EXPLANATORY MEMORANDUM TO

THE EDUCATION (DESIGNATED INSTITUTIONS) ORDER 2006

2006 No. 1674

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 The Liverpool Institute for Performing Arts 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 The Liverpool Institute of Performing Arts applied to the Secretary of State to be designated for 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 The Liverpool Institute of Performing Arts was founded in 1996 and offers a range of performing arts programmes with an emphasis on contemporary music. It already has an international reputation and attracts students from home and overseas.

7.4 HEFCE consider that The Liverpool Institute for Performing Arts will enhance the higher education sector and that it can demonstrate strong demand from students and a strong graduate employment record. HEFCE consider that its provision meets appropriate quality standards for institutions in the sector. All reports, by either HEFCE or the Quality Assurance Agency for Higher Education, have been positive and have demonstrated ongoing quality and academic development. HEFCE are assured that it meets other criteria on financial health, governance and accountability.

7.5 The Liverpool Institute of Performing Arts have indicated that they are content to be deemed to be eligible for HEFCE funding.

7.6 The Secretary of State has considered HEFCE's advice and agreed with their recommendation that if The Liverpool Institute of Performing Arts 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 for 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 Liverpool Institute of Performing Arts 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.