The Scottish Parliament
Pàrlamaid na h-Alba

Public Audit Committee

Paul Devoy
Interim CEO
Scottish Funding Council

12 November 2026

Dear Mr Devoy

Scotland's Colleges 2026

Further to this morning's meeting and evidence from yourselves and Scottish Government colleagues, the Committee requests the names of the four colleges said to be facing insolvency. While we note the points made about the issue of legacy debt and supplier concerns, the Committee considers that the principle of transparency must be paramount to enable the full scrutiny of publicly funded organisations.

The wider context here, as reported in Scotland's Colleges 2026, is your own classification as of April this year that eight of Scotland's 25 colleges were financially at very high risk, with a further six colleges assessed as at high risk. The Committee's intention, as part of our ongoing scrutiny, may involve taking evidence from the four colleges concerned.

The Committee would also welcome information on which colleges the SFC regard as being close to falling into this category. In terms of cash advances, the Committee would also welcome further information on what ground rules the SFC apply to determining the exceptional circumstances when deciding whether to issue cash advances to colleges for more than one year in a row.

I ask that you provide a response by **18 November 2026** and in the interests of clarity I should say that we will, as per our usual approach, publish this exchange of correspondence.

Yours sincerely

Neil Bibby

Neil Bibby MSP

Convener

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