courses to make use of the UK and Scottish Government benefits available to them over the summer. Where appropriate and where needed,

colleges may support a student with a “transition payment” to help bridge the gap between a further education course finishing and a student’s receipt of first benefit payment.

9. Colleges and universities promote the availability of discretionary funds amongst their students with clear and regular communication throughout the academic year including the summer period providing funds are remaining. Every effort is made to communicate widely, and simply, using plain English, removing all possible barriers to students accessing this type of support.
10. In addition to discretionary funds, colleges and universities offer other forms of support to students who are worried about money. This might include practical money management advice and/or mental health support such as counselling. This is promoted to students by individual institutions.