

HEFCW Specific Designation Monitoring Guidance

This guidance sets out the monitoring process for **providers that already have courses specifically designated for student support in Wales for new entrants.**

This guidance provides information on HEFCW monitoring processes to ensure providers comply with Welsh Government requirements for specific designation, assuring Welsh Government that designation can continue from 2019/20. Providers with courses already designated will be able to add new courses for 2019/20 through this process.



Introduction

1. This guidance sets out the monitoring process for **providers that already have courses specifically designated for student support in Wales for new entrants**.
2. This guidance provides details of information on HEFCW monitoring processes to ensure providers comply with Welsh Government requirements for specific designation assuring Welsh Government that designation can continue from 2019/20¹. Providers with courses already designated will be able to add new courses for 2019/20 through this process.
3. Specific designation is the process by which higher education providers, not automatically designated for student support by Welsh Ministers, can apply for designation of specific courses for purposes of student support on a case by case basis. **Specific designation in Wales only relates to providers that want students who are ordinarily resident in Wales² to access student support for their specific courses.**
4. Throughout this monitoring guidance sections of the Welsh Government policy have been replicated in shaded boxes with italics. The text following these boxes sets out how HEFCW will meet Welsh Government's policy requirements.
5. Higher education providers with courses designated by other UK administrations, or other UK regulators, **should not** assume that they are designated by Welsh Ministers for students ordinarily resident in Wales to apply for student support.
6. Currently, the following types of higher education providers already have courses designated by Welsh Ministers to allow for students who are ordinarily resident in Wales to apply for student support of their higher education courses:
 - institutions in Wales with a fee and access plan approved by HEFCW;
 - publicly funded institutions in Wales (for part-time courses only);
 - institutions in England that were HEFCE funded;
 - publicly funded institutions in Scotland and Northern Ireland;
 - higher education providers (for **only** those courses listed) included on the list of designated courses on the Student Finance Wales website³.
7. Welsh student support regulations for 2019 are expected to change to recognise changes to the regulatory arrangements in England with the introduction of the Office for Students. This may affect the arrangements for the designation of courses at alternative providers.
8. As a result of these changes, we will not be requiring providers to submit their monitoring information until 21 December 2018 so that providers that may not be

¹ Academic years will be presented in the following format YYYY/YY. Financial years will be presented in the following format YYYY-YY. HEFCW academic year runs from 1 August to 31 July. HEFCW financial year runs from 1 April to 31 March.

² EU domiciled students studying in Wales can also access student support for their specific courses

³ [Student Finance Wales, Designated Courses](#)

affected by these changes do not go through the process of submitting monitoring information unnecessarily.

9. Any HE provider that is successful in its application for specific designation will be classified as a relevant higher education body and will immediately need to comply with Prevent Duty legislation. **Those that are headquartered in Wales come under HEFCW's monitoring authority unless they are already inspected by Estyn.**⁴ HEFCW's Monitoring Framework circular [W16/39HE](#) sets out how HEFCW monitors providers' implementation of the statutory Prevent Duty. Relevant higher education bodies need to follow this framework to demonstrate due regard to the Duty. For more information please contact prevent@hefcw.ac.uk.

Further information

10. If providers are unclear about their designation status or have any further queries about this guidance they should contact HEFCW for clarification (cyngorrheoleiddio@hefcw.ac.uk or regulationadvice@hefcw.ac.uk).

Guidance on HEFCW's process for monitoring

11. HEFCW must give assurances to Welsh Ministers that all providers that have specifically designated courses meet the criteria set out in Welsh Government policy.⁵ Given that this is a new policy and there are providers with courses with long-standing designation, we have set out an interim but enhanced monitoring process for 2018/19. A new monitoring process will be consulted on to provide assurances from 2019/20 onwards.
12. This monitoring guidance applies to only providers that already have courses specifically designated for student support. The guidance will set out the evidence that HEFCW will require in order to give Welsh Ministers the on-going assurances that they require about providers with courses already designated for student support.
13. **All providers that already have higher education courses specifically designated for new entrants will continue to have those courses designated for 2018/19.**⁶
14. Providers that have courses only designated for continuing students will have to reapply for designation through the process for providers that do not have courses already designated for new entrants.

⁴ Providers that are not headquartered in Wales will be monitored by the relevant authority in that country.

⁵ www.studentfinancewales.co.uk/media/196461/specific-course-designation-policy-document-english.pdf

⁶ Those providers, currently designated for new entrants that wish to have new courses designated for 2018/19 have been written to setting out a process for this.

Welsh Government Specific Designation Policy

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. (Para 41)

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. (Para 42)

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. (Para 43)

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. (Para 44)

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. (Para 47)

15. HEFCW will require providers to submit monitoring information by the end of December 2018.⁷ This information will be analysed and a decision from Welsh Government will be provided within three months of the application.
16. Monitoring information that is received after this deadline may not be considered until all other monitoring information has been received. This may impact on a course's designation status for 2019/20.
17. Welsh Government's specific designation policy includes a diagram detailing the process of an application for designation. This diagram is also included as **Annex A**.
18. Providers will be required to complete a template for the monitoring. The template is included as **Annex B** and the headings used in the guidance are replicated in the template. The template requires each provider to detail the following information:

⁷ The timing of the monitoring has been determined to allow for changes to Student Support Regulations in Wales to become clearer. HEFCW will remind providers of monitoring arrangements in the autumn and signal plans for changes to the Student Support Regulations as soon as they are clear.

- A. full details of the higher education provider;
 - B. a list of courses designated⁸ for student support including relevant information;
 - C. evidence that the provision offered by the provider continues to be of an adequate quality;
 - D. evidence of the provider's continuing financial viability and the organisation and management of its financial affairs;
 - E. evidence of the provider's contribution to the public good.
19. The governing body, board or equivalent of the higher education provider is responsible for, and must approve the monitoring for submission to HEFCW. The application must include named contacts for HEFCW to liaise with as well as the senior person in the organisation with oversight of specific designation if different.
 20. HEFCW will consider the information submitted and will expect the provider to have staff available to discuss the monitoring. If HEFCW requires further information, providers may be asked to submit further evidence to supplement the monitoring information. This may result in delays to the application. HEFCW officers will support providers through this process.
 21. Once the provider has submitted to HEFCW all the information required for assessment, and following due consideration, HEFCW will make a recommendation to Welsh Ministers on whether or not designation should continue. This could relate to particular courses or all the courses that are currently designated.
 22. Informed by HEFCW, the Welsh Government will write to the provider to notify it of its decision. If the Welsh Ministers are not minded to continue designating the course, the Welsh Government will provide reasons for the decision. Providers will be offered an opportunity to provide additional information to Welsh Government which may or may not affect its decision. The process for this will be signalled by Welsh Government at the relevant time on a case-by-case basis. In these instances, the courses will remain designated for continuing students but will no longer be designated for new students.
 23. Welsh Government policy is clear that whilst higher education providers may apply for specific designation of their courses at any time of the year, providers should be aware that designation could take up to three months. It is the responsibility of providers to ensure that no information is published that suggests student support would be available for students who are ordinarily resident in Wales until the provider has received confirmation that the designation will continue from 2019/20. This could include recruitment documents and website pages.
 24. Once the whole monitoring process has been completed and Welsh Government has informed providers of the Ministers' decision, HEFCW will update the list of specifically designated courses and share it with the Student Loans Company (SLC).

⁸ This includes both courses already designated and new courses to be designated.

Guidance to completing the monitoring template

25. This section of the document sets out the areas of the monitoring template that higher education providers should complete. The areas that the template covers are set out in **paragraph 28** of this document.

A. Full details of the higher education provider

26. HEFCW will require confirmation of the full details of the higher education provider for purposes of maintaining an accurate and up-to-date list of specifically designated courses. This list will be maintained and shared with the SLC.

Welsh Government Specific Designation Policy

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 (para 45)*

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. (para 46)

27. HEFCW will also require confirmation from the provider that it is not currently under investigation from any government or government agency or types of organisation listed above. HEFCW has memoranda of understanding in place with the Office of the Independent Adjudicator (OIA), Quality Assurance Agency for Higher Education (QAA), the Charity Commission and Estyn. Close working between HEFCW and these organisations will contribute to highlighting issues of concern. We will liaise with the Office for Students where necessary.
28. Information HEFCW requires about the provider includes:
- the provider's name;
 - the provider's principal address, and legal address where they are different;
 - the provider's UK provider registration number (UKPRN);
 - Charity commission number (where relevant);
 - any other names under which the provider operates;
 - confirmation that the provider is not under investigation; or
 - details of any ongoing investigations including the organisation undertaking the investigation and the reasons for the investigation.

B. A list of courses to be designated for student support including relevant information

29. This enhanced monitoring process provides HEFCW with the opportunity to ensure that the list of all specifically designated courses in Wales is accurate for 2019/20. HEFCW will require a list setting out all of the courses that the higher education provider wishes to continue to be designated for student support from 2019/20. In addition to this any new courses that a provider wishes to be designated from 2019/20 or any courses it wishes to be designated at a new location can be included. The list will confirm specific items of information required by Welsh Government and the relevant supporting evidence which HEFCW will require.
30. HEFCW will require the following information to be listed:
- course title;
 - qualification aim;
 - length of course;
 - mode of study;
 - location(s) of course delivery;
 - validating organisation;
 - confirmation of control of the course;
 - dates between which the validation agreement applies;
 - annual course fees;
 - estimated student numbers by course and location per year of study including students on sandwich years and years abroad where applicable;
 - estimated student numbers of students ordinarily resident in Wales⁹ and location per year of study including students on sandwich years out and years abroad where applicable;
 - date of course commencement.
31. HEFCW will require a copy of the appropriate validation agreement(s) for each course as evidence to support the monitoring, including the information requirements as set out in the paragraphs which follow relating to control of the course, the eligibility of the awarding body and the length of validation.

Welsh Government Specific Designation Policy

Courses eligible for designation

Undergraduate courses

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. (Para 11)

⁹ Including EU domiciled students studying in Wales

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.*
- 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. (Para 12)*

Courses must consist of at least one year's full-time or sandwich study or its part-time equivalent. (Para 13)

Postgraduate courses

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. (Para 14)

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. (para 15)*

Additionally, courses leading to a postgraduate award are capable of being designated solely for the purpose of providing eligible students with Disabled Students' Allowances. (Para 16)

32. The list of courses will need to set out the qualification aim, the length of course and mode of study to ensure that the course is appropriate for designation. The list of courses in the shaded box above set out those types of courses that can be designated for student support. Different types of courses are eligible for different types of student support.

Welsh Government Specific Designation Policy

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. (Para 35)

33. Rather than request that providers go through a separate process to designate new courses, we will also require all providers to confirm the location(s) of delivery of all courses that providers wish to continue to be designated and new courses to be designated from 2019/20. Where relevant this should include new locations of delivery for courses already designated.

Welsh Government Specific Designation Policy

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. (Para 33)

34. HEFCW must be satisfied that the higher education provider delivering a specifically designated course has 'control' of the course. Providers that have degree awarding powers in their own right or providers that are delivering courses under validation arrangements will be deemed by HEFCW as being in control of the course.

35. Providers delivering courses under franchise arrangements will not be deemed to be in control of the course and will not be able to have courses specifically designated in their own right. In this scenario, the awarding body will be deemed to be in control of the course and must apply for course designation regardless of whether that awarding body is already designated, HEFCW will still require information about the delivering organisation.
36. HEFCW uses the following definition for validation arrangements:
 “Courses made available and taught by one institution that lead, on successful completion, to a qualification awarded usually by another institution with degree awarding powers (DAPs). Normally the course will have been designed by the teaching and not the validating institution. There will be a validation agreement in place, in which the validating institution seeks assurances about the quality and delivery of the course but leaves the teaching institution leeway as to how it teaches the course. The institution with DAPs is the validating and awarding body for the course, while the institution which teaches the course has control of the provision, and full contractual responsibility to the student for the provision of education.”¹⁰
37. HEFCW uses the following definition for franchise arrangements:
 “Courses made available by one institution, where some or all of the teaching is provided by another body under a sub-contractual arrangement. The course will usually have been designed by the first institution, which will normally impose its own requirements as to teaching and assessment. That first institution has full contractual responsibility to the student for the provision of education, even though its staff are not teaching (all of) the course. Usually, that institution will also be the awarding body for the course qualification, but exceptionally this may be a third party.”¹¹

Welsh Government Specific Designation Policy

Undergraduate courses

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. (Para 21)*

Postgraduate courses

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

¹⁰www.hefcw.ac.uk/documents/publications/circulars/circulars_2016/W16%2013HE%20Guidance%20on%20partnership%20arrangements.pdf

¹¹ Ibid

students with Disabled Students' Allowances. Such courses must be validated by a recognised body as prescribed in the Education (Recognised Bodies) (Wales) Order 2016. (Para 22)

38. The validation organisation must be a recognised body as set out in the Education (Recognised Bodies) (Wales) Order 2016¹² or one which offers provision being delivered through arrangements with Pearson or the Scottish Qualifications Authority. Only courses that lead to an award from these organisations can be designated. This needs to be considered when providing information required in this section of the guidance.
39. If a provider is an awarding body they must be a recognised body in their own right. Where an awarding body is submitting information about a course provided on its behalf it must submit a copy of a relevant, signed, up to date franchise agreement with its application.

Welsh Government Specific Designation Policy

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 **(Para 40)**

40. Validation agreements will also need to set out the length of the agreement. As set out above, Welsh Government expects designation to last for the duration of the validation agreement. In any recommendation to Ministers HEFCW will highlight the length of the validation and recommend that the designation is for the period of the validation.

C. The provision offered by the provider is of an adequate quality

Welsh Government Specific Designation Policy

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. (Para 23)

41. All higher education providers with specifically designated courses for student support must be able to provide evidence that they meet the baseline quality requirements for higher education in Wales. HEFCW has established a Quality Assessment Framework¹³ that establishes a set of baseline regulatory requirements for Wales, aligning, where possible, with arrangements in England and Northern Ireland.

¹² www.legislation.gov.uk/wsi/2016/396/pdfs/wsi_20160396_mi.pdf

¹³ www.hefcw.ac.uk/documents/publications/circulars/circulars_2018/W18%2005HE%20Annex%20A.pdf

42. In order for HEFCW to have assurance that the baseline requirements are met, we will require all providers to have undertaken an external quality assurance review by the QAA. We will expect that higher education providers applying for their courses to become specifically designated will have had at least one successful external quality assurance review by the QAA in the last four years and to repeat that every four years.
43. HEFCW and the QAA have established a new [Gateway Quality Review: Wales process](#). Providers that have not had a successful QAA review in the past four years will be required to undertake this review to provide evidence to HEFCW that they meet the baseline requirements in Wales. Providers that have successfully undertaken a [Higher Education Review](#), Higher Education Review Wales,¹⁴ [Quality Review Visit](#), and [Educational Oversight Reviews](#) within the previous four years will be able to evidence that they met the appropriate baseline requirements at the time of that review.
44. Where a provider is applying for a course to be designated and that course is to be delivered on behalf of that provider under franchise arrangements then we will also require evidence of a successful external quality assurance review that includes its delivery partner.
45. Currently, the reasonable needs for higher education quality are considered to be met if a provider obtains satisfactory judgements in its external quality assurance review (or previous QAA review).¹⁵ This ensures quality assessment is rigorous. In every case, a provider receiving a 'Meets requirements with conditions/Requires Improvement' or 'Does not Meet Requirements/UK expectations' outcome will be deemed to have, or to be at risk of having, inadequate quality.
46. Additionally HEFCW will require the provider to submit the following evidence to demonstrate that it has maintained a successful track record of higher education since its last review:
 - confirmation that the provider has internal quality assessment procedures;
 - confirmation that the governing body, or equivalent, has received a report taking account of the external quality assurance review, and an action plan has been put in place and implemented as appropriate, in partnership with the student body;
 - confirmation that the provider has published a high level statement on how the students' interests are protected and what arrangements are in place, for example in cases where a provider ceases to exist, a course is withdrawn or changed substantially or if a course's validation changes or is withdrawn.
 - links to QAA monitoring reports;
 - Professional Statutory and Regulatory Body accreditation reports as they relate to specific courses; and
 - verifiable data (preferably data returned to the Higher Education Statistics Agency (HESA)) of student outcomes such as non-continuation and non-completion rates, and degree outcomes.

¹⁴ From 2017 HERW has been replaced by the [Quality Enhancement Review](#)

¹⁵ See information provided on HEFCW's [quality assessment framework webpages](#)

D. The provider is financially viable

Welsh Government Specific Designation Policy

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.*

(Para 24)

47. An institution must provide information to HEFCW about its financial viability, including evidence that it is sustainable over the medium term (at least three years from the date of course commencement). The evidence should be sufficient to give HEFCW and Welsh Ministers reasonable confidence that students will not be at risk of being unable to complete their course as a result of financial failure.
48. Providers should submit full details of their corporate group structure, where applicable, including details of all group companies or organisations, including subsidiaries, parent/holding companies and associate or joint ventures.
49. As appropriate, the assessment of financial viability may take into account the financial arrangements of any group structure (including subsidiaries, parent/holding companies, or associate and/or joint ventures) where it is considered relevant to financial viability.
50. Higher education providers must submit information, which illustrates:
 - i. **Historical performance** - a track record of financial performance evidenced by annual reports and externally-audited full financial statements for the three years prior to the submission. The accounts must be audited each year by a registered auditor. This must not be the same firm and/or individual that prepared the accounts, to ensure that HEFCW can have full confidence in the audit. The basis of the accounts will be Generally Accepted Accounting Practice in the UK (UK GAAP) (or successor requirements) or International Financial Reporting Standards (IFRS) if appropriate.
 - ii. **Financial strategy** - financial information such as a forward plan that reflects the overall strategic plan available at the point of monitoring compliance with specific designation criteria, sets appropriate benchmarks and performance

indicators, shows how resources are to be used, and how activities and infrastructure will be financed. This should include how providers assess and review their sustainability, including the use of sustainability assessments.

- iii. **Forecasts - providers must be able to provide evidence that they have:**
 - adequate cash flow to remain solvent, that is, sufficient liquidity to pay debts as they fall due; and
 - an adequate balance sheet that maintains a net total assets position such that the provider would not incur deficits if these would result in a net total liabilities position.

51. If the provider is a subsidiary entity further details will need to be provided to understand the financial sustainability of all related companies in the overall group.

52. Providers should submit any relevant documents that illustrate their strategy, such as a strategic plan or forward business plan, together with detailed financial forecasts for at least the current year and following three years. Providers are advised to contact HEFCW should they have any queries regarding the information required.

53. HEFCW's assessment of providers' financial performance and sustainability will not be used in isolation to determine whether it meets this requirement. The financial sustainability assessment will be an overall judgement that also takes into account the context of the providers' financial position and their strategy.

54. It should be noted that as part of this process HEFCW is likely to undertake a credit check on the provider.

55. Providers will need to provide evidence that they are well-managed with sound management practice in place and the capacity to develop in line with their strategy and financial forecasts / forward business plan.

56. A provider must submit information to illustrate that it:
 - i. has financial management processes that are well-governed and controlled adequately and effectively;
 - ii. plans and manages activities to remain viable;
 - iii. has robust and comprehensive systems of risk management and internal control;
 - iv. has effective arrangements for the management and quality assurance of data used for internal decision making;
 - v. has regular, reliable, timely and adequate information to monitor operational and financial performance;
 - vi. reports information regularly, comprehensively and correctly to appropriate senior management and those charged with governance;
 - vii. manages its resources (including staff and estate) in a sustainable way;
 - viii. is able to meet all the necessary data capture and reporting requirements for HEFCW.

57. In assessing the data management capabilities consideration will be given, where applicable, to a provider's track record in submitting data to HEFCW or other

bodies including HESA, the Welsh Government and the Student Loans Company and their compliance with the code of practice for [higher education data collections](#) in preparing data for submission.

58. We expect that all institutions that have courses designated for student support will subscribe to HESA. For those applying for course designation that do not already subscribe to HESA, we will assess their data capabilities and discuss with them the process of becoming a HESA subscriber.
59. Providers must provide evidence to demonstrate good governance. Where relevant, this would take the form of evidence of compliance with the principles of an appropriate code of governance. Examples of these are the Higher Education Code of Governance¹⁶ (Committee of University Chairs, December 2014) and the Code of Good Governance for Colleges in Wales¹⁷ (Colleges Wales, 2016). Those applicants with charitable status could evidence how they take account of all relevant guidance on the responsibilities of trustees and effective trusteeship.

E. Contribution to the public good

Welsh Government Specific Designation Policy

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. (Para 26)

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. (Para 27)

Equality of opportunity

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*

¹⁶ [Higher Education Code of Governance \(Committee of University Chairs\) December 2014](#)

¹⁷ [Code of Good Governance for Colleges in Wales \(Colleges Wales\) 2016](#)

- *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. (Para 28)*

Promotion of higher education

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. (Para 29)*

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. (Para 30)

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. (Para 31)

60. All providers that wish for their course(s) to continue to be specifically designated are required to submit a public good statement to HEFCW. HEFCW will require the provider to submit a statement setting out how the higher education provider is making an ongoing commitment to the public good. The statement should be read as a standalone document, setting out:
 - provider name and address;
 - what that provider is trying to achieve through higher education;
 - provide examples of activities that demonstrate the ongoing commitment to the public good; and
 - level of investment in public good as proportion of total student fee income received from all students studying on designated courses; and
 - how that provider's commitment to the public good will be measured.
61. HEFCW is committed to securing strong student partnership working with students and this has been formalised with a memorandum of understanding between

HEFCW and National Union of Students (NUS) Wales.¹⁸ In line with this position, we expect that providers will discuss the development of their monitoring statement with their student body.

62. Statements should emphasise the contribution they make to ‘access’ to higher education by setting out activities that the provider offers in order to meet Welsh Government priorities of equality of opportunity and the promotion of higher education. Statements are also expected to include provisions to support student retention in higher education.
63. The types of activities that relate to equality of opportunity could include the following:
- attracting and retaining students from under-represented groups¹⁹;
 - raising the educational aspirations and skills of people from underrepresented groups to support success in higher education;
 - the provision of academic and welfare support to those from under-represented groups, including those with protected characteristics;
 - 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 for providers based in Wales;
 - improving the higher education experience for groups underrepresented in higher education;
 - provision of effective information to under-represented groups, before and during their studies; and
 - supporting the progress to employment or further study of groups underrepresented in higher education.
64. The types of activities that relate to the promotion of higher education could include the following:
- 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;
 - 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 organisation’s civic duty or corporate social responsibility agenda. This provision may be for the general public or specific groups. It may also include programmes in which students are supported to be active in their local community, including volunteering;
 - 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; and/ or work placements;
 - improving the quality of learning and teaching, with reference to the quality of the student experience;
 - delivering sustainable higher education;

¹⁸www.hefcw.ac.uk/documents/about_he_in_wales/about_HE_sector/MoU%20HEFCW%20and%20NUS%20W.pdf

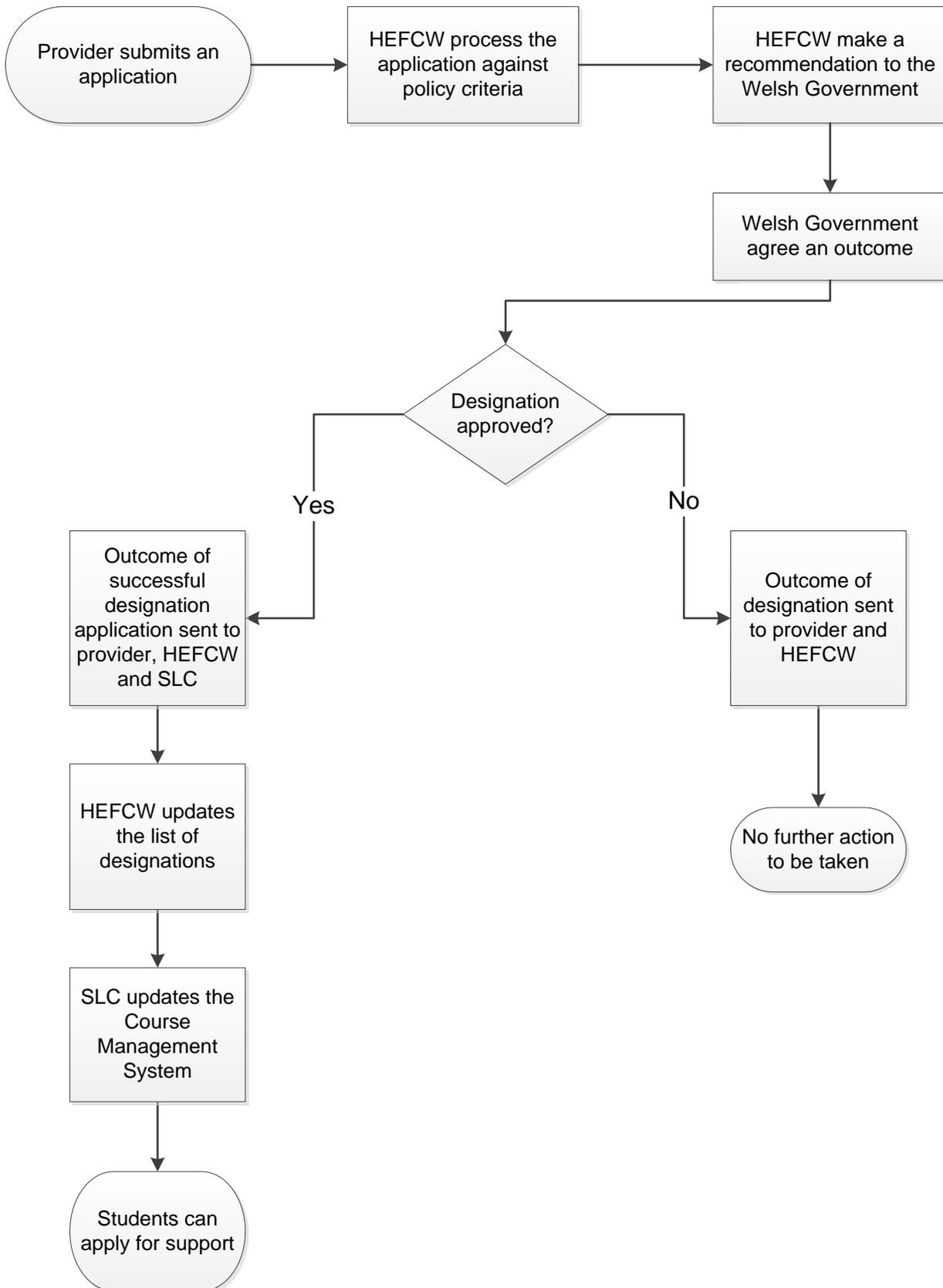
¹⁹ For further information on groups under-represented in higher education, see paragraph 65

- raising awareness of the value of higher education to potential students; and/or
 - promoting a culture of education and learning.
65. When addressing matters relating to the equality of opportunity it is important that activities are set out in the context of 'groups under-represented in higher education'. We recognise that there are different ways of defining 'groups under-represented in higher education'. Definitions might include under-representation within the institution's student body, including students at partner institutions, as well as under-representation in the higher education system more generally. Individuals with protected characteristics, as defined by the Equality Act 2010, may be under-represented in higher education.²⁰ Students from areas of low higher education participation or deprivation would also fall into this category.
66. In order to demonstrate that the activities set out in the statement are both reasonable and ongoing we will expect providers to:
- set out clearly how their relevant institutional strategic documents inform the development of their statements and how the statement aligns with the appropriate strategic objectives in their documents;
 - set SMART²¹ targets relating to student outcomes that demonstrate the provider's commitment to the public good eg retention, participation;
 - set out the level of total student fee incomes to deliver the activities to promote equality of opportunity and higher education, noting the investment as a percentage of total student fee income received.
67. We will expect all statements to be dated and published on the provider's website.

²⁰ Protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; and sex.

²¹ Specific, Measurable, Achievable, Realistic, Time-Bound.

Annex A – Process of application for designation



Annex B

Monitoring of providers with existing specifically designated courses

A. FULL DETAILS OF HIGHER EDUCATION PROVIDER (Paras 26-28)
<ul style="list-style-type: none">• The applicant's name;• The applicant's principal address and legal address where they are different;• The applicant's UK provider registration number (UKPRN);• Charity Commission number (where relevant);• Any other names under which the applicant operates;• Confirmation that the provider is not under investigation; or• Details of any ongoing investigations including the organisation undertaking the investigation and the reasons for the investigation.
B. LIST OF COURSES TO BE DESIGNATED FOR STUDENT SUPPORT INCLUDING RELEVANT INFORMATION (Paras 29-40)
<ul style="list-style-type: none">• Course title;• Qualification aim;• Length of course;• Mode of study;• Location(s) of course delivery;• Validating organisation;• Confirmation of control of the course;• Dates between which the validation agreement applies;• Annual course fees;• Estimated student numbers by course and location per year of study including students on sandwich years and years abroad where applicable;• Estimated student numbers of students ordinarily resident in Wales and location per year of study including students on sandwich years out and years abroad where applicable;• Date of course commencement (in 2019/20). <p>(The excel table attached should be completed)</p>
C. THE PROVISION OFFERED BY THE PROVIDER IS OF AN ADEQUATE QUALITY (Paras 41-46)
D. THE PROVIDER IS FINANCIALLY VIABLE (Paras 47-59)

E. CONTRIBUTION TO THE PUBLIC GOOD (Paras 60-67)

The statement should be read as a standalone document, setting out:

- Provider name and address;
- What that provider is trying to achieve through higher education;
- Examples of activities that demonstrate the ongoing commitment to the public good;
- Level of investment in public good as proportion of total investment of student fee income; and
- How that provider's commitment to the public good will be measured.

(Providers are encourage to attach a separate document.)

CONTACT NAME(S) (Para 19)

Name(s):
Contact number(s):
Contact email(s):
Position(s) in organisation:

APPROVAL (Para 19)

In authorising approval of this application, the governing body, board or equivalent confirms that the information provided is accurate at the time of writing, and is based on verifiable data.

For those providers headquartered in Wales and not inspected by Estyn authorising approval confirms that the governing body understands that it will come under HEFCW's monitoring authority for Prevent.

Sign:

Date:

RETURN ADDRESS

Applications should be uploaded to our secure site at
<https://www.hefcw.ac.uk/uploadfap.aspx>

Any queries should be directed to either:
cyngorrheoleiddio@hefcw.ac.uk or regulationadvice@hefcw.ac.uk

