



Department
for Business
Innovation & Skills

**UNIVERSITY TITLE AND
UNIVERSITY COLLEGE TITLE**

Guidance for Higher Education
Providers: Criteria and Process
for applying for University Title
and University College Title

SEPTEMBER 2015

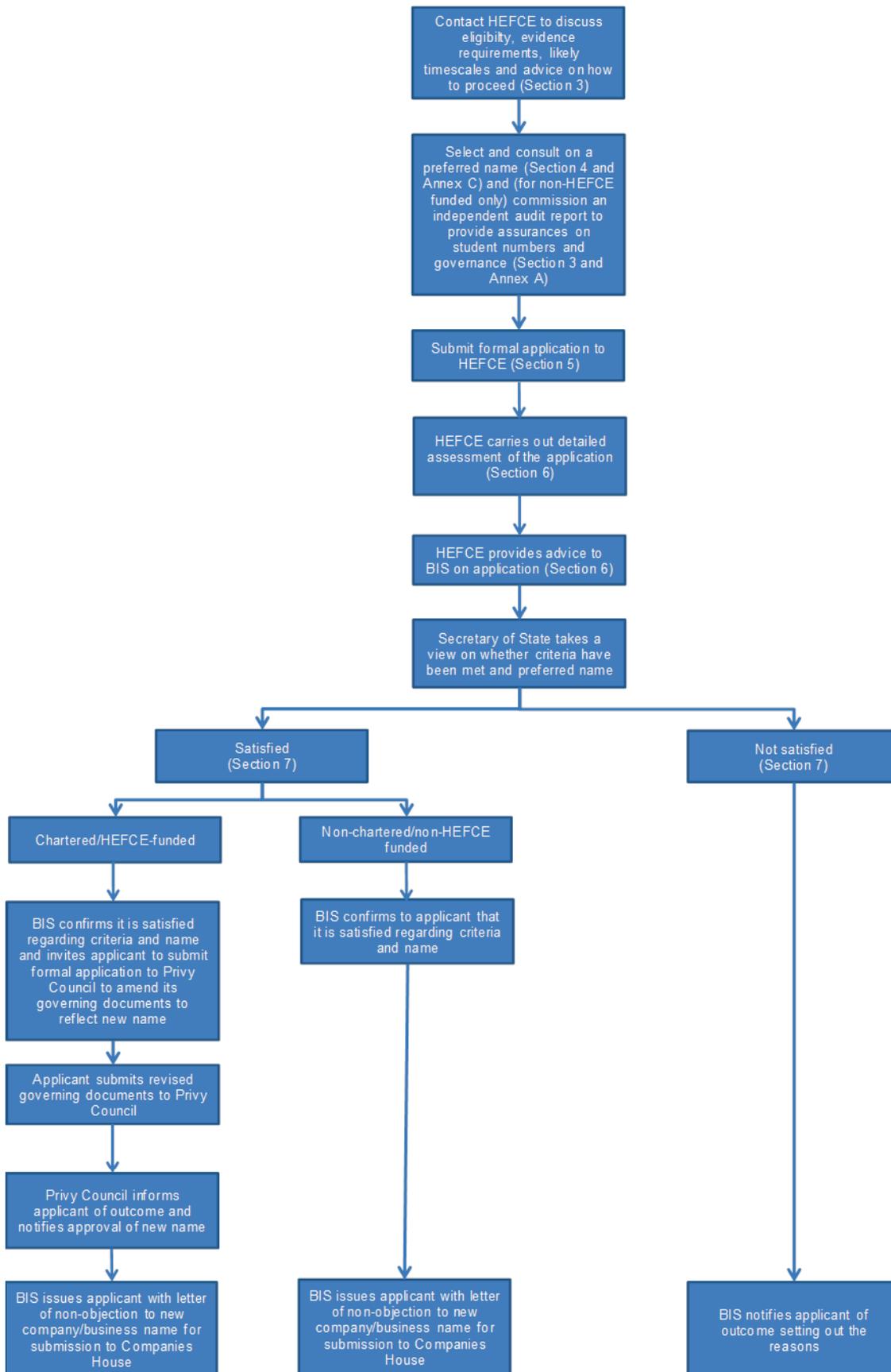
Contents

Process Flowchart	5
Introduction	6
Section 1: Who is eligible to apply?	7
Further Education Colleges.....	7
Organisations within a wider corporate structure.....	7
Section 2: Criteria for university title and university college title	8
Power to award taught degrees.....	8
Good governance criteria	9
Quality assurance and academic standards and performance	9
Financial sustainability	9
Management.....	9
Corporate governance.....	9
Student numbers criterion	9
Section 3: Before making an application	10
Section 4: Selecting a preferred name	11
Section 5: Submitting an application	12
Section 6: HEFCE assessment of your application	13
Power to award taught degrees.....	13
Good governance criteria	13
HEFCE funded applicants	13
Non-HEFCE funded applicants	13
Student numbers.....	14
HEFCE's advice to BIS	14

BIS consideration of HEFCE's advice	14
Section 7: Notification of decision and next steps	15
If the requirements have been met	15
Chartered body whether or not in receipt of HEFCE funding and other HEFCE funded bodies	15
Non-chartered bodies not in receipt of HEFCE funding	16
All applicants	17
If requirements have not been met – all applicants	17
Section 8: Issues arising after award	18
Change of name	18
Chartered bodies (whether or not in receipt of HEFCE funding) and other HEFCE funded bodies	18
Non-Chartered bodies not in receipt of HEFCE funding	18
Change of control or ownership	18
HEFCE funded universities/university colleges	18
Non-HEFCE funded universities/university colleges	18
Annex A: Evidence required to demonstrate eligibility and criteria	20
Power to award taught degrees	20
Good governance criteria	20
Quality assurance and academic standards and performance	20
Financial sustainability	21
Management	23
Corporate governance	23
HEFCE funded applicants	23
All applicants	24
Student numbers criterion	24

HEFCE funded applicants	25
Non-HEFCE funded applicants	25
Additional information.....	25
Annex B: Guidance for Non-HEFCE funded organisation on preparing applications for University Title and University College Title.....	26
Annex C: Consulting on a preferred name.....	27

Process Flowchart



Introduction

1. University title is prestigious, desirable and valuable. The criteria and process for obtaining university title and university college title, as set out in this guidance, are stringent and rigorous. They are designed to protect the interests of students and the wider public by regulating access to university title and university college title and protecting its integrity.
2. This guidance sets out the criteria and application process for university title and university college title in England. It replaces and supersedes the criteria and guidance set out in [‘Applications for the grant of taught degree awarding powers, research degree awarding powers and university title’](#) (August 2004)¹ and [‘Guidance on the process and criteria for assessing student numbers and good governance for university title and university college title for non-HEFCE funded organisations.’](#) (November 2012). In particular it:
 - takes account of the change to the criteria for university title introduced in 2012 to enable access to university title for smaller organisations;
 - brings the good governance requirements in line for both university title and university college title;
 - explains the application, assessment and decision processes in more detail; and
 - takes account of the transfer of responsibility from BIS to HEFCE for administration of the process.
3. The guidance is issued by the Department for Business, Innovation and Skills (BIS) having consulted its partners in this area: the Privy Council Office, the Higher Education Funding Council for England (HEFCE), the Quality Assurance Agency for Higher Education (QAA), Companies House and the Charity Commission.
4. HEFCE, on behalf of BIS, is responsible for administering the process for applying for university title and university college title. Following receipt of advice from HEFCE, BIS assumes responsibility through to notification of the decision.

¹ This guidance continues to apply in Wales.

Section 1: Who is eligible to apply?

1. If you are a higher education (HE) provider based in England holding taught degree awarding powers you are eligible to apply for university title or university college title provided you meet the criteria set out in Section 2².

Further Education Colleges

2. Approval is unlikely to be given to a college in the further education sector to use the terms 'university' or 'university college' in its name unless it has first transferred into the HE sector. Guidance on the criteria and process for a Further Education Corporation (FEC) to transfer to the higher education (HE) sector can be found at '[Guidance for a further education college to transfer to the higher education sector](#)'. Further education colleges that are not FECs that wish to transfer to the HE sector must follow the separate guidance '[Designation as an institution eligible to receive HEFCE funding](#)'.
3. Further information on titles for institutions in the further education sector is set out in the BIS guidance '[Further Education Corporation names: Guidance on changing existing corporation/college names or developing new names](#)'. (2010).

Organisations within a wider corporate structure

4. Where the organisation with degree awarding powers is located within a wider corporate structure, only the 'institution' that was assessed for and granted degree awarding powers is eligible to apply for university title or university college title and title will only apply to that institution.

² There are separate arrangements for Wales, Scotland and Northern Ireland. For Wales, applications are considered under criteria announced in 2004. Applicant organisations in Wales should refer to the criteria and guidance set out in "[Applications for the grant of taught degree awarding powers, research degree awarding powers and university title](#)" (August 2004). For Scotland and Northern Ireland, applications are considered under criteria approved by Ministers in October 1999. Separate guidance for applicant organisations in Scotland and Northern Ireland is available on the [QAA website](#).

Section 2: Criteria for university title and university college title

1. An organisation wishing to apply for approval to use the title ‘university’ or ‘university college’:
 - must have been granted powers to award taught degrees;
 - must be able to demonstrate that it has regard to the principles of good governance as are relevant to its sector; and
 - (for university title only) must normally have at least 1,000 full time equivalent higher education students, of whom at least 750 are registered on degree courses (including foundation degree programmes); and the number of full time equivalent higher education students must exceed 55 per cent of the total number of full time equivalent students.

Power to award taught degrees

2. The power to award taught degrees must have been granted by either:
 - a Royal Charter;
 - a Private Act of Parliament; or
 - an Order of Council under section 76(1) of the Further and Higher Education Act 1992.
3. If you have not been awarded taught degree awarding powers (TDAPs) in your own right but provide higher education under a validated³ or franchised arrangement⁴ with an HE provider with TDAPs, for example, you are authorised to grant awards on behalf of another institution under section 76(5)(a) of the Further and Higher Education Act 1992, you do not meet this criterion and are not therefore eligible to apply for university title or university college title.

³ In the higher education context, a validation relationship occurs when a degree-awarding provider reviews a course that another provider wishes to deliver and approves it as being of an appropriate standard and quality to contribute, or lead, to one of the degree awarding provider's awards. Students are normally enrolled with the teaching institution delivering the course, not the institution that validated it.

⁴ A franchise is an agreement by a lead HE provider (usually a degree awarding body) that another provider may deliver all or part of a programme approved and owned by the lead provider. The lead provider normally retains overall control of the programme's content, delivery, assessment and quality assurance arrangements, and has overall responsibility for the provision. This is sometimes referred to as a “sub-contractual” arrangement. Students are normally enrolled with the lead provider.

Good governance criteria

4. This section should be read in conjunction with:

- Annex A which provides detailed information on the evidence required to demonstrate the criteria;
- Section 6 which sets out the basis on which HEFCE will assess applications from both HEFCE funded and non-HEFCE funded organisations; and
- Annex B which sets out the requirements for the independent report required from non-HEFCE funded applicants.

Quality assurance and academic standards and performance

5. We need to be assured as to the current and future management of your academic standards, the quality of your learning and teaching and your academic performance.

Financial sustainability

6. We need to be assured that you are financially viable and sustainable with a low risk of failure on financial grounds over the medium to long term. This should give students reasonable confidence that they will not be at risk of not being able to complete their course as a result of financial failure.

Management

7. We need to be assured that you are well managed with sound management practice in place and the capacity to develop in line with your strategic plans and the financial strategy that supports those plans.

Corporate governance

8. We need to be assured that you are well governed and comply with accepted principles of good governance.

Student numbers criterion

9. Guidance on how to calculate your student numbers is set out in Annex A.

Section 3: Before making an application

1. If you are considering applying for university title or university college title, you should contact HEFCE as soon as possible to discuss eligibility, evidence requirements, likely timescales and advice on how to proceed.
2. If you have already received specific course or institutional designation, degree awarding powers or are HEFCE funded, you will already be known to HEFCE and the Quality Assurance Agency (QAA) and checks that have already been undertaken will be taken in to account. In recognition of this you should discuss the evidence requirements with HEFCE before submitting your formal application as some evidence may not need to be re-submitted.
3. In all cases the application process is rigorous and thorough. You should expect the process to take around six months in a straightforward case. However, it may take longer in cases where further evidence or clarification is needed.
4. Further information is available at www.hefce.ac.uk/reg
5. Once you have decided to proceed with an application, you should:
 - select and consult on a preferred name (see Section 4);
 - **[non-HEFCE funded applicants only⁵]** Commission a report either by your external auditors or from independent consultants with appropriate expertise, providing assurances on the good governance and student numbers criteria as set out in Section 2. This report should comply with the requirements at Annexes A and B.

⁵ For organisations within the HEFCE-funded HE sector HEFCE is able to provide advice to BIS on applications for university title and university college title from the data returns and annual monitoring required under the terms and conditions of its funding. The same is not possible for organisations outside the HEFCE-funded HE sector and consequently it is necessary to require such organisations to provide an independent report providing assurances on student numbers and good governance.

Section 4: Selecting a preferred name

1. In considering an application for university title or university college title, the Privy Council must have regard to the need to avoid names which are or may be confusing⁶. The Secretary of State will have the same regard in relation to applicants that are not subject to Privy Council oversight.
2. You will therefore be expected to have consulted on the title you propose and to submit details of this consultation as part of your application. Detailed guidance on how to carry out the consultation is at Annex C.
3. Before starting the consultation:
 - If you are an exempt or registered charity, you should contact the Charity Commission at an early stage to check it has no objections to the name being proposed. Please email: OperationsTaunton@charitycommission.gsi.gov.uk
 - You should consult the HEFCE Register of HE providers <http://www.hefce.ac.uk/reg/register/> to check that your new name is not similar to any other regulated provider.
 - If you are intending to register your preferred name as a company or business name you should check the [Companies Register](#) to ensure there are no similar names already registered.
 - If the proposed name includes any other sensitive words or expressions as specified in the Company, Limited Liability Partnership and Business Names (Sensitive Words and Expressions) Regulations 2009⁷ besides the sensitive word 'university'⁸ you will need to ensure you meet the conditions specified in the Companies House guidance '[Incorporation and names \(GP1\)](#)'.

⁶ Further and Higher Education Act 1992 section 77(3) and Teaching and Higher Education Act 1998 section 39(5)

⁷ SI 2009/2615

⁸ For example 'Chartered', 'Royal' or 'Institute'.

Section 5: Submitting an application

1. To apply for university title or university college title you must submit:
 - a letter from the Chair of your governing body (or equivalent) stating that your organisation considers it meets the criteria for university title or university college title;
 - details of your preferred name and the results of the consultation on the proposed name, highlighting any negative consultation results or controversy caused by the chosen name (see Section 4 and detailed guidance in Annex C);
 - confirmation and evidence that any necessary checks with Companies House, the HEFCE Register of HE Providers and the Charity Commission as referred to in Section 4 have been completed; and
 - **[non HEFCE-funded applicants only]** an independent report providing assurances on the criteria for good governance and student numbers as set out in Section 2 and in accordance with the requirements at Annexes A and B.
2. In processing your application HEFCE will comply with its obligations regarding access to information regimes, primarily the Freedom of Information Act 2000, the Data Protection Act 1998 and the Environmental Information Regulations 2004. Consequently, as your application may include commercially sensitive information, it will be made clear to you what information is being regarded as commercially sensitive for these purposes and what is not, and, where objections arise, HEFCE will judge each case on its merits.
3. You should submit your application by following the instructions at:
www.hefce.ac.uk/reg

Section 6: HEFCE assessment of your application

1. HEFCE will carry out a detailed assessment of your application for designation against the criteria set out in Section 2 and the evidence requirements in Annex A. In doing so it will consider all relevant information including advice received from other interested parties as appropriate, for example, QAA and the Charity Commission where you are a registered charity.
2. You must be prepared to engage with HEFCE during its assessment and to submit such other information (independently verified as appropriate) as HEFCE may reasonably request in connection with your application.
3. In some cases it may also be necessary for HEFCE to schedule a visit to inform its assessment.

Power to award taught degrees

4. HEFCE will check records to confirm that that you hold taught degree awarding powers.

Good governance criteria

HEFCE funded applicants

5. All Higher Education Institutions (HEIs) in receipt of grant funding from HEFCE are required to sign up to the Memorandum of Assurance and Accountability (MAA) which sets out the terms and conditions of funding.
6. HEFCE will therefore base its advice on the good governance criteria on its review of the annual accountability returns required from HEIs as a condition of funding and on advice from QAA on quality assurance and academic standards and performance.
7. You do not need to provide any additional evidence at the application stage unless agreed with HEFCE in your pre-application discussion. However, during its assessment HEFCE may need to seek further information from you or, in some circumstances, schedule a visit to inform its assessment.

Non-HEFCE funded applicants

8. HEFCE will carry out a detailed scrutiny of your independent report (Annex B) against the criteria set out in Section 2 and the evidence requirements set out in Annex A.

9. Where you have specific course or institutional designation you should note that a satisfactory assessment for this purpose does not necessarily mean that you will meet all the good governance criteria for university title or university college title. This could be because, for example, specific course designation is focussed on the medium term (up to three years) whereas university title and university college title are focussed on the medium to long term to ensure your long term commitment to higher education and the interests of your students.

Student numbers

10. HEFCE's assessment of your student numbers will be based on the calculation set out in Section 2.
11. For HEFCE funded providers HEFCE will base its assessment on information from HESA.
12. For non-HEFCE funded providers HEFCE will scrutinise your independently prepared and verified student numbers calculation and supporting evidence as set out in Section 2 and Annex A.

HEFCE's advice to BIS

13. Following its detailed assessment of your application, and approval by its Board, HEFCE will submit its formal advice on all aspects of your application to BIS to inform the Secretary of State's decision.

BIS consideration of HEFCE's advice

14. If, having considered all the advice received, BIS has any concerns about your application you will be informed of the outcome of the assessment and given the opportunity to provide further clarification and explanation before advice is submitted to the Secretary of State and a final decision made.
15. On the basis of all the advice received, including, as appropriate, any additional clarification and explanation as above, the Secretary of State will take a view on your preferred university or university college name and on whether you meet all the criteria for university title or university college title.

Section 7: Notification of decision and next steps

If the requirements have been met

1. If the Secretary of State is satisfied that the criteria have been met and that your preferred name is not likely to be confusing, the next steps will vary depending on the constitution of your organisation and/or its funding status.

Chartered body whether or not in receipt of HEFCE funding and other HEFCE funded bodies

2. For Chartered bodies (whether they are in receipt of funds from HEFCE or not) the responsibility for the approval of university title or university college title rests with The Queen, on and with the advice of the Privy Council, under Royal prerogative powers.
3. For other institutions which are not Chartered but are designated for HEFCE funding, responsibility for the approval of university title or university college title rests with the Privy Council in accordance with its powers under Sections 124A, 125, 129A and 129B of the Education Reform Act 1988 to approve amendments to the governing documents of such institutions.
4. In both cases, BIS will write to you confirming that the Secretary of State is satisfied and inviting you to submit a formal request to the Privy Council to amend your governing documents to reflect your new name.
5. Your request to the Privy Council should comprise:
 - a letter from the Chair of your governing body (or equivalent) confirming that the Secretary of State is satisfied the criteria for university title or university college title have been met;
 - details of your preferred name and the results of the consultation on the proposed name, highlighting any negative consultation results or controversy caused by the chosen name (see Section 4 and detailed guidance in Annex C);
 - confirmation that any necessary checks with Companies House and/or the Charity Commission and the HEFCE Register of HE Providers as referred to in Section 4 have been completed; and
 - details of any proposed changes to your governing documents.
6. The precise requirements around changes to your governing documents are likely to vary according to your circumstances so you should contact the Privy Council Office in

the first instance to discuss the specifics of what is needed before submitting your request. The address is:

The Senior Clerk
The Privy Council Office
2 Carlton Gardens
London
SW1Y 5AA
pcosecretariat@pco.gov.uk
Tel: 020 7747 5310

7. If the Privy Council agrees the Secretary of State's recommendation, the Privy Council Office will then liaise with you direct to finalise the necessary revisions to your governing documents.
8. You will obtain university title or university college title at the point at which the changes to your governing documents to reflect your new name are approved by the Privy Council.
9. The Privy Council Office will inform BIS of the outcome. In the event of a successful application, BIS will write to you confirming its non-objection to the use of the sensitive word 'university' in your preferred name for the purpose of changing your business/company name.
10. When applying subsequently to Companies House for a change to your business/company name you must include a statement that a request for a 'non-objection' to the use of the sensitive word 'university' has been made and that a non-objection has been received and attach a copy of BIS's letter of non-objection.

Non-chartered bodies not in receipt of HEFCE funding

11. An organisation which meets the criteria for university title or university college title as set out in Section 2 but which is not Chartered and not in receipt of funds from HEFCE may obtain title through approval to a name change to include the sensitive word 'university' under the provisions of the Companies Act 2006.
12. In these circumstances, if the Secretary of State considers that the criteria have been met and that the proposed name is not likely to be confusing, BIS will write to you to confirm this, and to confirm its non-objection to the use of the sensitive word 'university' in your preferred name.
13. You should then apply to Companies House for a change to your business/company name, including a statement that a request for a 'non-objection' to the use of the sensitive word 'university' has been made and that a non-objection has been received and attach a copy of BIS's letter of non-objection.
14. The decision to approve the change of name is taken by the Registrar of Companies on behalf of the Secretary of State for Business, Innovation and Skills.

15. You will obtain university title or university college title at the point at which the new company or business name is registered.

All applicants

16. Further information on the process for incorporating a company and choosing a company or business name is set out in guidance published by Companies House at: <http://www.companieshouse.gov.uk/about/gbhtml/gp1.shtml>

If requirements have not been met – all applicants

17. If the Secretary of State considers that the criteria for university title or university college title have not been met, BIS will write to you confirming that the application has not been successful and setting out the reasons for the decision.

18. If the Secretary of State considers that the criteria have been met but that the chosen name is likely to be confusing, you will be asked to select and consult on an alternative name.

19. You may make a new application subsequently via the process set out in Sections 3 - 5 once you consider your organisation has addressed any issues arising and meets all the requirements for university or university college title.

Section 8: Issues arising after award

Change of name

1. If you wish to change the name of your university or university college after the award, you should inform HEFCE of your intentions as soon as possible. You will then be expected to consult on your new preferred name and submit a request for a change of name to HEFCE in the first instance including details of this consultation as set out in Section 4 and Annex C.

Chartered bodies (whether or not in receipt of HEFCE funding) and other HEFCE funded bodies

2. If the Secretary of State considers that the proposed name is not likely to be confusing, BIS will write to you to confirm this and will invite you to submit a formal request to the Privy Council to amend your governing documents as appropriate. The process will then be as set out in Section 7.

Non-Chartered bodies not in receipt of HEFCE funding

3. If the Secretary of State considers that the proposed name is not likely to be confusing, BIS will write to you to confirm this, and to confirm its non-objection to the use of the sensitive word 'university' in your preferred name. The process will then be as set out in Section 7.

Change of control or ownership

4. If it is proposed that the ownership or control⁹ of the university or university college will change, you must contact HEFCE as soon as possible to discuss the intended change and the potential implications for your university title or university college title.

HEFCE funded universities/university colleges

5. Your discussion with HEFCE will identify what, if any, additional information to that already provided, for example for annual assurance and accountability purposes, is needed to demonstrate that, following the change, you continue to satisfy all the criteria for student numbers (for university title) and good governance as set out in Section 2 and Annex A. This should be provided within three months of the change.

Non-HEFCE funded universities/university colleges

⁹ This includes situations where a merger is being considered.

6. Within three months of the conclusion of the change of ownership or control you must provide independent evidence that, following the change, you continue to satisfy all the criteria for student numbers (for university title) and good governance as set out in Section 2 and Annex A and that title remains with the institution that was originally assessed.
7. As for the original application you must provide an independent report prepared in accordance with Annex B. However, the detail of the evidence required is likely to differ from organisation to organisation and depend on the nature of the change. You should therefore discuss and agree in advance with HEFCE the specific evidence required to demonstrate that you continue to meet all the criteria for university title or university college title.
8. On receipt of this report, HEFCE will seek advice from QAA and the Charity Commission as appropriate to inform its assessment. HEFCE will provide advice to BIS as to whether, in its view, you continue to meet all the criteria for university title or university college title.
9. On receipt of HEFCE's advice, the Secretary of State will take a view on whether you continue to meet the criteria for university title or university college title. BIS will then write to you to inform you of that decision.

Annex A: Evidence required to demonstrate eligibility and criteria

Power to award taught degrees

1. You must have been awarded taught degree awarding powers before you apply for university title or university college title. You should therefore provide evidence to demonstrate this, for example a copy of the Order issued under section 76(5)(a) of the Further and Higher Education Act 1992.

Good governance criteria

2. Whilst similar to the criteria for other processes, for example designation as an institution eligible for HEFCE funding, the good governance criteria for university title and university college title and the evidence to demonstrate these (Annex A) have been designed to meet the specific requirements for university or university college title which are not, for example, the same as for designation where applicants have to demonstrate that they can meet the requirements of the HEFCE Memorandum of Assurance and Accountability upon designation.

Quality assurance and academic standards and performance

3. You need to demonstrate the current and future management of your academic standards, the quality of your learning and teaching and your academic performance.
4. Organisations that wish to apply for university title or university college title must first have been awarded their own taught degree awarding powers (TDAPs). As such they will have undergone a rigorous scrutiny process by the Quality Assurance Agency (QAA) before a recommendation is made to the Privy Council. Once awarded, organisations must subscribe to QAA and be subject to regular review by the QAA.
5. HEFCE will therefore seek advice from QAA based on either its scrutiny for TDAPs or its last review of your higher education provision, whichever is the most recent. These should normally have been undertaken within the last three years. If longer you should discuss the position with HEFCE in your pre-application discussion and agree what action might be needed.
6. HEFCE will also ask QAA if there is anything else known about you that could be relevant to their assessment of your application, including but not limited to, information from QAA's annual quality monitoring visits for alternative providers, any post-HER action plan agreed for HEFCE funded applicants and information on whether QAA has undertaken its concerns procedure in the preceding three years.

7. If you are being investigated under QAA's concerns procedure your application for university title or university college title cannot proceed until the outcome of the investigation is known. This may have a bearing on the outcome of your application.
8. You should also include in your application details and the outcome of any complaints made to the Office of the Independent Adjudicator in the preceding three years.
9. Consideration will also be given to your academic performance and track record. As such, in its assessment of your quality and academic standards HEFCE will take into account data on your student retention and completion. Where appropriate data from HESA will be examined as well as any other available information on your student retention and completion, for example, data from the Student Loans Company or information from QAA's annual quality monitoring visits for alternative providers. If you do not contribute data to HESA, or you believe that the available information may be incomplete, you should include with your application internal data on your student retention and completion. This should be verified by either the validating partners or an independent assessor.
10. You can, where you feel it appropriate, provide any additional information on your academic standards, quality of learning and teaching or academic performance with your application.
11. HEFCE will also take into account any other relevant known information that could impact on its assessment against this criterion.

Financial sustainability

12. You need to demonstrate that you are financially viable and sustainable with a low risk of failure on financial grounds over the medium to long term. This should give students reasonable confidence that they will not be at risk of not being able to complete their course as a result of financial failure.
13. As appropriate the assessment of financial sustainability may take in to account the financial arrangements of any group structure (including any subsidiary and parent holding companies) or linked organisation where it is considered relevant to your financial sustainability. You should therefore set out clearly in your application the details of any such structure, companies or linked organisations.
14. Applicants with courses specifically designated for student support purposes will already be known to HEFCE and information submitted and checks that have already been undertaken will be taken into account. In recognition of this, you should discuss the evidence requirements in this area with HEFCE before submitting your application. Similarly applicants in the HEFCE funded sector will also be known and should therefore also discuss with HEFCE the evidence requirements to demonstrate this criterion.
15. You must demonstrate:

- a track record of financial performance as evidenced by the annual reports and externally audited financial statements for the three years prior to the application¹⁰. The accounts must be audited each year by a registered auditor¹¹. This must not be the same firm and/or individual that prepared the accounts to ensure that BIS can have full confidence in the audit¹². The basis of the accounts and forecasts will be Generally Accepted Accounting Practice in the UK (UK GAAP) (or successor requirements) or International Financial Reporting Standards (IFRS) if appropriate. You must be able to demonstrate that you:
 - have adequate cash flow to remain solvent i.e. you have sufficient liquidity to pay your debts as they fall due; and
 - have an adequate balance sheet i.e. maintain a net total assets position and not incur deficits if these would result in a net total liabilities position.
- that you have a financial strategy that reflects your overall strategic plan, 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 you assess and review your own sustainability. You should submit as part of your evidence your business plan and full financial forecasts for the current year and future three years. The evidence should include a commentary on the assumptions being made and how any financial risks are being managed.

16. In order to assess the full financial position and performance the application must also cover all other relevant contextual information.

17. Financial tables and a template for the commentary are available from HEFCE.

18. As far as possible reliance will be placed on financial data and information that you have produced to meet your own needs, however, it may sometimes be necessary to request additional financial details in order to consider fully the issues identified above.

19. The assessment of your financial performance and sustainability will not be used in isolation to determine whether you meet this criterion. The financial sustainability assessment will be an overall judgement that also takes into account the context of your financial position including from your strategic or business plan.

¹⁰ In cases where the latest financial statements have been prepared but not yet audited and signed off, these should be submitted as part of the evidence on an in-confidence basis. It is important that the financial assessment is based on the latest financial information available. The final audited accounts should be submitted as soon as signed off.

¹¹ The register of statutory auditors can be found at: <http://www.auditregister.org.uk/Forms/Default.aspx>. It is the provider's responsibility to ensure that the audit firm and the auditor signing off the audit opinion are listed on the register.

¹² Where the provider's own finance team provides all book-keeping services and the auditor simply translates the trial balance produced by the provider into the statutory format of the accounts, it is acceptable for the same firm to provide these services.

Management

20. You need to demonstrate that you are well managed with sound management practice in place and the capacity to develop in line with your strategic plans and the financial strategy that supports those plans.

21. You must demonstrate that you:

- plan and manage your activities to remain sustainable and viable;
- have robust and comprehensive systems of risk management and internal control or the capacity to develop such systems as a university or university college;
- have effective arrangements for the management and quality assurance of data used for internal decision making or the capacity to develop such arrangements as a university or university college; and
- have regular, reliable, timely and adequate information to monitor operational and financial performance.

Corporate governance

22. You need to demonstrate that you are well governed and comply with accepted principles of good governance.

HEFCE funded applicants

23. All HEIs in receipt of HEFCE grant funding must have regard to the principles (adapted as appropriate to each HEI's character) of [The Higher Education Code of Governance](#) published by the Committee of University Chairs (December 2014). This requires that governing bodies **must** conduct a regular, full and robust review of their effectiveness and that of their committees, the starting point for which should be an assessment against the Code and the statutory responsibilities alongside those which it has assumed and articulated independently, for example through a statement of primary responsibilities. HEIs are also required to report on a 'comply or explain' basis in the annual corporate governance statement in their audited financial statements.

Non-HEFCE funded applicants

24. It is assumed that an applicant for university title or university college title is either required or has decided to comply with a particular code of practice on governance, most of which require periodic evaluation of continuing compliance. You should therefore evidence compliance by submitting the report of your most recent evaluation against the principles of the particular code, supplemented by your statement of corporate governance as published in your annual financial statements. If more than three years has elapsed since the last evaluation you must update this in the context of your application for university title or university college title.

25. Where you do not adhere to a particular code, perhaps by virtue of your size or sector, you will need to commission a full evaluation on a 'comply or explain' basis¹³ against the accepted principles of good governance described in a code of practice appropriate to your business¹⁴. You should consult HEFCE prior to commissioning your evaluation to discuss and agree the appropriate code to use for this purpose. This should be carried out by an independent assessor with appropriate expertise.

All applicants

26. In addition you must demonstrate that you:

- comply with the statutory requirements relating to external audit; and
- are owned, managed and run by 'fit and proper persons' by providing:
 - a. evidence of your organisation's identity and that of key individuals (for example, the Principal, directors, shareholders, trustees); and
 - b. evidence that your directors (if a company) or trustees (if a charity) are eligible to act and have not been disqualified from acting as directors or trustees.

27. Where you are, or expect to be, a charity you will need to take account of guidance on the responsibilities of trustees and effective trusteeship to be found the [Charity Commission](#) website.

Student numbers criterion

28. For the purposes of this criterion the full-time equivalent number should be calculated in accordance with paragraphs 1 – 3, but not paragraph 5, of Schedule 9 of the Education Reform Act 1988. It should:

- include international students and non-HEFCE funded students;

¹³ If a good governance characteristic appears not to be valid in a particular setting the applicant organisation should explain why either it hasn't been adopted or an alternative has been sought.

¹⁴ This is not intended to be an exhaustive list and applicants may wish to refer to other sources of information in their evaluation of their corporate governance. Examples include:

- The '[Higher Education Code of Governance](#)' published by the Committee of University Chairs
- '[Good Governance': A Code for the Voluntary and Community Sector](#)' developed by the sector for the sector.
- The 'UK Corporate Governance Code' developed by the Financial Reporting Council.
- The 'Corporate Governance Guidance and Principles for Unlisted Companies in the UK' developed by the Institute of Directors and ecoDa. This is a voluntary code and draws on existing national and international corporate governance codes and the experience of good governance in individual unlisted enterprises.

- include all distance learning students enrolled with the institution in England whose ordinary place of residence is in a country or territory other than England;
- exclude students studying at campuses outside the UK;
- for the purpose of calculating *'the total number of full-time equivalent students'*, include students studying at all educational levels.

HEFCE funded applicants

29. For HEFCE funded providers HEFCE will base its assessment on information from HESA. You do not, therefore, need to submit any additional information with your application unless requested to do so by HEFCE at any time.

Non-HEFCE funded applicants

30. Your application should clearly set out the detailed calculation used to determine and verify the student numbers including the analysis of the base data from which the eligible full-time equivalent student numbers are calculated. It should:

- clearly set out the detailed calculation used to verify the student numbers and include the base data;
- explain the testing that was done to verify the figures;
- explain the assumptions in the calculation and the basis on which higher education students have been identified; and
- provide a clear statement of the student numbers position against the various elements of the student numbers criterion.

Additional information

31. In addition to the above evidence and information it is important that your application includes details and evidence of any issues that you are aware of in the short to medium term that might affect your student numbers or good governance as set out above, whether or not still subject to decision.

Annex B: Guidance for Non-HEFCE funded organisation on preparing applications for University Title and University College Title

1. Non-HEFCE funded organisations wishing to apply for university title or university college title are required to commission their own report(s) and at their own expense to provide the assurances on student numbers and good governance as part of a self-certification process.
2. The report(s) should be commissioned from either your own external auditors or an independent consultant with the appropriate expertise to provide the necessary assurances, whichever is most appropriate for you. **You should consult HEFCE on which would be the most appropriate in your particular circumstances.**
3. The report(s) should be addressed to your Board and must confirm explicitly that it may be used for the purpose of considering, providing advice and taking a decision on, the application by:
 - the Privy Council;
 - BIS/the Secretary of State;
 - HEFCE;
 - Quality Assurance Agency (QAA); and
 - the Charity Commission where the university or university college is, or expects to be, a registered charity.
4. The report is central to the self-certification process and should rigorously assess all the issues set out in this guidance. Those bodies listed above must be able to rely on the information provided in the report (and any subsequent evidence that may be requested) when considering and providing advice on the application.
5. Failure to provide all of the information required could result in delay or the application being unsuccessful.
6. Where the university or university college is, or expects to be, a registered charity, the change in status may affect the original charity. It is therefore expected that you will have taken specialist legal advice on any charity law implications and to have sought advice from the Charity Commission before committing to any changes. This advice should be included in the application.

Annex C: Consulting on a preferred name

1. As part of your application for university title or university college title you must provide evidence that the name you have selected is not likely to be confusing.
2. You are therefore expected to have:
 - consulted stakeholders on the title you propose and to submit details of this consultation as part of your application; and
 - consulted the [HEFCE Register of HE Providers](#) to check that your new name is not similar to any other regulated provider.
3. The evidence submitted should include:
 - the consultation letter;
 - details of the number and names of consultees and details of the rationale for the selection of the particular organisations consulted; and
 - copies of all responses (including any relevant correspondence).
4. The number and type of organisations consulted is for you to decide but it would be expected to cover:
 - a representative sample of different types and sizes of universities and university colleges, including internationally if appropriate;
 - an appropriate regional spread including any with the same or similar geographic descriptor or based in the same geographic area;
 - if the proposed name is based on subject rather than geographic descriptor, institutions specialising in similar subjects or with similar subject descriptors;
 - institutions (whether universities or not) with similar titles to the one proposed;
 - professional organisations with a possible interest;
 - any other local, regional or other bodies with similar names to that proposed (for example local councils, further education colleges, university centres, schools or local businesses);
 - the local emergency services; and
 - the Charity Commission (NB only if the applicant and/or the new university/university college is/is expecting to be a registered or exempt charity).

5. In addition, Universities UK (UUK) have asked to be included as a consultee in any such consultation. You should contact William.Hammonds@universitiesuk.ac.uk
6. You do not need to include QAA in the consultation as QAA already has a role in the process.
7. There is no prescribed form for the consultation letter but it should include the following:
 - some information on the provider's background. This could include: information on how long you have held degree awarding powers; your subscription to QAA and the outcome of any institutional reviews or concern investigations; details about your educational provision;
 - some background information about your decision to apply for university title or university college title and the reasons for choosing the name you have selected;
 - some information about the requirement to consult on your preferred name. The following provides suggested template wording:

“As part of the process for applying for university title/university college title we are required to consult on our chosen name in order to ensure that it is not likely to be confusing. I am therefore writing to share with you our intentions and to invite views on the name we propose. If you wish to respond, I should be grateful for any comments by xxx”
8. The consultation period should allow a reasonable deadline – normally not less than a month – for considered responses.
9. If you have any questions on this or more detailed advice is required on how to conduct the consultation please contact:

Iain Adlington
Higher Education Governance Team
Department for Business, Innovation and Skills
Abbey 2
1 Victoria Street
London SW1H 0ET
iain.adlington@bis.gsi.gov.uk



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