



Direct funding: Guidance for applying for entry in 2017-18

Guidance on how to apply to be funded directly by HEFCE

This document provides information on the application process for English publicly funded colleges seeking to become directly funded by HEFCE for the academic year 2017-18.



English publicly funded colleges wishing to enter a direct funding relationship with HEFCE for the 2017-18 academic year must apply via the extranet by **noon on Friday 28 October 2016**.

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To Heads of publicly funded further education colleges and sixth form colleges not currently funded directly by HEFCE

Of interest to those responsible for Senior management, Student recruitment, Planning, Finance

Reference 2016/25

Publication date July 2016

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Executive summary

Purpose

1. This document provides information on the application process for publicly funded colleges in England seeking to become directly funded by HEFCE from the academic year 2017-18.

Key points

2. This is an application process for English publicly funded colleges that wish to receive funding directly from HEFCE to support their higher education courses. When a college becomes directly funded by HEFCE its eligible students are able to access tuition fee loans and support from the Student Loans Company.

3. This process is open only to English institutions in the further education sector and to schools and colleges maintained or assisted by a local education authority. It is not open to any other provider of higher education.

4. The process is a gateway into the higher education system as set out in paragraphs 61 to 69 of HEFCE's 'Revised operating model for quality assessment' (HEFCE 2016/03, available at www.hefce.ac.uk/pubs/year/2016/201603/). Providers will be tested against the following components of the baseline regulatory requirements.

Element of baseline regulatory requirements	Focus
a. The framework for higher education qualifications	The academic standard set for, and achieved by, the provider's students. (Those providers with degree awarding powers will be expected to set and maintain standards effectively. Those without degree awarding powers will be expected to maintain the standards set by a validating partner.)
b. The Expectations of the UK Quality Code for Higher Education	The reference points that address quality management; provider's approach to learning, teaching and assessment; programme approval and review, and so on. The Quality Assurance Agency for Higher

	Education (QAA) is interested in how it has been adopted within the specific context and mission of the provider's higher education provision.
c. The relevant code of governance (such as the Higher Education Code of Governance published by the Committee of University Chairs or the Association of Colleges' Code of Good Governance)	Those elements of the Code that ensure that the governing body has effective oversight of academic governance for its higher education provision. As with the Quality Code, QAA is interested in how it has been adopted within the specific context and mission of the provider's higher education provision.
d. Expectations of consumer law as expressed through the Competition and Markets Authority guidance	Provider's arrangements to ensure that students receive clear, accurate and timely information, that terms and conditions are fair, and that complaint handling processes are accessible, clear and fair.
e. Student protection measures as expressed through the Office of the Independent Adjudicator's good practice framework and HEFCE's Statement of Good Practice on higher education course changes and closures	In particular, how the provider has applied the guidance within the context of its higher education provision.
f. Financial sustainability, management and governance	The provider will need to be financially sustainable and have appropriate management and governance arrangements.
g. Mission and strategy for higher education provision	The provider will need to demonstrate a long term strategic commitment to higher education and demonstrate how its higher education provision will be distinctive, enhance the sector, or be a positive benefit to the local economy.

5. Elements a to e will be tested during a quality review visit carried out on HEFCE's behalf by the QAA. HEFCE will test elements f and g.

6. In addition we will need to confirm that the provider will be able to maintain a funding relationship with HEFCE. We will do this by assessing the following information:

- the eligibility of its courses
- the expected demand from students for its courses.

7. Becoming directly funded by HEFCE places a number of regulatory requirements on providers. They will need to consider carefully their ability to meet these before deciding whether to submit an application.

8. The application process is rigorous and thorough, and formal notification of outcomes can be expected from April 2017. Colleges whose applications are unsuccessful will have the opportunity to appeal; full guidance on appeals will be provided in our outcome letters.

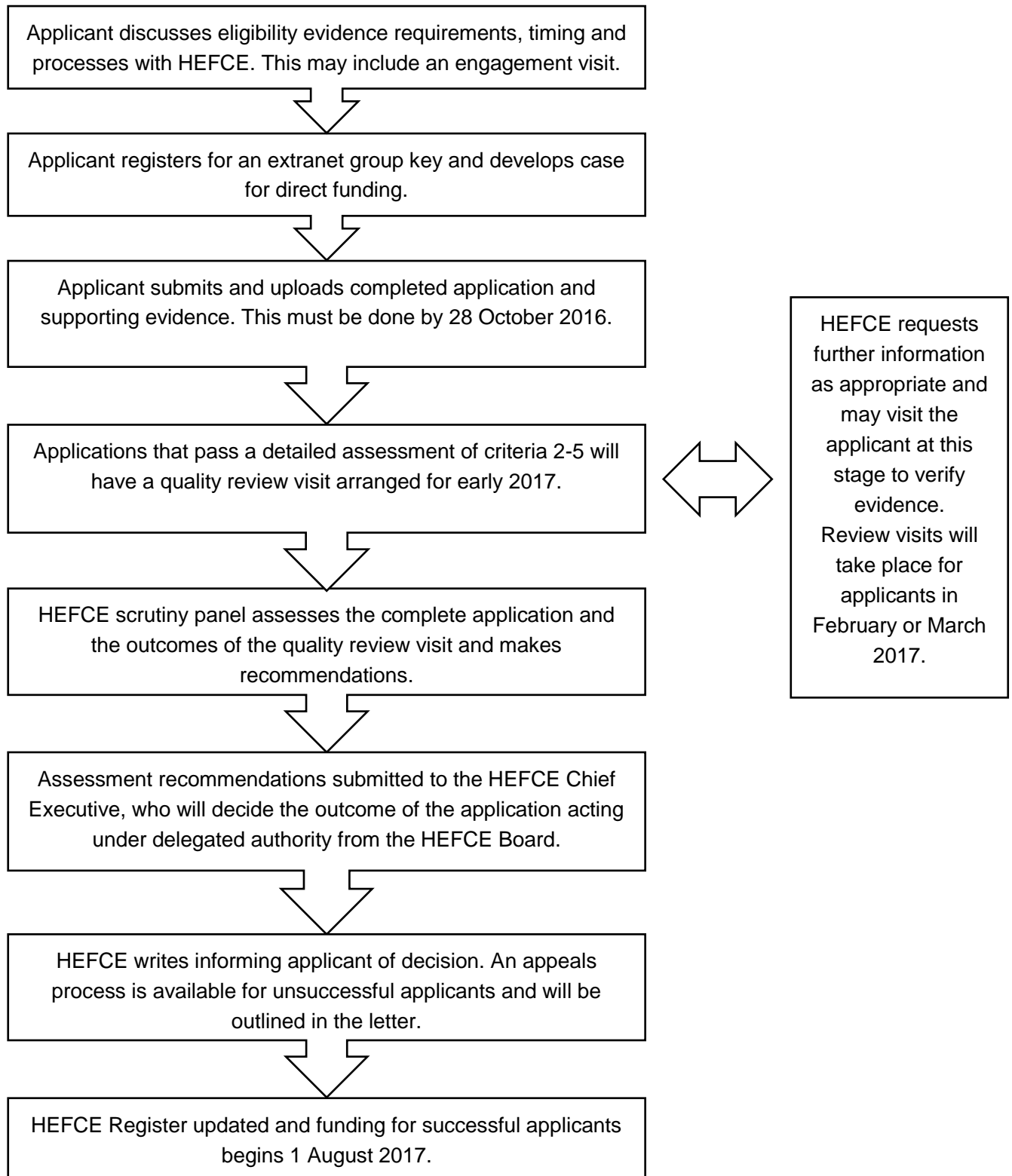
Action required

9. This process only affects colleges not currently in a direct funding relationship with HEFCE.

10. If your provider wishes to become directly funded by HEFCE from the 2017-18 academic year you should read this document, including annexes, then complete the application form and summary of demand table provided when registering for the group key to the HEFCE extranet.

11. To ensure that your application is guaranteed consideration for funding in the 2017-18 academic year, please submit **by noon on Friday 28 October 2016**.

Overview of the application process



Section 1: Who is eligible to apply for HEFCE funding?

12. We can provide direct funding to publicly funded colleges that deliver higher education (HE) courses. We are empowered to fund HE courses at English publicly funded colleges, or institutions maintained or assisted by a local education authority (as set out in the Further and Higher Education Act 1992).

13. We can only fund specific HE courses, known as 'prescribed courses', which are set out in legislation. A full list of courses we fund in colleges can be found at Annex A. For queries relating to eligible courses please contact tel. 0117 931 7141, email directfunding@hefce.ac.uk.

14. We are not able to fund:

- academies
- free schools
- alternative providers of higher education
- publicly funded colleges whose principal activities take place outside England.

Section 2: Before making an application

15. If you are considering making an application for direct funding you should contact us as soon as possible to discuss eligibility, evidence requirements, likely timescales and for advice on how to proceed.

16. The application process is rigorous and thorough, and formal notification of outcomes can be expected from April 2017. Please see Annex B for further details of timescales.

Section 3: Criteria

17. In addition to meeting the eligibility requirements, you must meet all of the baseline regulatory requirements, and demonstrate that you will be able to maintain a funding relationship with HEFCE.

Criterion 1: The baseline regulatory requirements tested during the quality review visit

18. You will be required to have a satisfactory outcome from a quality review visit by the Quality Assurance Agency for Higher Education (QAA). This will scrutinise your ability to meet those elements of the baseline regulatory requirements identified in paragraph 4 that relate directly to the quality of the student academic experience and to the safeguarding of degree standards.

Criterion 2: HEFCE's financial sustainability, management and governance requirements

19. You must be financially sustainable.

20. You must demonstrate that you have appropriate management and governance arrangements in place and that you have the capacity to meet the requirements of being funded by HEFCE.

Criterion 3: The provider's mission and strategy for its higher education provision

21. You will be required to demonstrate that you have a long term strategic commitment to higher education.
22. You will be required to demonstrate how your HE provision will be distinctive, enhance the sector, or be a positive benefit to the local economy.

Criterion 4: Course eligibility

23. You will need to demonstrate that you are able to deliver at least one HEFCE-fundable course.

Criterion 5: Demand

24. You will be required to evidence strong demand from students and a good student recruitment record.
25. Annex C provides information on the evidence required to demonstrate the criteria above.

Section 4: Submitting an application

How to apply

26. Applications should be submitted by **noon on Friday 28 October 2016** in order to be guaranteed consideration for the 2017-18 academic year.
27. You are responsible for ensuring that your application is complete, and that all requested information is provided. **Incomplete applications will not be assessed.**
28. Applications and supporting evidence should be submitted via the HEFCE extranet (<https://data.hefce.ac.uk/>). To access our extranet facility, you will need to apply for an extranet 'group key' by contacting directfunding@hefce.ac.uk and providing your legal name and UK provider reference number (UKPRN) and address. You can find your UKPRN at www.ukrlp.co.uk. When registering for a group key we will issue you with an application template and summary of demand table to complete and upload to the extranet as part of the application process.
29. If you are considering charging tuition fees beyond the basic fee level, you will need to contact the Office for Fair Access (OFFA) prior to completing an application. Further information is given in Section 7.

Completing the application template

30. You should complete all sections of the template as described below.
31. **Section 1:** You should provide the details of the college's accountable officer. The accountable officer for HEFCE funding purposes is the same as the accounting officer for Skills Funding Agency (SFA) or Education Funding Agency (EFA) purposes. Generally, we expect this should be the chief executive and principal of the organisation. You should also provide details of a point of contact for queries during the assessment process. This person should be available throughout the process and should be able to co-ordinate queries relating to the application and supporting evidence.

32. **Section 2:** You will be required to confirm that you will undergo a QAA quality review visit in February or March 2017.
33. **Section 3:** You must submit details of all the prescribed HE courses that the college expects to run, including when you expect these courses to begin.
34. **Section 4:** You must explain how you meet the criteria in this guidance by addressing each one. You must provide separate documents as evidence in support of your explanation.
35. **Section 5:** Your accountable officer and chair of the board of governors must sign the declaration included in this section. You should consider seriously whether you are able to meet the requirements listed.

How to upload the application documents

Go to <https://data.hefce.ac.uk/>.

Log in or register

If accessing the extranet for the first time you will need to register, as follows:

- a. Follow the 'Register now' button on the login page.
- b. Enter your name and email address and choose a password (at least eight characters, containing both mixed-case letters and numbers).
- c. Enter the group key received from HEFCE.
- d. Click the 'Register' button.
- e. You will be informed whether registration was successful. If so, click 'Continue' to navigate back to the login page.
- f. Log in using the registered email address and password.

Once registered and logged in, you should be able to see the link to 'Direct funding: Applying for entry in 2017-18'.

You will need to go into the survey and click the 'upload' button, where you will be able to upload a 'zip' file containing all of your application documents.

Section 5: Assessment of application

36. On receipt of the completed application template, summary of demand table and supporting evidence, we will begin our assessment.
37. If there is an omission, we will notify you and you will have 10 working days to supply the missing information. If you are unable to do so, we will deem the application incomplete and reject it.
38. If we have queries relating to any part of your application during the assessment process, we will contact you. You will have five working days in which to respond. We will remind you if you do not respond and allow a further five working days.
39. We will undertake a detailed assessment of the evidence against Criteria 2 to 5 set out in Section 3 (further information is available in Annex C). We reserve the right to visit applicants to verify your evidence.

40. We will assess Criteria 2 to 5 by early December 2016 and, if you have met them, we will ask QAA to undertake a quality review visit which will take place in February 2017. We will notify you that we have done this and QAA will assign a handling officer who will make necessary arrangements with you.

41. We will seek assurance from the SFA or EFA to satisfy the financial sustainability element of Criterion 2. You must have a rating of at least 'satisfactory' to meet this criterion.

42. All applicants for direct funding must also be judged to meet those elements of the baseline regulatory requirements tested during a quality review visit for Criterion 1. This criterion will be assessed in a quality review visit by the QAA following successful assessment against Criteria 2 to 5. If you are in sub-contractual (or franchise) arrangements, we will check whether you are subject to any investigations under the 'Unsatisfactory Quality Scheme' operated by HEFCE or whether you have an unresolved QAA concerns investigation.

43. The assessment of your application will be considered by a scrutiny group consisting of senior HEFCE staff, which will make recommendations to the HEFCE Chief Executive. The Chief Executive, acting under authority delegated from the HEFCE Board, will make the decision on whether you have met the criteria and whether you should become directly funded.

Section 6: Notification of decision and next steps

Successful application

44. We will notify you of the HEFCE Chief Executive's decision. The outcome will be one of three judgements as to whether you meet the criteria:

a. **Meets requirements:** You may enter the HEFCE-funded higher education sector. You will enter a period of enhanced scrutiny and undergo Annual Provider Review¹ in subsequent years with a further quality review visit after four years.

b. **Meets requirements with conditions:** You may enter the HEFCE-funded higher education sector, but with an action plan to address areas of immediate concern. You will enter a period of enhanced scrutiny and undergo Annual Provider Review in subsequent years with a further quality review visit after four years.

c. **Unsatisfactory:** You may not enter the HEFCE-funded higher education sector.

45. Successful colleges will appear on the HEFCE Register of HE providers, with a note indicating the academic year in which their funding will begin. We will also contact the Student Loans Company to confirm that these colleges will be HEFCE-funded and thereby designated for student support.

Unsuccessful application

46. If your application is unsuccessful, we will notify you setting out the reasons for the decision.

47. There will be an opportunity to appeal. Your representations will be considered by a HEFCE appeals panel, which will uphold or decline them. We will notify you formally of the

¹ See paragraphs 92-98 in HEFCE 2016/03.

outcome by letter. Our appeals process will be carried out by HEFCE staff who were not involved in the original assessment, and the decision will involve a Board member. We will provide full guidance on appeals in our outcome letters.

48. Unsuccessful applicants can reapply for direct funding in the following academic year.

Section 7: Rights and obligations on being approved to receive HEFCE direct funding

Eligibility for HEFCE direct funding

49. Funding is on an academic year basis and normally begins on 1 August following approval of an application.

50. You will be required to provide data on forecast numbers of HE students by completing a 2017-18 forecast table for funding purposes. This table will be made available to applicants in November and will need to be completed and returned to HEFCE no later than 1 December 2016, whilst the application assessment procedure is still in process.

Designation for student support

51. If your application is successful, all eligible HE courses will be automatically designated under the Education (Student Support) Regulations 2011. This means that eligible students on these courses will be able to apply for student loan support. Further information can be found on the Student Loans Company HE partners web pages (<http://heinfo.slc.co.uk>).

Conditions of HEFCE funding

52. Colleges that are directly funded must sign a funding agreement and return it to HEFCE. Further information on funding agreements can be found in the following link under 'July 2016 announcement': www.hefce.ac.uk/funding/annalocns/1617/institutions/.

53. Colleges in receipt of HEFCE funding are expected to demonstrate how they are accountable for their access to the publicly subsidised student support system. This is done through the voluntary agreement on institutional designation (www.hefce.ac.uk/reg/agreement/), which is signed by representative bodies on behalf of individual colleges. If you are not a member of a representative body (Universities UK, GuildHE or the Association of Colleges), you will need to sign the agreement yourself.

54. The agreement on institutional designation details the accountability requirements that colleges will need to understand and follow. The agreement also includes processes to address situations where colleges do not comply with the accountability requirements.

Continue to meet the quality assessment requirements

55. Colleges in receipt of HEFCE funding must meet the requirements set out in the revised operating model for quality assessment. Successful applicants will enter a developmental period, which will last for four years in the first instance. During this period your provider will address the areas for development identified when it first entered the sector and will undergo the Annual Provider Review. At the end of the four-year period, you will receive a further quality review visit to re-test the quality aspects of the baseline regulatory requirements. Evidence from the quality review visit and the evidence collected through successive Annual Provider Reviews will be used

to reach a judgement about your readiness to move into a category for providers requiring less intensive scrutiny.

OFFA and access agreements

56. Most fees for HE courses at colleges in receipt of HEFCE funding are regulated. Guidance on fee regulations is available at www.hefce.ac.uk/funding/fees/. Regulated fee limits for 2016-17 are the same as those shown in the guidance for 2014-15, but the Government has recently announced plans to increase limits for 2017-18 (see www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-07-21/HCWS117/). Where fee limits apply, you may only set fees above the basic level if you have an access agreement with the Director of Fair Access to HE. Access agreements set out how a provider intends to safeguard and promote fair access to HE through its outreach work and financial support. Further information can be found at <https://www.offa.org.uk/universities-and-colleges/introducing-access-agreements/>.

57. If you are interested in obtaining an access agreement you may therefore wish to engage with OFFA prior to submitting an application if you would like the agreement to be effective upon, or shortly after, designation.

Office of the Independent Adjudicator (OIA)

58. All colleges whose HE courses are eligible for student support are required to subscribe to the Office of the Independent Adjudicator for HE, the independent body set up to review student complaints. Therefore all successful direct funding applicants must subscribe to the OIA.

Subsequent change of legal status, delivery model, control or ownership

59. As an institution receiving HEFCE funding, if at any point you are considering changing your legal status, delivery model, control or ownership (including through a merger) you should contact HEFCE as soon as possible to discuss the regulatory and funding implications.

Data obligations

60. Colleges that receive HEFCE funding are required to complete a number of annual data returns. These include:

- completing the Higher Education in Further Education: Students survey (HEIFES)
- providing information for the Key Information Set (KIS), National Student Survey (NSS) and the Destination of Leavers from Higher Education (DLHE).

Further information on these conditions of direct funding can be found at www.hefce.ac.uk/workprovide/hefe/case/ and www.hefce.ac.uk/news/Events/Name,104360,en.html.

Annex A: Prescribed courses of higher education

1. HEFCE is currently empowered to fund only some higher education qualifications in colleges, referred to as 'prescribed courses'.
2. Prescribed higher education courses are those where, on successful completion of the course, the student is awarded one of the following qualifications by a **relevant recognised body**:
 - higher degree, including PhD, MPhil, MSc, MA, MBA
 - postgraduate diploma
 - postgraduate initial teacher training qualification, such as a Postgraduate or Professional Graduate Certificate in Education (PGCE)
 - first degree, including foundation degree, BSc, BA, BEd
 - foundation degree bridging course, where these are integrated into the final years of a first degree
 - Higher National Diploma (HND)
 - Diploma of Higher Education (DipHE)
 - Higher National Certificate (HNC)
 - a Diploma in Teaching in the Lifelong Learning Sector (DTLLS) or a Level 5 120-credit-point Diploma in Education and Training
 - Certificate in Education (CertEd).
3. Relevant recognised bodies are:
 - any UK institution with the power to award degrees
 - for foundation degrees (but not foundation degree bridging courses), any further education or sixth form college in England with the power to award such degrees
 - for HNDs and HNCs, Pearson Education Ltd and the Scottish Qualifications Authority.
4. HEFCE cannot provide funding for individual HE modules at colleges. For further information, see 'Higher education in further education colleges: HEFCE's funding powers' (HEFCE Circular letter 22/2008, http://webarchive.nationalarchives.gov.uk/20101112203932/http://hefce.ac.uk/pubs/circlets/2008/cl22_08/).

Annex B: Key dates for colleges seeking direct funding to begin in the 2017-18 academic year

Date	Action
September 2016	Quality Assurance Agency for Higher Education (QAA) will publish for consultation a draft handbook that sets out in detail the approach to quality review visits.
28 October 2016	Final date for direct funding applications to be submitted in order to be guaranteed consideration for the 2017-18 academic year.
November 2016	QAA expected to publish final quality review visit handbook. You will be issued with a 2017-18 forecast table for funding purposes.
1 December 2016	You will need to submit your completed 2017-18 forecast table for funding purposes by 1 December 2016.
December 2016	HEFCE will advise you on the outcomes of assessment against all direct funding criteria except Criterion 1 . If you have met those criteria, we will ask QAA to undertake a quality review visit.
December 2016	QAA to brief providers on review visit requirements.
January 2017	Data verification of forecast numbers completed.
February – March 2017	Quality review visit will take place.
March 2017	Provisional funding allocations for 2017-18 published by HEFCE. This may include details for providers who have been initially approved in December.
March – April 2017	Final quality review visit reports and outcomes will be provided to HEFCE by the QAA approximately five weeks after the review visit has occurred. A decision on a direct funding application cannot be confirmed until we have the final outcome of the quality review visit.
April 2017	HEFCE will issue final outcomes on direct funding applications. QAA reports published.
July 2017	Funding agreements will be issued by the end of the month.
August 2017	HEFCE funding begins for successful direct funding applicants.

Annex C: Evidence required to demonstrate criteria

Criterion 1: The baseline regulatory requirements tested during the quality review visit

1. All applicants for direct funding must have been judged to meet those elements of the baseline regulatory requirements which relate directly to the quality of the student academic experience and to the reliability of degree standards.
2. These requirements are set out in paragraph 4 of the main document.
3. The quality review visit will scrutinise your ability to meet these elements of the baseline regulatory requirements. It will determine your readiness to enter the higher education sector and deliver a high-quality academic experience, even if you do not have prior experience of delivering higher education. You must have achieved a satisfactory outcome from your quality review visit to be judged to meet this criterion.
4. When we ask the Quality Assurance Agency for Higher Education (QAA) to arrange a quality review visit, you will be allocated a QAA handling officer. You should engage with this officer at an early stage in order to prepare for the requirements of the review. The QAA will be publishing a final quality review visit handbook in November 2016.
5. Further information on having a quality review visit can be found by contacting directfunding@hefce.ac.uk.

Criterion 2: HEFCE's financial sustainability, management and governance requirements

6. To meet this criterion you will need to be financially sustainable and will need to have appropriate management and governance arrangements to support a funding relationship with HEFCE.
7. You are not required to submit additional evidence to support the financial sustainability element of this criterion. Instead we will seek assurances from your lead assurer, either the Skills Funding Agency or the Education Funding Agency, that your financial sustainability is rated as 'satisfactory' or better and that no known material issues relating to this criterion exist. Where material issues are reported, we are likely to reject an application.
8. You are required to sign a declaration that you have the capacity to meet the requirements of being HEFCE-funded as part of your application. This must be signed by the principal (or equivalent) and the chair of governors (or equivalent). The declaration is included as part of the application form. For information on the requirements that will apply to a directly funded provider, see Section 7 of this guidance and the 'Conditions of direct funding' page on the HEFCE website (www.hefce.ac.uk/workprovide/hefe/fund/conditions/).

Criterion 3: the provider's mission and strategy for its higher education provision

9. You should submit your current higher education (HE) strategy. We will expect this to set out:
 - the vision for HE in the college
 - how HE is integrated into wider strategic planning for the college.

10. If your HE strategy does not address this, or there is no dedicated HE strategy, you should include an explanation of how you can meet this criterion in your application and should ensure this covers the points above.

11. Ways in which you could meet this criterion may include (but are not limited to):

Ways this criterion may be 'met'	Reasons this criterion may be judged to be 'not met'
<ul style="list-style-type: none"> • Indicators of successful implementation of an HE strategy. • Clearly demonstrating how the strategy is integrated into the college's wider corporate planning. • A clear sense of the HE mission (to complement the distinctiveness and enhancement sub-criterion). • A clear outline of short and long term objectives. • A clear indication of resources available. • Applicants without a HE strategy should cover the above points in their explanation of how they meet this criterion. 	<ul style="list-style-type: none"> • You do not have a HE strategy and do not provide the required level of information in the application. • The strategy and supporting commentary do not show adequate evidence of strategy implementation, resources, governance or objectives.

12. You should also provide commentary on how your provision will be distinctive, enhance the higher education sector, or be a positive benefit to the local economy. You can determine the format of your commentary; we would advise that it should be approximately 500 words in length.

13. You do not have to demonstrate that you make a contribution to all of the areas in the following table, but you should meet at least one.

14. Ways in which you could meet this criterion may include (but are not limited to):

Ways this criterion may be 'met'	Reasons this criterion may be judged to be 'not met'
<ul style="list-style-type: none"> • Addressing a higher education 'cold spot' (an area where there is little higher education on offer). • Offering provision which is otherwise not available locally, regionally or nationally. • Offering a model of delivery that provides students with a choice of study not available locally or regionally. • Offering higher or degree apprenticeships. • Offering HE provision that meets the priorities of local enterprise partnerships. • Recruiting students from low-participation areas. • Making other contributions to the distinctiveness of higher education. • Making other contributions to the enhancement of higher education • Making other contributions to the local economy. • Evidence of commendable provision. 	<ul style="list-style-type: none"> • You have not demonstrated that you offer provision that is distinctive, enhances the sector, or contributes to the local economy. • HEFCE has verified evidence that refutes claims made by you in support of this criterion.

Criterion 4: Course eligibility

15. You will need to provide a description of the courses you intend to run and evidence of approval from your awarding or validating body. If you have not received approval for a course, you will need to provide information on how you will have this in time for the start of the academic year in which you intend the provision to begin.

16. There must be a legally binding validation agreement between the awarding body and the college, setting out the conditions of the agreement. Subsequently, after a college has been approved to receive direct funding the following conditions apply:

- the courses are registered with the Student Loans Company (SLC) higher education institution Course Management Service in the name of the college so that the fee loan is paid directly to the college
- each student on the course is registered as a student of the college and is returned in data submissions by the college.

17. If you have approval for a course, you will need to provide either copies of the relevant collaborative and approval agreements from a UK higher education institution with degree awarding powers, or (for higher national qualifications only) a centre approval letter and certificate from Pearson or the Scottish Qualifications Authority.

18. Where you have not yet been approved for a course you need to confirm:

- the courses that you have applied to have approved by the awarding body
- the current approval process position
- the timescales for completing course approval
- the academic year in which the awarding body will approve the course to begin.

19. If successful, you will be required to complete a data return on all the HE courses that you intend to run for the next academic year. This will include returning forecast data on expected HE student numbers. This will be used to inform funding allocations.

If you receive indirect funding for HE courses under sub-contractual arrangements you may choose to continue to deliver these. You will need to ensure your validation contracts are amended to reflect the outcomes of your application for direct funding.

Criterion 5: Demand

20. You will be required to complete a 'Summary of demand' table outlining your planned HE courses. This will include details of the courses you intend to run, forecast of total student numbers and what your minimum viable number of students are, and whether validating or awarding body approvals are in place or in progress.

21. You should use the application form to provide details of the market analysis and any other research you have undertaken to establish demand for the proposed courses, and should explicitly state how this supports the numbers in the 'Summary of demand' table. If you have current sub-contractual provision you should include details of current and historical recruitment that may support the case for demand and details of what will happen to this provision. We are looking for you to provide a range of evidence that establishes that sufficient demand exists for the HE offer you are planning to make.

22. If you are forecasting fewer than 100 full-time equivalent students², you should provide an explanation as to how your intended scale of provision is sustainable. You should clarify what the minimum number of students would be for your course to be viable and the recruitment strategies you intend to implement. Please note we will also use Higher Education Statistics Agency (HESA) data, where available, to verify this information.

² For clarification on definition of full-time equivalent students, see Annex E of 'HEIFES15: Higher Education in Further Education: Students Survey 2015-16' (HEFCE 2015/20, www.hefce.ac.uk/pubs/year/2015/201520/).

23. Ways in which you could meet this criterion, may include (but are not limited to):

Ways this criterion may be 'met'	Reasons this criterion may be judged to be 'not met'
<ul style="list-style-type: none"> • Evidence of market research on the local area. • Internal and external surveys demonstrating demand for HE courses. • A credible growth strategy for expanding provision in the medium term (if forecasting fewer than 100 full-time equivalent students). • Details of agreements with local employers or LEPs. • Details of historical recruitment from sub-contracted provision. • Evidence of transferring students from sub-contracted provision into validated (directly fundable) courses. • Completed summary of demand table. 	<ul style="list-style-type: none"> • The total number of students expected is fewer than 100 and you have not provided a credible explanation as to how your provision is sustainable. • You have not provided credible evidence to support the forecast.