EXPLANATORY MEMORANDUM TO

THE EDUCATION (DESIGNATED INSTITUTIONS) (No. 2) ORDER 2006

2006 No.1744

1. This explanatory memorandum has been prepared by the Department for Education and Skills and is laid before Parliament by Command of Her Majesty.

2. Description

This Order designates Guildhall School of Music and Drama as eligible for funding paid out by the Higher Education Funding Council for England.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None

4. Legislative Background

4.1 Amongst other things, Part 2 of the Education Reform Act 1988 ("the 1988 Act"), as amended by the Further and Higher Education Act 1992, makes provision for the Secretary of State to designate institutions that are not universities or institutions conducted by higher education corporations to be eligible for funding from the Higher Education Funding Council for England.

4.2 The Higher Education Funding Council for England (HEFCE) was established under the Further and Higher Education Act 1992 in order to provide, in part, funding to higher education institutions. For these purposes, "higher education institutions" means universities, institutions conducted by higher education corporations and institutions designated under section 129(1) of the Education Reform Act 1988.

4.3 This Order is made under section 129(1) of the Education Reform Act 1988.

5. Extent

This instrument applies to England.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required..

7. Policy background

7.1 The purpose of section 129(1) of the 1988 Act is to enable certain additional providers of higher education to receive public funding from the higher education funding councils

7.2 Guildhall School of Music and Drama applied to the Secretary of State to be designated as eligible for such public funding. In considering whether to designate the institution, the Secretary of State has taken advice from HEFCE as to whether it should receive public funding.

7.3 Guildhall School of Music and Drama was founded in 1880 and is a specialist provider of courses leading to degrees in music, drama and technical theatre from premises in London's Barbican Centre. It is an institution conducted by the Corporation of London.

7.4 HEFCE consider that the Guildhall School of Music and Drama will enhance the higher education sector. It has a strong reputation as a higher education institution and offers distinctive provision which contributes usefully to HEFCE's strategic priorities. HEFCE consider that its provision meets appropriate quality standards for institutions in the sector and is assured that it meets its other criteria for designation. HEFCE has drawn up agreements with the School and the Corporation of London to ensure that the School meets HEFCE's accountability and assurance arrangements.

7.5 Guildhall School of Music and Drama has indicated that they are content to be designated as eligible to receive HEFCE funding.

7.6 The Secretary of State has considered HEFCE's advice and agreed with their recommendation that if Guildhall School of Music and Drama satisfied the criteria for designation that it be designated as eligible for HEFCE funding.

7.7 One of the grounds on which the Secretary of State can designate an institution as eligible to receive funding from HEFCE is that institution appears to him to have a full-time equivalent enrolment number for courses of higher education which exceeds 55 per cent of its total full-time equivalent enrolment number. The Guildhall School of Music and Drama appears to the Secretary of State to satisfy this criterion and so he has designated it as eligible for HEFCE funding.

8. Impact

A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

9. Contact

Gudrun Groves at the Department for Education and Skills Tel: 020 7925 5214 or e-mail: gudrun.groves@defs.gsi.gov.uk can answer any queries regarding the instrument.