



Department
for Business
Innovation & Skills

**POSTGRADUATE MASTER'S
LOANS 2017-18**

Interim Advice to Alternative
Provider Applicants

APRIL 2016

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Early information on institutional eligibility for alternative providers without degree awarding powers

The Government has introduced a new scheme to provide loans of up to £10,000 for postgraduate master's students. Its response to the "Consultation on Support for Postgraduate Study" (published in November 2015) announced that master's students at institutions with degree awarding powers would be eligible to access this support for the 2016-17 academic year.

Students at alternative providers without degree awarding powers will not be eligible to access the support until the 2017-18 academic year. This decision has been taken to allow the Government to introduce the same approach to quality and the safeguarding of public expenditure that is established for the undergraduate system.

This means that alternative providers without degree awarding powers will need to apply for designation for postgraduate master's loans if they wish new students to be able to access support in 2017-18.

The Secretary of State for Business, Innovation and Skills will make decisions on which providers will be designated for postgraduate master's loans. HEFCE has been asked to administer the application process. Full details of the approach to be taken will be set out alongside the guidance for the undergraduate system due to be published in summer 2016.

This document sets out early information to enable providers to consider the preparatory steps necessary ahead of the publication of full guidance. It contains essential information for all providers that are considering designation for postgraduate master's loans and specific information on how to apply.

Essential information for all providers

The criteria for designation for postgraduate master's loans will be similar to that for current undergraduate specific course designation. Full details of the criteria will be published in the summer, but there will be four key criteria:

Quality

- New providers (who do not already have specific undergraduate courses designated for student support purposes) will be required to hold a current, successful Higher Education Review (Alternative Provider) from the Quality Assurance Agency (QAA). In the interim, existing providers with specific undergraduate course designations and who have other forms of QAA review may apply but must obtain a successful Higher Education Review or be undergoing the Review process **by the end of 2017**;

Academic performance

- Providers should note that BIS will also give consideration to the academic track record of applicants when applying and during ongoing monitoring;

Course eligibility

- Providers will be required to demonstrate that they have current validation from a body with UK degree awarding powers for an eligible course;¹

¹ Eligible courses will be 1 or 2 year full-time, postgraduate master's courses and their 2 or 4 year part-time equivalents. 3 year part-time postgraduate master's courses that have no full-time equivalent will also be eligible. These may be taught, research, distance learning or professional Master's courses across all disciplines. Full details will be confirmed in guidance in summer 2016. Students will be required to meet separate eligibility criteria.

Examples of these awards are:

- MSc (Master of Science)
- MA (Master of Arts)
- MPhil (Master of Philosophy)
- MRes (Master of Research)
- LLM (Master of Laws)
- MLitt (Master of Letters)
- MFA (Master of Fine Arts)
- MEd (Master of Education)

Financial sustainability, management and governance

- Providers will be required to demonstrate that they are financially viable and sustainable with a low risk of failure over the medium term and are run by fit and proper persons.

New providers should note that they will need to apply for a QAA Higher Education Review **as soon as possible**. The deadline for new applications for postgraduate-related applications for a Higher Education Review is **Sunday, 5th June**. Before applying for a Review, however, providers should also note that they will be charged for this service and should therefore consider carefully whether they will meet the criteria listed in the table below.

It is your responsibility to check the eligibility of your courses for support and whether your institution is likely to meet the financial sustainability, management and governance requirements:

- Eligible courses are detailed in footnote 1 and on the SLC website: (http://www.practitioners.slc.co.uk/media/7120/pgl_policy_summary_v2.pdf);
- The financial sustainability, management and governance requirements are likely to be the same as those for undergraduate courses as detailed in Chapter 3 of the current "Specific Course Designation for Alternative Higher Education Providers dated July 2015: (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/450090/BIS-15-440-guidance-for-alternative-higher-education-providers.pdf)

Providers will be required to sign up to a set of conditions associated with designation. The Government has announced that it will monitor in particular the quality and quantity of demand for postgraduate master's loans from alternative providers without degree awarding powers, therefore it is likely that this will include a requirement to complete data returns which will be detailed in the further guidance.

BIS and HEFCE plan to hold a workshop on **16th May 2016** in London to explain the policy and process and the HEFCE annual conference on 8th July will also provide an opportunity for discussion.

Specific information for providers on how to apply

All providers will need to apply for designation for postgraduate master's loans. The application process will vary depending on whether or not the provider currently has specific course designation. Please contact HEFCE if you are unsure about which application route would apply to you.

| Provider | Application process | Steps the provider could take now |
|---|--|--|
| Currently has undergraduate specific course designation | Will be able to request designation for postgraduate master's loans as part of their September 2016 re-designation submission. | Ensure that master's qualifications are eligible for support. Ensure that they have a current QAA Review. |
| Currently has specific course designation, but only for postgraduate courses for disabled students allowances purposes ² | Will be required to submit an adapted application before February 2017 | Ensure that master's qualifications are eligible for support. Ensure that three years independently audited accounts are available for the provider. Apply for a Higher Education Review from the QAA. |
| Does not currently have specific course designation | Will be required to submit a full application before February 2017 | Ensure that master's qualifications are eligible for support. Ensure that three years independently audited accounts are available for the provider. Apply for a Higher Education |

² These providers are only required to submit an application if they wish to access postgraduate masters loans. If they chose not to apply, their existing designation will continue.

| Provider | Application process | Steps the provider could take now |
|----------|---------------------|-----------------------------------|
| | | Review from the QAA. |

Who to contact for more information?

HEFCE will be administering the application process for designation for postgraduate master's loans and will be happy to answer any questions from providers.

Email: coursedesignation@hefce.ac.uk

Telephone: 0117 931 7085 / 7141.

Information on the Higher Education Reviews (Alternative Providers) can be found on the QAA sites below:

<http://www.qaa.ac.uk/en>

<http://www.qaa.ac.uk/en/Publications/Documents/HER-AP-handbook-15.pdf>



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