

**EXPLANATORY MEMORANDUM TO
THE EDUCATION (DESIGNATED INSTITUTIONS IN FURTHER EDUCATION)
(AMENDMENT) ORDER 2006 (S.I. 2006/408)**

AND

**THE WORKERS' EDUCATIONAL ASSOCIATION (DESIGNATED INSTITUTION
IN FURTHER EDUCATION) ORDER 2006 (S.I. 2006/409)**

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

2. Description

2.1 These instruments remove the Workers' Educational Association ("WEA") from the instrument currently designating it to be eligible to receive funding in the further education (FE) sector (S.I. 1993/345); and separately re-designate WEA to the FE sector.

This is necessary due to WEA's change in status from unincorporated organisation to company limited by guarantee which will take place on 31 March 2006.

2.2 The Education (Designated Institutions in Further Education) (Amendment) Order 2006 also removes the exemption provided for in the 1993 instrument, for WEA not to be regulated by an Instrument and Articles of Government. (The College is regulated by a Memorandum and Articles of Association instead.) Under the re-designation, the College will become automatically exempt by virtue of its company status.

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

3.1 None

4. Legislative Background

4.1 Section 28 of the Further and Higher Education Act 1992 gives the Secretary of State the power to designate educational institutions as eligible to receive funding from the Learning and Skills Council (LSC) and thereby bringing them within the FE sector, providing that they are of the kind described in subsections (1) and (2) of section 28 of the Act.

4.2 By virtue of section 29(1)(a) of the Further and Higher Education Act 1992, WEA, being an unincorporated institution designated under section 28 and conducted by a company, is exempt from the provisions relating to the government and conduct of designated institutions under section 29.

5. Extent

5.1 This instrument applies to England.

6. European Convention on Human Rights

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

7. Policy background

7.1 The WEA is currently one of a small number of ‘specialist designated’ FE sector colleges which were originally set up as charities or companies and ‘designated’ to receiving funding within the FE sector in 1993.

7.2 The WEA has been an unincorporated charity since designation in 1993 but is now undergoing incorporation under Companies legislation to become a charitable company, limited by guarantee. The rationale for the change is to formalise its governance arrangements, to ease administration pressures and to obtain limited liability status. The WEA will, however, remain an FE sector college with the same objects as before.

7.3 In order to effect its change in status, it is, therefore necessary to make a new instrument to remove WEA from the scope of the 1993 SI. This will be achieved by The Education (Designated Institutions in Further Education) (Amendment) Order 2006. This instrument also removes the exemption provided for in the 1993 instrument, for WEA not to be regulated by an Instrument and Articles of Government.

7.4 A separate instrument is also required to re-designate the college under its new status. This will be achieved by means of The Workers’ Educational Association (Designated Institution in Further Education) Order 2006. Under the re-designation, the College will automatically become exempt from regulation under an Instrument and Articles of Government by virtue of its company status. The College will continue to be regulated by an amended Memorandum and Articles of Association.

8. Impact

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

8.2 The impact on the public sector is that the WEA will continue to be funded by the LSC and will remain within the FE sector.

9. Contact

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