

Student Finance Wales Information Notice (SFWIN 01/2018)

To:

Higher education institutions in Wales providing designated higher education courses
Further education institutions in Wales providing designated higher education courses
Other providers providing designated higher education courses
The Student Loans Company
UCAS
The Open University in Wales
Student Finance Wales Stakeholder Group
NUS Wales
Higher Education Funding Council for Wales
Universities Wales
Colleges Wales
and other interested parties

23 March 2018

Dear Colleague

WELSH STUDENT SUPPORT: POLICY FOR SPECIFIC COURSE DESIGNATION

This policy is about the specific designation of courses of higher education for the purpose of attracting statutory student support from the Welsh Government. It applies to the designation of courses that are currently not designated and which started on or after 1 September 2017.

From 1 April 2018, HEFCW will be responsible for managing the specific designation process, including processing applications and in future the ongoing monitoring of providers who have had courses specifically designated by the Welsh Ministers prior to this date. HEFCW will also advise the Welsh Ministers on whether or not to award specific course designation.

Courses with an existing designation are not affected, but the Higher Education Funding Council for Wales (HEFCW) will review these courses in due course.

ENQUIRIES

If you have any queries about the policy or wish to comment on this Information Notice, please contact the Higher Education Division in writing at the address below or by email (HECourseDesignation@wales.gsi.gov.uk).

If you wish to submit an application for course designation or have any queries about the guidance and process, please contact HEFCW:
regulationadvice@hefcw.ac.uk

Welsh student support: Policy for Specific Course Designation

Purpose of designation

1. This document describes the Welsh Government's policy for the specific designation of higher education (HE) courses for the purpose of attracting statutory student support for students who are ordinarily resident in Wales. It applies from 1 April 2018 onwards. It outlines the criteria that will be taken into account when deciding whether to specifically designate courses for the purpose of student support via the Student Loans Company (SLC). Annex A provides a diagram that illustrates this process.

2. Providers must have their courses designated via one of two routes to enable students to access the financial support available from the Welsh Government: (i) automatic designation or (ii) specific designation.

3. Whilst each route to designation is distinct, the Welsh Ministers' general position is that the same core principles should underpin each. In particular, providers of higher education should be financially viable, provide education of adequate quality, and make a significant and ongoing contribution to the public good in connection with education.

Routes to designation

Automatic designation

4. From 1 August 2017, the automatic designation of full-time HE courses applies only to those courses provided by 'recognised educational institutions' as specified in the Welsh student support regulations¹. A 'recognised educational institution' is currently defined as follows:

- (i) a Welsh regulated institution i.e. an institution which has a fee and access plan approved by the Higher Education Funding Council for Wales (HEFCW) under section 7 of the Higher Education (Wales) Act 2015 whilst that plan remains in force;
- (ii) an English regulated institution i.e. an institution maintained or assisted by recurrent grants from the Higher Education Funding Council for England (HEFCE); and
- (iii) an institution situated in Scotland or Northern Ireland maintained or assisted by recurrent grants out of public funds.

5. A recognised educational institution will qualify for automatic designation of its full-time higher education courses if they satisfy the conditions as set out in the Welsh student support regulations². Automatic designation also applies to full-time courses provided by a charity situated in England and Wales on behalf of a Welsh regulated

¹ The Education (Student Support) (Wales) Regulations 2017 SI 2017 No.47 (W.21). Regulation 5 makes provision for the designation of courses.

² The Education Student Support (Wales) Regulations 2017 SI 2017 No. 47 (W 21) Regulation 5(1) establishes the conditions to be satisfied.

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institution or courses provided by a publicly funded institution situated in the United Kingdom on behalf of an English regulated institution.

6. The arrangements for part-time courses are different. One of the requirements for the automatic designation of a part-time course is that it is provided by a publicly funded educational institution in the United Kingdom³.

7. The Welsh Ministers consider that those institutions that have their courses automatically designated and other providers of higher education courses should provide education of an adequate quality, be financially viable and make a significant and ongoing contribution to the public good in connection with education

8. Queries about automatic designation can be directed to HEFCW.

Specific designation

9. Where a HE course is not automatically designated it will need to be specifically designated if students are to be able to apply for financial support from the Welsh Government. Such courses may be designated on a course-by-course basis by the Welsh Ministers.

10. From 1 April 2018, HEFCW will be responsible for managing the specific designation process, including processing applications and in future the ongoing monitoring of providers who have had courses specifically designated by the Welsh Ministers prior to this date. HEFCW will also advise the Welsh Ministers on whether or not to award specific course designation.

Courses eligible for designation

Undergraduate courses

11. Regulations made under section 22 of the Teaching and Higher Education Act 1998 enable the Welsh Ministers to make grants or loans to eligible students in connection with their attendance on designated courses. Students ordinarily resident in Wales undertaking courses of higher education may be eligible for support to meet tuition fees and living costs from the Welsh Ministers.

12. An undergraduate course may be designated if it is:

- i. A first degree course.
- ii. A course for the Diploma of Higher Education.
- iii. A course for the Higher National Diploma or Higher National Certificate of—
 - (a) the Business & Technology Education Council; or
 - (b) the Scottish Qualification Authority.
- iv. A course for the certificate of Higher Education.
- v. A course for the initial training of teachers.
- vi. A course for the further training of youth and community workers.

³ Regulation 83 of the Welsh student support regulations sets out the conditions to be satisfied in respect of part-time courses.

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- vii. A course in preparation for a professional examination of a standard higher than that of—
- (a) examination at advanced level for the General Certificate of Education or the examination at higher level for the Scottish Certificate of Education, not being a course for entry to which a first degree (or equivalent qualification) is normally required; or
 - (b) the examination for the National Certificate or the National Diploma of either of the bodies mentioned in paragraph iii, not being a course for entry to which a first degree (or equivalent qualification) is normally required.
- viii. A course—
- (a) providing education (whether or not in preparation for an examination) the standard of which is higher than that of courses providing education in preparation for any of the examinations mentioned in paragraph vii(a) or (b) but not higher than that of a first degree course; and
 - (b) for entry to which a first degree (or equivalent qualification) is not normally required.
13. Courses must consist of at least one year's full-time or sandwich study or its part-time equivalent.

Postgraduate courses

14. Postgraduate courses may be specifically designated by the Welsh Ministers for the purpose of providing financial support to eligible students undertaking those courses. The Education (Postgraduate Master's Degree Loans) (Wales) Regulations 2017, as amended ('the Regulations'), provide the basis for support.
15. In order to be designated, postgraduate courses must be one of the following:
- a taught programme of study, a programme of research, or a combination of both, and which may include one or more periods of work experience, and which leads, on successful completion, to the award of a postgraduate Master's degree;
 - a full-time course of one or two academic years' duration;
 - a part-time course which is ordinarily possible to complete in no more than twice the period ordinarily required to complete its one or two academic year full-time equivalent;
 - a part-time course that does not have a full-time equivalent and which it is ordinarily possible to complete in up to three academic years.
16. Additionally, courses leading to a postgraduate award are capable of being designated solely for the purpose of providing eligible students with Disabled Students' Allowances.

Criteria

17. The following criteria will be taken into account when deciding whether to designate a course:
- The course is validated by an appropriate body;
 - The provision offered by the provider is of an adequate quality;

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- The provider is financially viable;
- The provider makes a significant and ongoing contribution to the public good in connection with education.

18. Providers should note that a course must meet the other criteria for designation **before** any evidence in respect of a significant and ongoing contribution to the public good will be considered. The provision of HE alone will not be sufficient to demonstrate that a contribution is made.

19. The Welsh Ministers will, amongst other things, consider the length of any designation they are minded to give. A designation may be limited to a course, the first year of which begins in a given academic year. In those circumstances an institution would need to apply for a further designation in respect of the same course starting in subsequent academic years.

20. All institutions will be expected to demonstrate ongoing compliance with the criteria (see the section on monitoring).

Validation

Undergraduate courses

21. Applicants must provide validation documents which specify the mode, length and delivery location for each course included in the application. They must demonstrate that the course is validated by an appropriate awarding body:

- a course leading to the award of a degree by a recognised body as prescribed in the Education (Recognised Bodies) (Wales) Order 2016;
- the award of Higher National Diploma or Higher National Certificate is awarded by Business & Technology Education Council, the Scottish Qualifications Agency, or a recognised body as prescribed in the Education (Recognised Bodies) (Wales) Order 2016.

Postgraduate courses

22. A course must lead to an award granted or to be granted by a body falling within section 214(2) (a) or (b) of the Education Reform Act 1988. Courses leading to a postgraduate award are also capable of being designated solely for the purpose of providing eligible students with Disabled Students' Allowances. Such courses must be validated by a recognised body as prescribed in the Education (Recognised Bodies) (Wales) Order 2016.

Quality

23. The course to be designated must be of an adequate quality. Providers will be required to provide information relating to quality from the organisation or agency responsible for assuring the quality of the course. For example, providers will be required to submit evidence of a successful review of the quality of their provision. HEFCW will provide further guidance on the information required on quality and how to achieve the appropriate standards in due course.

Financial viability

24. The provider seeking course designation must demonstrate that it is financially sustainable and that students can therefore be confident of the provider responsible for their course remaining financially viable for the duration of their studies. Applicants will need to provide the following information in order to demonstrate that they are operating in a financially viable manner. For example:

- the last three years of externally audited financial statements, **or** externally audited financial statements for each year of trading where the provider has not been trading for three years;
- forward business plans;
- financial forecasts for the current and next three years including a commentary on assumptions made in forecasts and how financial risks are managed;
- an outline of contingency arrangements for students if courses are discontinued for any reason; and
- any other information which may be relevant to the provider's financial viability and management of its financial affairs as an aspect of good governance.

25. HEFCW will provide further guidance on the information required on financial viability and management of an organisation's financial affairs in due course.

Contribution to the public good

26. The Welsh Government has finite resources at its disposal and must ensure the best value for students and taxpayers. The Welsh Government wants to ensure that, as far as possible, taxpayers' investment in education is reinvested by providers for educational purposes, including activities that support access to, or the promotion of, higher education, contribute to the availability of education or improve the retention of students and employability of graduates. Higher education providers whose courses are designated for student support effectively receive a subsidy from the taxpayer via the support made available by the Welsh Government in the form of tuition fee loans to the student as well as maintenance loans and grants.

27. Applicants must demonstrate that they make a significant and ongoing contribution to the public good generally in the sphere of education through submission of a written statement. The Welsh Government has identified the following broad areas in which HE providers may be able to demonstrate that they make a significant and ongoing contribution to the public good. They are not mutually exclusive. Developing Welsh-medium education may contribute to both equality of opportunity and the promotion of higher education.

Equality of opportunity

28. Examples include:

- Measures to attract and retain students from under-represented groups;
- the provision of academic and welfare support to those from under-represented groups, including those with protected characteristics; and

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- the provision of bursary schemes, fee waivers, scholarships or hardship funding.
- The use and development of Welsh medium and/or Welsh language education which supports the objectives of the Welsh Government's language strategy by providers based in Wales.

Promotion of higher education

29. Examples include:

- Working with schools, colleges and other public, private and voluntary bodies to communicate the benefits of higher education and promote a culture of learning and education;
- Developing the employability of students, over and above the provision of education, including links to employers, the development of employability, enterprise or personal effectiveness skills, or work placements;
- Engagement with the local community by providing access to facilities, providing free or reduced cost access to courses or lectures, or delivering a service as an integral part of the institution's civic duty. This may be to the general public or some specific groups. It may also include programmes in which students are supported to be active in their local community.

30. The above list is not exhaustive. The Welsh Government recognises that providers have a wide range of objectives and may be able to demonstrate a meaningful contribution to the public good in other ways. The written statement should include examples and evidence by reference to some or all of the above areas and any other evidence that an organisation considers relevant.

31. The information provided by applicants will need to demonstrate that the activity is both significant and ongoing, e.g. by way of reference to amount of expenditure on activities that contribute to the public good in connection with education, the duration of those activities and numbers of participants.

32. Applicants will need to demonstrate that there is a reasonable prospect of recruiting students eligible to receive support from the Welsh Ministers onto the courses for which specific designation is being sought.

Application process

33. Applications for specific course designation must normally be made by the organisation which is responsible for the content and delivery of the course to students. However, applications for franchised courses should be made by the franchisor rather than the franchisee. This is because the franchisor retains responsibility for the course in terms of its validation, content and delivery. In both cases, the application must demonstrate fully that the criteria are satisfied by all institutions involved in the awarding of qualifications and the design, supervision and delivery of those courses. In relation to franchised courses, this will mean providing detailed supporting information from the franchisee as appropriate.

34. Applications should be sent to HEFCW, who will develop underpinning guidance to support the process. HEFCW will assess each application against the criteria outlined

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above and will then advise the Welsh Ministers on whether to award specific course designation. HEFCW will not assess incomplete applications and it is the responsibility of applicants to ensure that their applications are complete.

35. Specific course designation is required for each location at which a course is offered. If providers have received designation for specified locations and subsequently wish to add additional locations then they will need to apply for those locations separately. If providers wish to remove or change a location then they should contact HEFCW for information about the process to follow for change of circumstances.

36. Although applicants may submit an application for specific course designation at any point in the year they will need to allow reasonable time for their application to be considered ahead of commencement of the course(s) in question. Please note that the application process may take up to three months from the submission of a complete application to a final decision. The timescales may be longer in certain cases, e.g. where incomplete or insufficient information is provided or where the Welsh Ministers are not minded to designate a course and the applicant makes representations. Providers should not make any public information available which suggests that the course will receive support from the Welsh Ministers before the outcome of an application is known.

37. It is the responsibility of applicants to ensure that they plan their course designation applications and arrangements for recruitment of students in a timely manner. This will ensure that where course designation applications are successful that students can apply for student support, and subject to personal eligibility, receive it in time for commencement of their courses.

38. The Welsh Government is not responsible for information given to students by providers about the availability of student support. It is the responsibility of individual providers to give students accurate information about any application for specific course designation. **In particular providers should note that they must not advertise the availability of student support from the Welsh Government for a given course until designation for that course has been granted.**

Assessment and notification

39. HEFCW will review each application and make a recommendation to the Welsh Ministers on whether or not designation is to be granted. The Welsh Government will then write to the provider to inform them of its determination. If the Welsh Ministers are not minded to designate a course, reasons will be given for the decision. Providers will be offered an opportunity to provide additional information which may or may not affect the decision on whether to designate. HEFCW will include further details in its own guidance for applicants.

40. Specific designation status for individual courses will last for the duration of a course's validation agreement, unless there are a change of circumstances that affect either the provider's or the course's eligibility for specific designation. HEFCW's guidance will provide further details.

Monitoring

41. HEFCW will be responsible for monitoring providers' compliance with the specific course designation criteria following the designation of courses. HEFCW will also provide advice to the Welsh Ministers on the ongoing compliance of institutions with the criteria for specific designation.

42. Institutions are expected to comply in a timely manner with the reasonable request for information by HEFCW in relation to designated courses. HEFCW will report to the Welsh Ministers if information requested by HEFCW is not forthcoming from providers or is delayed.

43. The Student Support Regulations allow the Welsh Ministers to suspend or revoke the specific designation of courses. In doing so, the Welsh Ministers will take account of all relevant factors. Those factors will include the advice they receive from HEFCW about the ongoing compliance with the criteria specified in the policy and any refusal to provide information reasonably requested by HEFCW.

44. The Welsh Ministers may suspend or revoke a designation where ongoing compliance with the criteria is not met or where information requested by HEFCW is not provided or where there is a delay in providing that information.

Investigations

45. An application from a provider which at the time it makes an application for designation is under investigation by any of the following agencies will not normally be approved before that investigation concludes:

- by the Welsh, UK, Scottish or Northern Ireland governments or by the regulator in these countries, by the body responsible for validating its awards, or by the Student Loans Company in connection with a matter relating to its provision of higher education;
- by an organisation or agency responsible for the quality of higher education provided;
- by its charity regulator; or
- in connection with an alleged criminal offence

46. The outcome of an investigation may be taken into account by the Welsh Ministers when making a decision as to whether to designate a course

Withdrawal of specific designation status

47. A course may have its specific designation status withdrawn or suspended if the provider does not continue to meet the criteria for designation. The Welsh Ministers may suspend student support payments to the provider in circumstances such as those listed in paragraph 45 above. Such action may be taken in cases where fraud, misrepresentation or other wrongdoing by providers and/or students are under investigation or proven.

48. A provider's designation may be suspended should no students be enrolled on a course for a period of two years.

Change of circumstances

49. Providers are required to notify HEFCW in writing about any changes that may affect their ability to meet the specific course designation criteria. They must also report any changes of control or ownership. Designation is granted to an organisation based on information provided to evidence compliance against the criteria set out in this policy and in HEFCW's guidance. A change of control or ownership may change the ability of a provider to continue to meet the designation criteria. This means that if a change of control or ownership of a provider occurs then specific course designation does not automatically continue. Providers will need to demonstrate that they continue to comply with the criteria given such changes. It is important that providers whose courses have been designated by the Welsh Ministers engage with HEFCW at the earliest opportunity before such a change occurs.

50. Providers are required to notify HEFCW if changes are made to any of their designated courses. Such changes include minor changes to course titles that do not have a substantial effect on the course design or structure. This information is necessary to ensure that HEFCW's register of designated courses is correct and the information supplied to the SLC and to students about designated courses is correct.

51. If significant changes are made then it is likely that the course(s) will need to be registered as a new course and may require a new designation. Such changes include, but are not limited to:

- course content;
- mode of study;
- duration;
- location of course delivery;
- validating body.

52. Providers should notify HEFCW of any such changes in writing as soon as possible so as to avoid any undue delays in students being able to access student support. If providers no longer wish to have designation for a particular course then they should report this to HEFCW as a change of circumstances and HEFCW will remove the course from its register of designated courses.

53. Any queries relating to changes of circumstances should be submitted to HEFCW.

Confidentiality and Freedom of Information

54. The Welsh Government is subject to the Freedom of Information Act 2000 (FOIA). This means that any information held by the Welsh Government may be caught by a Fol request and, if so, would need to be considered for disclosure. If any information relating to an application is caught by a Fol request, we will normally consult with the relevant applicant to obtain their views as to whether they have concerns with the information being placed into the public arena.

55. Notwithstanding our obligations under the FOIA, the Welsh Government will only share the information within submitted applications with those individuals and organisations which the Welsh Government considers to be necessary for the purpose of determining an application, for as long as a duty of confidence can be applied to the

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information. Such organisations may include, but are not limited to, the QAA, the Student Loans Company (SLC), validating and awarding bodies, HEFCW and the Office for Students (OfS).

56. Information supplied by applicants may be used to prevent and detect crimes of any nature, including fraud. We reserve the right to, or may have to, give outside organisations, including the police, other crime prevention and detection agencies, the Home Office, UK Visas and Immigration, SLC, HMRC, the Student Awards Agency for Scotland, the Northern Ireland Government, the Department for Education, UK Government as well as examination boards or awarding bodies, information from applications and associated records.

57. Information about providers whose courses are specifically designated by the Welsh Ministers for the purpose of student support will be made publicly available in a list of courses published by, or on behalf of, HEFCW.

58. Providers may wish to note that the Welsh Ministers reserve the right to change this policy without notice or to review existing course designations. A consultation on possible changes was undertaken in 2015 and can be accessed via the following web link:

<https://beta.gov.wales/designation-higher-education-courses-alternative-providers-purpose-student-support>

Annex A – Process of application for designation

