

Learner Support Programme

Adult Learning
Grant Guidance
2009/10

June 2009

Of interest to stakeholders involved in delivering
the Adult Learning Grant

Further information

Further information on the scheme is available from the following sources:

Learning Providers can contact the Learner Support Service for advice on administering the scheme on 0845 600 7979.

Learners should be directed to the learner helpline on 0800 121 8989.

Alternatively the Learner Support Service can be contacted via email at ALG@lsclearnersupport.co.uk

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Contents

Introduction	03
Background and overview	04
The Learner Support Service	05
System developments within the Learner Support Service	05
What is changing?	05
What will happen and when?	05
What help is available to support me?	05
Additional support	05
Eligibility criteria	06
Key eligibility criteria: an overview	06
Age	06
Eligible learning	06
Income assessment	10
Residency	13
ALG residency flowchart	14
Length of Entitlement	15
Payment of ALG	16
Attendance and absence	17
Authorised absence	17
Unauthorised absence	17
Back-dating of payments	18
Overpayments	19
Learners in receipt of benefits	20
Non-eligible benefits	20
Eligible benefits	20
ALG and other sources of funding	21
Change of circumstances	22
Offenders	23
Appeals	24
Audit requirements	25
Marketing and support materials	26
Sources of further information	26
Glossary	27

Annexes

Annex 1: The learner journey	28
Annex 2: Outline application process	29
Annex 3: Roles and responsibilities	30
Annex 4: The ALG Notice of Entitlement	32
Annex 5: Guidance on LSC audit arrangements for ALG	33

Introduction

This document has been updated for the 2009/10 academic year (1 September 2009 to 31 August 2010). Do not use this document after August 2010. Please check the website to make sure that you are using the correct version.

This guidance sets out the policies and procedures for the **Adult Learning Grant (ALG)** scheme for 2009/10. It is aimed at key stakeholders involved in the delivery of ALG including Learning Providers, organisations providing information, advice and guidance (IAG) to individuals, the Learner Support Service (LSS) for the scheme, and Learning and Skills Council (LSC) colleagues at an area, regional and national level.

The key roles for stakeholders at each stage of the ALG process are set out in Annexes 1 and 3

Stakeholders should also refer to the separate *Learner Assessment and Payment System (LAPS) Operational Manual* and associated resources. LAPS is the online system through which Learning Providers will need to enrol and report attendance for learners (see 'The Learner Support Service', page 5).

Background and overview

ALG is a strand of the LSC's Learner Support programme which aims to remove finance as a barrier to participation in learning.

ALG is intended to help low-income adults studying full time for their first full Level 2 or first full Level 3 qualification with the cost of learning. The grant pays up to £30 per week (subject to financial assessment).

The ALG makes an important contribution to the Government's Skills Strategy. The Department of Education and Skills' White Paper, *21st Century Skills: Realising our Potential* (July 2003), set out an ambitious agenda for tackling the long-standing weaknesses in the way adults are equipped with the skills they need. In particular, it introduced a new Adult Learning Grant to tackle the skills gap at Level 2 and Level 3, the key qualifications adults need to improve their employability and to help the UK improve its skills base. ALG's importance was also recently restated in the *New Opportunities: Fair Chances for the Future* White Paper (January 2009) which set out the Government's agenda for investing in families, communities and citizens throughout their lives.

ALG plays an important role in contributing to the Public Service Agreement (PSA) target to reduce the number of adults who lack a Level 2 qualification, and to the LSC's priority to increase skills at Level 3 and above. To set these priorities in context, 6.2 million economically active adults currently lack a Level 2 or higher qualification; and 11.5 million economically active adults currently lack a Level 3 or higher qualification.

ALG is a tightly focused and targeted scheme. This means that we cannot support every learner or every type of provision, as the following examples show.

- We acknowledge that some individuals may not be ready to progress to a Level 2 or Level 3 qualification. However, because ALG has limited resources, the scheme cannot support individuals who are studying for qualifications below this level.
- ALG was primarily designed to enable those already in employment to improve their skills and to progress to further opportunities, although this clearly does not exclude those who are not already employed from receiving the grant. This focus means that ALG operates alongside 'in-work' benefits, such as tax credits, Housing Benefit, Council Tax Rebate and Child Benefit, but that learners in receipt of 'out-of-work' benefits such as Jobseeker's Allowance (JSA), Employment and Support Allowance (ESA) and Incapacity Benefit are not eligible to receive it. Instead, Jobcentre Plus offers training to help people in receipt of these benefits to develop their skills and move into work. The majority of benefit recipients can also participate in part-time learning while receiving benefits.
- Learners who are in receipt of Income Support are not eligible for ALG. Current benefit rules mean that ALG is classed as income for the purposes of Income Support assessment, meaning that individuals may be financially worse off. The current rules are intended to safeguard individuals against this, though we keep this under review.
- Learners who are following an Apprenticeship programme or who are in receipt of Train to Gain are not eligible for ALG.

The Learner Support Service

System developments within the Learner Support Service

The LSC took the decision in December 2008 to replace the organisation that ran the Learner Support Helpline, Assessment and Payment Body (HAPB) with Capita. Capita is the organisation that previously ran the Education Maintenance Allowance (EMA) scheme successfully for a number of years for the LSC.

Capita is developing a new IT system to administer and deliver all elements of the Learner Support programme (EMA, ALG, Care to Learn, Dance and Drama Awards, Sixth Form College Childcare scheme, Free Childcare for Training and Learning for Work and the Residential Support Scheme).

As such, the current Interim Learning Provider Portal (ILPP) will be replaced by a new system: the Learner Assessment and Payment System (LAPS) in time for the 2010/11 academic year.

What is changing?

The LAPS system will have some functionality available in 2009/10 and will be fully available for the 2010/11 academic year, and until then we will continue to run the current ILPP. A phased approach will be used to transfer to the new LAPS system. The reasons for this are:

- to provide time for the new LAPS system to be developed, tested and any issues resolved in advance of the 2010/11 academic year;
- to allow sufficient time for training and understanding of the new system;
- to allow for additional functionality to be built into the system such as a Learning Provider Portal and the ability to integrate new technologies like SMS; and
- to allow all schemes to be administered by a single system.

The LAPS system will be similar to the EMASYS system previously provided by Capita, although it is being developed to be more usable, stable and to allow for the additional schemes and functionality mentioned above.

What will happen and when?

The system changes will be introduced gradually over the next 12 months. **These changes will apply to EMA and ALG only for the 2009/10 academic year.**

We will first implement a facility to allow learners to request application forms online. We will provide further details of this shortly.

Following the above implementation, the main elements of the next phases will be:

- late June/July 2009 – we will run a series of road shows to provide training for the Learning Provider Portal and to allow Learning Providers the chance to look at the new LAPS system, and for us to provide instruction on how to use the new functionality;
- summer 2009 – the new Learner Provider Portal provided as part of LAPS; and
- autumn 2009 onwards – remaining LAPS system developments rolled out ready for the 2010/11 academic year.

Planning of these phases is in progress and we will keep you up-to-date with developments.

What help is available to support me?

A training system for the new Learning Provider Portal is being developed that will explain the changes and provide instructions on the new functionality. This will be supported by a number of regional road shows. Details of these events and the availability of the portal will follow shortly.

We will provide details of the changes over the coming months via our Learner Support Service Stakeholder e-bulletin at lsc.gov.uk/Providers/moneytolearn/lss/ebulletins/.

Additional support

The LSS Provider helpline will be able to help with your queries on **0845 600 7979**.

The LSC/Capita field force, headed by Bryan Walsh, will be able to provide further information, support and advice. You can find their contact details on the LSC website at lsc.gov.uk/Providers/moneytolearn/lss/faq/training.htm.

Eligibility criteria

Key eligibility criteria: an overview

- Learners must be at least 19 years old.
- Learners must be on a full-time learning programme. This means at least 450 guided learning hours during the 2009/10 academic year.
- Learners must be studying for their first full Level 2 or first full Level 3 qualification.
- Their course of study must start or continue between 31 August 2009 and 29 August 2010.
- Learners must be studying at an LSC-funded Learning Provider in England.
- Learners must be earning £19,513 or less (based on their income for the 2008–09 tax year) if they are single or £30,810 or less if they are married or live with someone as if they are married.
- Learners must meet the scheme residency criteria: they must be 'settled'* in the UK and have been ordinarily resident in the UK for at least the three years prior to the start of their learning programme. For further details of scheme residency requirements, see pages 13–14.
- Learners who are in receipt of Income Support or out-of-work benefits such as JSA, ESA or Incapacity Benefit are not eligible for ALG.
- Learners who are following an Apprenticeship programme or who are in receipt of Train to Gain are not eligible for ALG.

Age

To be eligible for ALG, learners must be aged 19 or over. A learner aged under 19 can apply for ALG one month prior to their 19th birthday but payments will not start until the learner turns 19.

Learners in receipt of EMA who turn 19 should be encouraged to exhaust their EMA entitlement before applying for ALG. If a learner wishes to change to EMA, we would strongly encourage them to consider whether this is the best option for them, i.e. to think about the EMA bonuses they may be entitled to as well as the weekly payment to establish whether

they will be better off financially; and to consider whether they will achieve their first full Level 2/3 by the time their EMA entitlement is exhausted – if not, they may wish to 'save' ALG (and the potential two further years of support to help them achieve the qualifications they need) until later.

Learners who do make this choice are able to apply (one month prior to their 19th birthday) and receive ALG once they turn 19 if they meet the eligibility criteria for the scheme.

Learners who have not previously been eligible for EMA can still apply for ALG one month prior to their 19th birthday, with payments starting once they turn 19, if they meet the eligibility criteria for the scheme.

A learner must be of 'working age' in order to be eligible for ALG. The Department for Work and Pensions (DWP) defines this as up to 65 for both men and women. However, we acknowledge that more people are increasingly working for longer and we will review on a case-by-case basis those applicants who fall outside this age group.

Eligible learning

Guided learning hours

To be eligible for ALG, individuals must be in full-time learning. ALG is intended to help learners gain the qualifications they need to improve their employability and skills; learning on a full-time basis is likely to accelerate achievement of their qualification and get them to where they want to be more quickly.

The LSC defines full-time learning as 450 guided learning hours in an academic year. Any pattern of hours is acceptable, as long as the 450 guided learning hours minimum for the year is met.

Guided learning is defined as all times when a member of staff is present to give specific guidance towards the qualification or module being studied on a programme. This includes lectures, tutorials and supervised study.

* 'Settled' means having either indefinite leave to enter or remain (ILE/R) or having the right of abode in the UK

Courses and qualifications

For ALG, learners must be on courses that will lead to their **first full Level 2** or **first full Level 3** qualification, to ensure that ALG support is targeted in accordance with government priorities.

Eligible courses are those which lead to qualifications that are accredited for inclusion in the Qualifications and Credit Framework (QCF) or, during the transition period to the QCF, qualifications in the National Qualifications Framework (NQF).

Details of eligible qualifications are available on the Learning Aims Database (LAD) at lsc.gov.uk/Providers/data/software/LAD.

Further qualification checks can be made on the Department for Children, Schools and Families (DCSF) and Department for Innovation, Universities and Skills (DIUS) websites at dcsf.gov.uk/section96 and dcsf.gov.uk/section97

ALG is open both to learners who are starting on a new course and to learners who are already part-way through a course, providing they meet all the scheme eligibility criteria.

ALG is **not** payable to learners studying for Levels 1, 4 and 5 qualifications.

Qualification levels

The following table is a guide to how different qualifications fall into the various qualification levels.

Please note: this list is not comprehensive due to the wide range of qualifications currently available. If there is any doubt, the LAD must be consulted.

Qualification level	Academic qualification equivalent	Vocational qualification equivalent
Level 1	GCSE/O-levels (at grades D–G) (or fewer than five at grades A–C)	BTEC Certificate/Diploma
	CSE below grade 1	BTEC Introductory Diploma
	One AS-level	City and Guilds Operative Awards
		CPVE Year 1 (Technician)
		GNVQ Foundation
		LCCI Elementary/First Level
		NVQ Level 1
		PEI Elementary/First Level
		RSA Elementary/First Level
		RSA Vocational Certificate
		BTEC First Diploma
Level 2 (QCF provision on the LAD flagged as full Level 2)	Five or more GCSE/O-levels (at grades at A–C)	City and Guilds Higher Operative/ Craft
	CSE grade 1	GNVQ Intermediate
	One A-level	LCCI Certificate (Second Level)
	Two/three AS-levels	NVQ Level 2
		PEI Stage 2
		Pitmans Intermediate Level 2
		Diploma Certificate
		RSA Diploma
		BTEC National ONC/OND
		City and Guilds Advanced Craft
		BTEC National Award
Level 3	Two or more A-levels (at grades A–E)	AVCE, VCE or vocational A-level Double/Single Awards
	International Baccalaureate	BTEC National Certificate/ National Diploma
		Access to Higher Education courses
		GNVQ Advanced
		LCCI Diploma (Third Level)
	NVQ Level 3	

Qualification level	Academic qualification equivalent	Vocational qualification equivalent
Level 3 (cont)		Pitmans Level 3 Advanced Higher Certificate
		RSA Stage 3 Advanced Diploma
		TEC Certificate/Diploma
		ESOL and foreign languages advanced awards
		BTEC National HNC/NHD
		Higher Education Certificate
		Higher Education Diploma
		LCCI Advanced Level
Level 4	Teaching qualifications (including PGCE)	BTEC National HNC/NHD
	First degree	Higher Education Certificate
		Higher Education Diploma
		LCCI Advanced Level
		NVQ Level 4
		Nursing (SRN)
		RSA Advanced Certificate
		RSA Higher Diploma
Level 5	Higher degree	Continuing Education Diploma
		NVQ Level 5
		Other high-level professional qualifications

Confirming the individual's learning meets scheme requirements

ALG applicants are required to self-declare their highest level of qualification on the ALG application form. In order to ensure that the ALG applicants state their prior qualifications fully and truthfully, we:

- publish legal declarations on the ALG application form to ensure learner integrity when disclosing information;
- ensure that LSC internal audit examines application forms and publicity materials prior to use; and
- ensure that LSC internal audit performs an audit sample check of ALG, including Individual Learner Record (ILR) data related to ALG.

For detailed information on audit procedures for ALG, see Annex 5.

Prior to enrolling the learner on LAPS, the Learning Provider must:

- assess and confirm that the learner is enrolled on a course that will lead to the achievement of the learner's first full Level 2 or first full Level 3 qualification – to the Provider's knowledge the individual's first at this Level;
- confirm that the learner's course will enable them to achieve the minimum required number of guided learning hours (450 over the 2009/10 academic year); and
- ensure that the learner meets the ALG scheme residency criteria (see pages 13–14 for details).

We recognise that some learners may be following more than one course in order to achieve their learning aim of a full Level 2 or Level 3. These courses may be at a lower level or at the same level as the overall learning aim. This may result in the individual achieving additional qualifications at a lower level or the same level as their learning aim. As long as the overall learning aim of a first full Level 2 or first full Level 3 is currently being studied, this will meet the necessary requirements for ALG support.

Part-qualified learners

We recognise that a significant number of learners applying for ALG are already part-qualified within a level. For example, a learner may have obtained some Level 2 qualifications but not achieved the full Level 2 standard. Under these circumstances the learner will be eligible to apply for support.

Learners on courses spanning academic years

Where learners are following courses which run across two academic years – that is, courses which commence in 2009/10 and continue into 2010/11 – the Learning Provider should contact the LSS to notify them of this and seek further advice on **0845 600 7979**.

Learners with overseas qualifications

Learners with overseas qualifications should enclose National Recognition Information Centre for the UK (NARIC) certificates with their application for ALG. Learning Providers may wish to assist the learner in obtaining a NARIC certificate.

Valid provision

In order to be eligible for ALG, a learner must be studying at a Learning Provider in England which is funded by the LSC via the Learner Responsive funding model.

Apprenticeships and Train to Gain

As stated in the LSC Funding Guidance, learners 'shall not be required to contribute financially to the direct cost of learning' via this route. This means that learners should not require any further financial help with the costs of learning, such as that provided by ALG.

Apprenticeships

Individuals following Apprenticeship programmes or Programme-led Apprenticeships (PLAs) are not eligible to claim ALG.

Train to Gain

The same principles apply to Train to Gain as to Apprenticeships and PLA. Ordinarily, recipients of Train to Gain are not eligible to claim ALG. However, although we expect that the majority of learning will take place in the workplace, in some instances it is possible that the most appropriate learning may be delivered by local Learning Providers. This means that learners may potentially incur additional costs, such as transport, and thus may be entitled to ALG. Any such cases will be assessed on an individual basis.

Income assessment

In order to ensure that ALG is offered to those individuals who most need financial support, an income assessment will be undertaken for each applicant.

Applicants for the 2009/10 academic year will be required to supply financial information from the 2008–09 tax year to support their application.

The ALG financial assessment has two scales:

- for a single person, the thresholds in Table 1 apply; and
- for applicants who are married or live with someone as if they are married to them, the thresholds in Table 2 apply.

The income thresholds shown in Tables 1 and 2 will be reviewed on an annual basis and are subject to change.

Parental income is **not** taken into consideration for the purposes of the ALG assessment even if the individual still lives in the parental home.

If the learner and their spouse or partner are students and both apply for ALG, we will discount the spouse's or partner's income from the financial assessment and assess each as a single learner.

Table 1: Single learners

Income for the 2008–09 tax year	Weekly ALG payment
Up to £11,810	£30
£11,811 – £15,405	£20
£15,406 – £19,513	£10
Over £19,513	Nil

Table 2: Learners who are married or living with a partner as if they are married to them

Income for the 2008–09 tax year	Weekly ALG payment
Up to £20,817	£30
£20,818 – £25,521	£20
£25,522 – £30,810	£10
Over £30,810	Nil

Current income assessments

The ALG financial assessment is based on income from the 2008–09 tax year. If the learner's income has fallen by 15 per cent compared with their income from the 2008–09 tax year **and** this takes them beneath the next income threshold, the learner can apply for a current income assessment. Evidence of the reduction in income must be provided to the LSS who should be contacted by the learner on **0800 121 8989**.

Learner's income has increased

Any increases in income that occur during the academic year are disregarded. However, learners must re-apply for ALG every academic year, meaning that any increase is likely to affect future awards.

The Disability Discrimination Act 1995 (DDA)

If at the time of applying the learner's or their spouse's or partner's income is lower than it was in the 2008–09 tax year due to a disability as defined by the DDA, they may be able to have their income re-assessed.

The DDA defines a disability as a physical or mental impairment which has a substantial and long-term (that is, more than 12 months) adverse effect on a person's ability to carry out normal daily activities. Further information about the DDA can be found at equalityhumanrights.com.

The DDA states a person is disabled if they have a mental or physical impairment which has an adverse effect on the person's ability to carry out normal day-to-day activities, and the adverse effect is substantial and long-term (meaning it has lasted for 12 months, or is likely to last more than 12 months or for the rest of the person's life).

For a person to be unable to carry out 'normal day-to-day activities', at least one of the following areas must be substantially affected:

- mobility;
- manual dexterity;
- physical co-ordination;
- continence;
- the ability to lift, carry or move everyday objects;
- speech, hearing or eyesight;
- memory or ability to concentrate, learn or understand; and
- understanding of the risk of physical danger.

There are some special provisions, for example:

- If the person's impairment has substantially affected their ability to carry out normal day-to-day activities, but no longer does so, it will still be counted as having that effect if it is likely to do so again.
- If the person has a progressive condition and it will substantially affect their ability to carry out normal day-to-day activities in the future, they will be regarded as having an impairment which has a substantial adverse effect from the moment the condition has some effect on their ability to carry out normal day-to-day activities.
- Cancer, HIV infection and multiple sclerosis are covered effectively from the point of diagnosis.
- People who have had a disability in the past but are no longer disabled are covered by certain parts of the DDA.

The learner will be expected to supply the LSS with medical proof of the disability in order to be re-assessed.

Examples of reductions in income

- If the learner was single and their income in the 2008–09 tax year was more than £19,513 they would not have been eligible for ALG. However, if their income dropped below that amount due to disability they may now be able to claim ALG.
- If the income of the learner and their spouse or partner was over £30,810 in the 2008–09 tax year but has now dropped below this amount due to disability, they may now be able to claim ALG.
- If the learner is single and their income in 2008–09 was £19,000 but it has now reduced to £12,000 due to disability, they may now be eligible for a higher rate of ALG.
- If the learner and their spouse or partner had a joint income of £28,000 in the 2008–09 tax year but it has now reduced to £22,000 due to disability, they may be eligible for a higher rate of ALG.

If a learner needs further information on the DDA they should contact the LSS on **0800 121 8989**.

Residency

The following are the published residency criteria for ALG for 2009/10. To be eligible for ALG a learner must be:

- a person who is 'settled'* in the UK and has been ordinarily resident in the UK for at least the three years prior to the start of their learning programme;
- British citizens and certain other people who have the right of abode in the UK:
 - those with European Community, United Kingdom of Great Britain and Northern Ireland passports;
 - British Dependent Territory Citizens (now known as British Overseas Territory Citizens);
 - those whose passports have been endorsed to show they have right of abode in the UK;
 - those who have a certificate of naturalisation or registration as a British citizen; or
- a national of any European Union (EU) country (including Gibraltar), or the spouse or civil partner of an EU national, who has been ordinarily resident in the European Economic Area (EEA), or Switzerland, for at least the three years prior to the start of their learning programme; or
- an EEA migrant worker with the right to work in the UK, or the spouse or civil partner of an EEA migrant worker, who is ordinarily resident in the UK at the start of their learning programme, and has been ordinarily resident in the EEA or Switzerland throughout the three-year period prior to that; or
- a Swiss national who is ordinarily resident in the UK at the start of their learning programme, and who has been ordinarily resident in the EEA or Switzerland for the three-year period prior to that; or
- a Turkish migrant worker who has the right to work in the UK, and who is ordinarily resident in the UK at the start of their learning programme, and who has been ordinarily resident in the EEA, Switzerland or Turkey for the three-year period prior to that; or
- recognised as a refugee by the UK Government, or the spouse or civil partner of a refugee, or have been granted humanitarian protection, or EU temporary protection;

A flowchart for assessing residency criteria can be found on page 14.

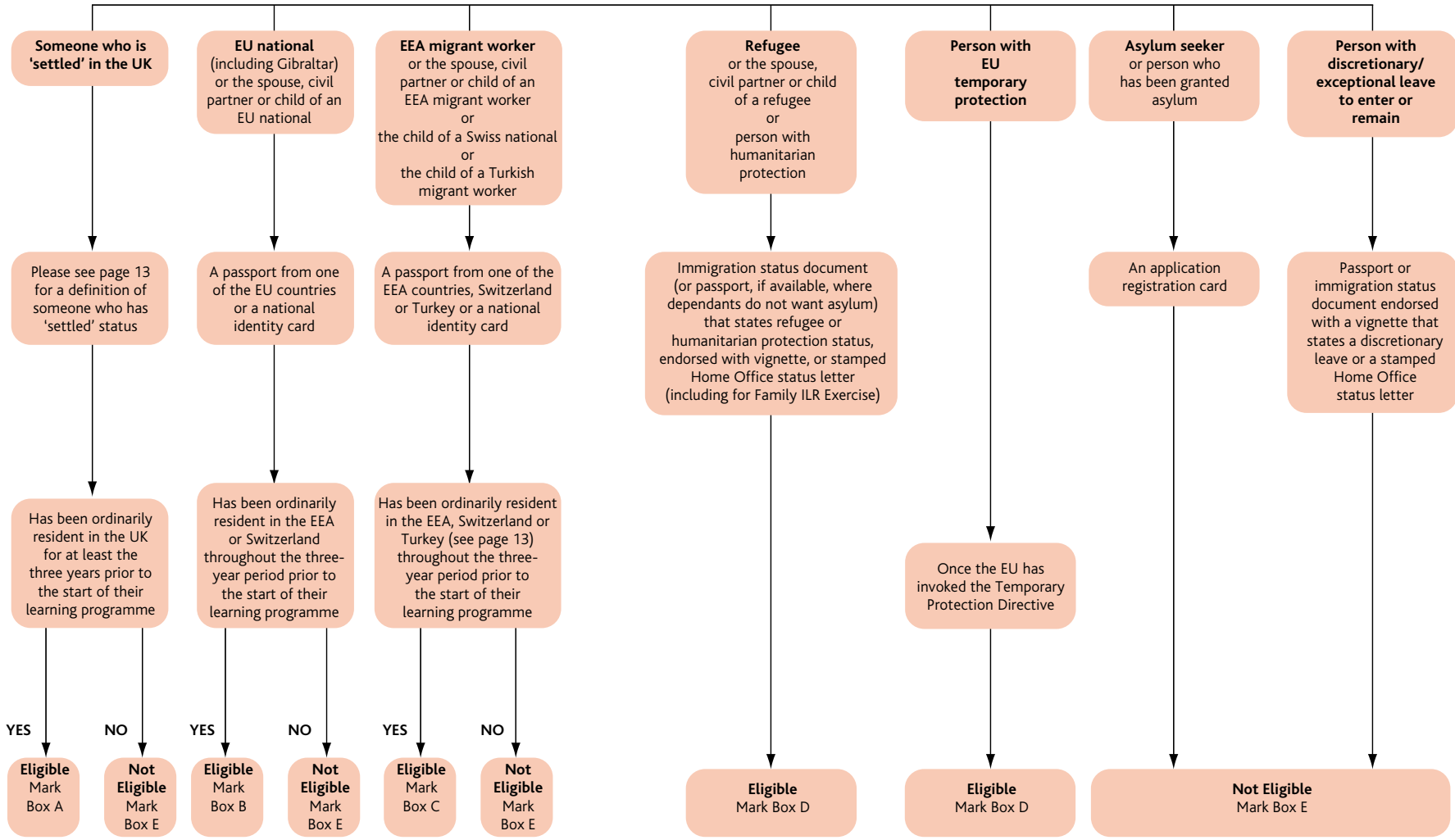
The learner is required to self-certify on the ALG application form that they meet the residency criteria as outlined above. This, in combination with the residency assessment that Learning Providers undertake when enrolling an individual on to a learning programme (and which they will need to confirm via LAPS), will satisfy the LSC that the proper checks have been made.

If a Learning Provider believes that an individual does not meet the residency criteria for ALG (even if they have a Notice of Entitlement (NoE)) they should not enrol them on LAPS but should notify the learner and the LSS by calling the provider helpline on **0845 600 7979**.

Learners must be studying in England to be eligible for ALG.

* 'Settled' means having either indefinite leave to enter or remain (ILE/R) or having the right of abode in the UK.

ALG residency flowchart



Length of entitlement

ALG is normally payable for two years but can be extended for one further year, for example if a learner receives ALG support to achieve their full Level 2 qualification and wishes to progress to Level 3.

Requests to extend ALG beyond three years – for example, for learners who have a disability – will be considered on a case-by-case basis. No extension can be guaranteed and Learning Providers should ensure that individuals are made aware of this.

Learners can contact the LSS for further advice on **0800 121 8989**.

Payment of ALG

ALG payments will be made directly to the learner's bank account one week in arrears.

If a learner has a disability that may cause them difficulties in administering a bank account, the LSC will consider whether a proxy bank account can be used. This is the **only** reason the LSC will accept for the use of a proxy bank account.

ALG is payable in term time only. This means that, on average, it is paid for 38 weeks of the year. However, although this is the average length of the academic year, some Learning Providers/courses may require more or fewer weeks' attendance depending on the pattern being used to achieve the minimum requirement of 450 guided learning hours over the academic year and ALG will be paid in accordance with this.

Attendance and absence

In order to receive a payment a learner's attendance at their course must be satisfactory. Any unauthorised absence by the learner will result in payments being suspended.

ALG normally relates to a full week's attendance on a course. However, when a Learning Provider is only open for part of a week (for example, due to bank holidays, industrial action or college holidays) payment may be made for the full week of attendance.

Learning Providers must record payment decisions, based on attendance, on LAPS on a weekly basis. A separate operating manual covering the use of LAPS and associated resources will be available from the end of July 2009, in readiness for making ALG payment decisions.

Authorised absence

Evidence supporting an acceptable or authorised absence should be collected and retained by the Learning Provider. This could include self-certification forms for sickness or notes from GPs. We advise that GPs' notes are only obtained when the learner has been absent for eight or more consecutive days.

Where a learner has had three periods of illness-related absence during the academic year for which a medical certificate has not yet been provided, we recommend that the Learning Provider should arrange an interview with the learner to discuss the absences. This can act as an effective deterrent against abuse of the scheme.

Attendance at medical appointments

We would encourage learners to make appointments outside course attendance times, where possible. However, appointments with medical specialists such as consultants often fall during course attendance times and these may be classed as authorised absence.

Long-term absence

Some ALG learners may require long-term absence, for example, maternity leave, severe medical conditions or jury service. In these circumstances, a learning programme should be agreed that, where

possible, enables the learner to continue their studies, should they wish to do so. The aim should be to ensure that the minimum requirement of 450 guided learning hours over the academic year is achieved.

Other types of authorised absence

The following list is not exhaustive and Learning Providers are, of course, free to use their discretion:

- parental leave to take care of a child who is sick;
- attendance of a funeral of family/friends;
- confirmation of the breakdown of learner's travel/transport arrangements;
- attendance at court or probation meeting;
- work experience placement (if this is pre-arranged and an integral part of the learning programme);
- study leave (providing this is clearly stated as an integral part of the learning programme); and
- religious festivals (up to three days' absence is permitted each year, to coincide with recognised religious festivals).

Unauthorised absence

All weeks where unauthorised absence has occurred must be recorded as a 'No' decision on LAPS. Payments for the affected week or weeks will then be withheld.

Learners who take holidays during term time are not eligible to receive ALG during that period. Where the holiday absence is for part of the week, no payment can be made for the full week.

Back-dating of payments

Applications received within 28 days of the start of a learning programme will be eligible to receive back-dated payments to the start of the programme. Applications received in excess of 28 days after the learning programme start date will only be eligible to receive payments from the Monday of the week in which the form was received by the LSS.

Overpayments

If the LSS becomes aware that ALG payments have been made inaccurately it will take recovery action. Examples of overpayment include:

- failure to disclose information on the part of the learner;
- a misrepresentation of data; and
- processing or system errors.

There is a responsibility on both the learner and the Learning Provider to notify the LSS of any potential overpayments.

In these circumstances a letter will be sent to the learner explaining why they have been overpaid, detailing the amount of overpayment and asking for repayment as soon as possible.

If the learner is still on their course, the LSS can suggest two possible courses of action: either subsequent payments can be withheld until the overpayment is recovered, or the learner can repay the whole amount in one payment. Until the learner confirms how they want to make repayments, the LSS will withhold future payments, as this may reduce the outstanding amount.

If a learner has left their course and does not respond to correspondence from the LSS, the LSC has the right to take legal action to recover the overpayment. This is clearly stated in the declaration on the ALG application form.

Learners in receipt of benefits

Non-eligible benefits

If a learner is in receipt of the following benefits they are **not** eligible for ALG:

- Jobseeker's Allowance;
- Incapacity Benefit;
- Income Support;
- Employment and Support Allowance.

On 27 October 2008 ESA replaced Incapacity Benefit and Income Support paid on incapacity grounds for new customers. Existing Incapacity Benefit or Income Support customers will initially continue to receive their existing benefits, so long as they satisfy the entitlement conditions.

Under joint signing arrangements, where both partners sign for JSA, neither partner is eligible for ALG. However, partners of benefit recipients are eligible to claim ALG.

Eligible benefits

A learner may receive the following benefits in addition to ALG:

- **Disability Living Allowance:** a learner in receipt of Disability Living Allowance may apply as long as they are not in receipt of JSA, Incapacity Benefit or Income Support;
- **Carer's Allowance:** people in receipt of Carer's Allowance can apply for ALG; however, learners must be studying fewer than 21 guided learning hours per week or their Carer's Allowance may be affected;
- **Working Tax Credit and Child Tax Credit:** HM Revenue and Customs will disregard ALG (which is not taxable) when assessing eligibility for tax credits; and
- **Housing Benefit, Council Tax Benefit and Second Adult Rebate:** people in work and claiming Housing Benefit, Council Tax Benefit and Second Adult Rebate are eligible to claim ALG.

Local authorities can disregard the first £660 of ALG funding. This disregard is detailed in the *Housing Benefit Guidance Manual, Amendment*, 14 December 2007, Part C2 Student Claims (available at: dwp.gov.uk/housingbenefit/claims-processing/operational-manuals/hbgm/) which lists the disregards separately as:

- books and equipment: £370 per annum; and
- travel: £290 per annum.

ALG and other sources of funding

Learners in receipt of ALG must **not** be receiving:

- a Dance and Drama Award;
- European Social Fund programme allowances;
- an NHS bursary; or
- EMA.

However, learners who have exhausted their entitlement to EMA and are continuing their first full Level 2 or first full Level 3 may apply. Learners in receipt of EMA who turn 19 should be encouraged to exhaust their EMA entitlement before applying for ALG. Learners who have not previously been eligible for EMA can apply for ALG one month prior to their 19th birthday.

Learners in receipt of ALG **may** also receive:

- **Care to Learn:** learners already in receipt of Care to Learn are eligible to apply for ALG on reaching their 19th birthday;
- **Sixth Form College Childcare** scheme funding;
- **Free Childcare for Training and Learning for Work:** learners applying for ALG who are over 20 years old and who have children may be eligible for Free Childcare for Training and Learning for Work support;
- **Residential Bursaries** and **Adult Education Bursaries;**
- **Career Development Loan (CDL):** note that learners cannot use a CDL to pay for anything funded by ALG;
- **help with hardship or childcare costs:** may be available, on a discretionary basis from colleges; and
- **charitable grants.**

Change of circumstances

Learners must notify their Learning Provider and the LSS of any change in their circumstances, for example if they have started to receive benefits that preclude them from support or if they have changed their address or bank account details. The application form contains a declaration that makes it clear to the learner that it is their responsibility to do this.

However, if a Learning Provider becomes aware of a change in circumstances that affects future payments for a learner, they should inform the LSS of this.

Offenders

People in prison or in young offender institutions and those released on temporary licence are not eligible to claim ALG. However, they may apply for the scheme while serving their sentence when their expected release date is known. Payments will only be made for the learning which is undertaken after the individual has been released, even if the course of study started while serving their sentence.

People who have been released from prison or young offender institutions, including those learners who remain under supervision (including any learners who are electronically tagged) in the community, can apply for support.

The LSS will require the applicant to supply discharge papers as evidence that they are no longer serving a custodial sentence. If the applicant has lost their evidence they will need to speak to their probation officer and obtain replacement documentation before their eligibility can be assessed.

Appeals

Any appeal against a decision taken by the LSS about eligibility for ALG will be investigated by the LSC in conjunction with the LSS. If the LSS finds that the initial assessment has been completed incorrectly, the application will be re-assessed and the learner informed of the results.

All decisions on attendance and, subsequently, learner payment in any given week rest solely with the Learning Provider. Therefore, it is important that learners are made aware of the Learning Provider's procedures for reporting absences and that all Learning Provider documentation makes the learner's responsibilities clear. If a learner wishes to appeal against a weekly payment being withheld they should discuss this with their Learning Provider and not with the LSS. We expect appeals of this nature to be dealt with via the Learning Provider's normal procedures.

In the event that the payments appeal involves the LSS, for example, as a result of administrative or system problems, then the Learning Provider and the LSS should discuss and agree an acceptable solution to the appeal.

Records of all complaints (and responses) both formal written appeals and notes of informal meetings or discussions about an appeal must be retained by Learning Providers and the LSS for audit purposes.

Any appeals that are not resolved via this process and any complaints about ALG policy should be raised via the LSC complaints procedure. Details of this can be found at lsc.gov.uk/ComplaintsProcedure.htm.

Audit requirements

ALG is subject to both internal and external audit procedures.

The LSS has its own internal audit procedures to ensure that its systems are robust and that the relevant checks and separation of duties are in place to deter and detect any possible fraudulent activity.

Learning Providers are expected to keep accurate, robust and up-to-date attendance records via the LSS so they can ensure that a learner's ALG payments are reconciled in line with weekly attendance patterns.

Learning Providers should maintain records of approved absences and key interviews that have taken place with learners regarding absences, showing authorisations and dates. The LSC regularly audits ALG and as part of this attendance records held by the Learning Provider may be examined.

If the LSC believes that a Learning Provider is not administering the scheme robustly, we may decide to take action with the Learning Provider to address this.

For detailed information on LSC audit procedures and how the ALG scheme complies with these, see Annex 5.

Marketing and support materials

All enquiries about the marketing and communications strategy for ALG should be directed to the LSC regional marketing manager.

The marketing and support materials for ALG change each year and we ask Providers to remove old stock and replace with new stock as soon as possible. In order to ensure you have the most recent materials, please check the website lsc.gov.uk/providers/moneytolearn. This is particularly important in the case of the application form as applications submitted to the LSS on the wrong year's form will be rejected, slowing down the application and assessment process for the learner.

The following marketing and support materials are available for ALG in 2009/10.

- **Leaflet** aimed at the learner to give clear and simple messages about ALG (ref. LSC-P-NAT-090038).
- **General poster** to raise awareness of ALG in places outside Learning Providers where there may be queues, for example, the Post Office. Poster size is A3 (ref. LSC-P-NAT-090045).
- **Birthday card** to be used by Learning Providers to send out to individuals on their 19th birthday to promote ALG. Includes envelope (ref. LSC-P-NAT-090039).
- **ALG business card**, which is the size of a credit card and carries useful information to assist the learner in applying for ALG. This card also includes the website address and helpline number (ref. LSC-P-NAT-090040).
- **ALG business card holder** – a counter display card carrying up to 50 of the above (ref. LSC-P-NAT 090041).
- **A4 laminated quick reference guide** to be used as a desk aid, providing a high-level overview of scheme eligibility (ref. LSC-P-NAT 090042).
- **Application form** for learners to complete to apply for ALG (ref. LSC-P-NAT-090014).

The leaflets and posters can be viewed and downloaded from the LSC Campaign Resources website at 217.160.210.43/lsc_campaignresources/ and from the LSC ALG website at alg.lsc.gov.uk/.

Printed copies of materials can be ordered by contacting LSC Publications as follows. Please quote the relevant publication reference number when ordering.

LSC Publications
PO Box 5050
Sherwood Park
Annesley
Nottingham NG15 0DJ

Phone: **0845 602 2260**
Fax: **0845 603 3360**
Minicom: **0845 605 5560**
Email: lsc@prolog.uk.com

Sources of further information

Further information on the scheme is available from the following sources:

Learning Providers can contact the LSS for advice in administering the scheme on **0845 600 7979**.

Learners should be directed to the learner helpline on **0800 121 8989**.

Alternatively the LSS can be contacted via email at: ALG@lsclearningsupport.co.uk.

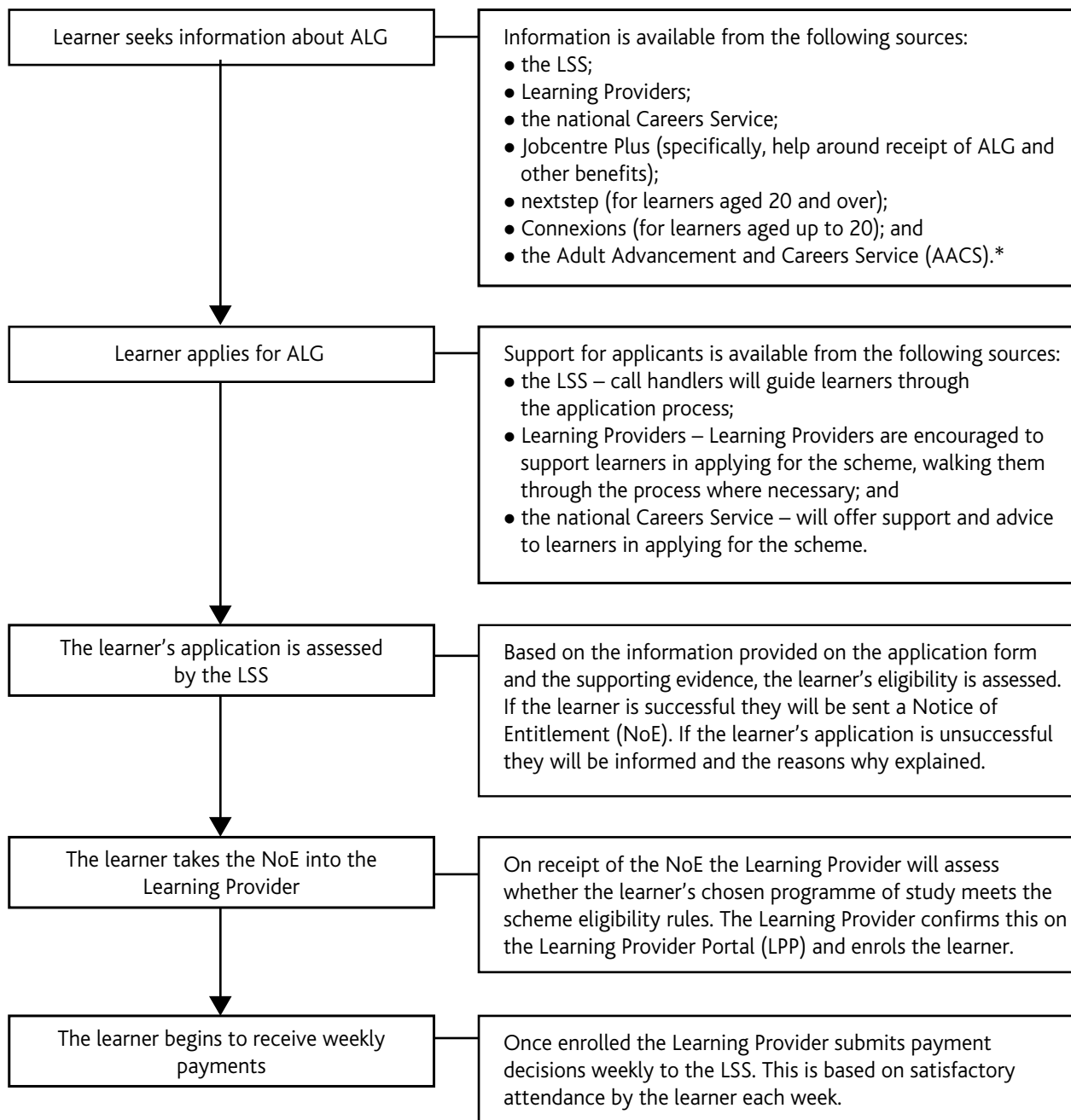
Glossary

AACS	Adult Advancement and Careers Service
ALG	Adult Learning Grant
CDL	Career Development Loan
DCSF	Department for Children, Schools and Families
DDA	Disability Discrimination Act 1995
DIUS	Department for Innovation, Universities and Skills
DWP	Department for Work and Pensions
EMA	Education Maintenance Allowance
ESA	Employment and Support Allowance
IAG	information, advice and guidance
ILPP	Interim Learning Provider Portal
ILR	Individual Learner Record
JSA	Jobseeker's Allowance
LAD	Learning Aims Database
LAPS	Learner Assessment and Payment System
LPP	Learning Provider Portal
LSC	Learning and Skills Council
LSS	Learner Support Service
NARIC	National Recognition Information Centre
NoE	Notice of Entitlement
NQF	National Qualifications Framework
NVQ	National Vocational Qualification
PLA	Programme-led Apprenticeship
PSA	Public Service Agreement
QCF	Qualifications and Credit Framework

Annex 1: The learner journey

This annex covers the journey of a prospective ALG learner from initially finding out about the scheme through to receiving payment. The chart indicates which stakeholders will input at key stages.

For more details about the roles played by the individuals and organisations referenced here, see Annex 3.



*The AACCS is a new service intended to enable everyone to access information and help about training, skills and sustainable employment. It will build on the existing information, advice and guidance services offered by nextstep, Connexions and the Careers Advice Service.

Annex 2: Outline application process

The LSS acknowledges receipt of the application using the learner's preferred method of communication indicated on the application form.

The LSS generates a unique reference number which will be included in all communications from the LSS to the learner.

The LSS will check the application form for completeness and to ensure that all supporting evidence has been included. If information is missing, the LSS will contact the learner by their preferred means of communication to obtain it.

The LSS will assess the application form against the eligibility criteria for the scheme and will notify the learner of the outcome. This will normally be within three weeks of the application being received by the LSS.

At this stage the LSS will send eligible individuals an NoE. This document should be taken by the learner to their Provider.

Following receipt of the ALG NoE the Provider can enrol the learner on LAPS. The ALG Agreement is split into Parts A and B. Part A will be retained by the learner and Part B will be retained by the Provider.

Prior to enrolling the learner on LAPS, the Learning Provider must ensure that the learner has:

- met the ALG residency conditions;
- met the 450 guided learning hours requirement; and
- met the first full Level 2 or first full Level 3 requirement.

If the Learning Provider is aware that the learner is currently in receipt of Income Support or out-of-work benefits such as JSA, ESA or Incapacity Benefit, they should not enrol the learner on LAPS and should notify the LSS.

No payments should be made to the learner until the above criteria have been confirmed.

Annex 3: Roles and responsibilities

The following section expands on the chart shown in Annex 1. It covers the roles of stakeholders in more detail.

In setting out these roles and responsibilities, the LSC acknowledges that individual Learning Providers may choose to deliver ALG in slightly different ways. These roles and responsibilities are therefore recommendations and not prescribed ways of working.

The **Learning Provider** must:

- provide general advice and support to learners about ALG and help learners to complete their application forms, where appropriate;
- comply with ALG procedures as set out in this Guidance and in the ALG application pack – in particular to confirm that the learner is studying for their **first** full Level 2 or **first** full Level 3 qualification and that their course meets the 450 minimum guided learning hours requirement;
- provide feedback to the LSC on any policy or delivery issues that arise;
- brief teaching and non-teaching staff about ALG and ensure that scheme standards continue to be met;
- monitor learner attendance and report payment decisions to the LSS;
- deal with queries from learners about the withholding of ALG payments because of failure to meet attendance and NoE criteria;
- maintain auditable records relating to ALG learners, for example attendance reports;
- integrate ALG publicity with the usual enrolment publicity; and
- inform the LSS of any changes in primary contact details for ALG.

The **LSC at a national level** must:

- develop and communicate to key stakeholders the national ALG policy and process;
- work with DIUS on policy and strategy issues;

- work with the LSS to ensure that learners receive the best possible service;
- work with key stakeholders to ensure that the scheme's policy is effectively implemented and that it continues to develop to meet the needs of learners and partners;
- develop and manage a national marketing and communications strategy as well as supporting materials that can be adapted for regional/local use; and
- structure and co-ordinate events, such as national conferences, regional workshops and briefing sessions.

The **LSC at a regional and area level** must:

- disseminate support materials for key stakeholders aimed at encouraging best practice and continued scheme development;
- lead regional and area level steering groups giving key stakeholders the opportunity to discuss issues and share best practice – this might be ALG specific or part of a wider Learner Support steering group;
- inform the national LSC ALG team of any known changes of primary contacts in ALG co-ordinator positions in the LSC at area or regional level or in Learning Providers; and
- liaise with prospective ALG Learning Providers to establish whether they meet the criteria for ALG eligibility and notify the national LSC ALG team if so.

The **Learner Support Service** must:

- provide advice and guidance to learners on the ALG application process, whether via hard copy forms or online, and payments, and offer advice on other forms of applicable Learner Support;
- provide advice and guidance to key stakeholders on the effective implementation of the scheme;
- process applications, assess eligibility and notify successful and unsuccessful applicants;

- make accurate payments to learners in line with Learning Provider decisions via the LSS, including any back-dated weeks which are due; and
- provide and maintain management information systems to facilitate effective monitoring of the programme.

Partners offering information, advice and guidance must:

- discuss courses with potential ALG applicants and advise them of the scheme eligibility criteria;
- raise awareness of ALG and other financial support that may be available with potential learners;
- be available to offer support to the learner throughout their learning programme;
- where applicable, refer prospective ALG applicants on to the LSS; and
- despatch ALG application packs to learners on request (national Careers Advice Service only).

'Partners' include Connexions, the national Careers Advice Service, nextstep and the Adult Advancement and Careers Service (AACCS).

Jobcentre Plus staff must:

- signpost ALG to appropriate clients as a possible alternative to benefits;
- work with the LSS and LSC to ensure that applicants for ALG have signed off out-of-work benefits or Income Support before receiving ALG; and
- help learners to identify and secure work to complement their ALG studies.

Annex 4: The ALG Notice of Entitlement

The NoE will include:

- the amount of ALG the learner will receive on a weekly basis;
- confirmation of the income thresholds used for the assessment for the learner (and their partner, if applicable);
- confirmation of the level of study ALG will be payable for, depending on the prior qualifications declared by the learner;
- confirmation of the learner's bank account details;
- some brief details on scheme payments and scheme eligibility; and
- LSS points of contact.

The ALG Agreement will include:

- the period of the ALG agreement;
- the learner's ALG reference number;
- the learner's forename and surname;
- a declaration section where the learner and the Learning Provider sign to state that learning goals and attendance patterns have been agreed; and
- LSS telephone contact details.

The NoE is an auditable document and should be retained by the Learning Provider in line with the usual audit requirements (see Annex 5 for more details).

Non-eligible learners will receive a rejection letter from the LSS, including the reasons for rejection. This will also set out their rights to appeal and advise them of other sources of help that may be available to them.

Annex 5: Guidance on LSC audit arrangements for ALG

Background

The following provides guidance to Providers on the LSC audit arrangements of ALG payments to learners. It includes recommended best practice which has been informed by audit findings since the beginning of the scheme in 2003.

Methodology

In recognition of the need to minimise the administrative burden on Providers, it is proposed generally to conduct an LSC audit of ALG as an integral part of the existing audits at colleges and other Providers. Therefore, ALG audits will usually take place at the same time as routine audits such as the learner eligibility and existence audits or funding audits.

A short ALG audit programme has been developed which will be applied consistently at all Providers that administer ALG payments. The audit programme involves an overview of the key controls over the administration of ALG payments and the testing of a random sample of learners' weekly payments across a chosen defined period (usually a month).

Controls review

Through discussions with appropriate members of staff, LSC auditors will identify and evaluate controls over the management and administration of ALG payments by completing a short questionnaire. This will help the auditors to establish what controls are in place and how effectively they are working. The following key areas will be reviewed:

- general management and administration arrangements for ALG including details of any off-site provision such as sub-contracting and the recording, input, storage and security of data relating to ALG payment submission and authorisation;
- eligibility of learners enrolled by the Provider;
- completion of the ALG NoE document to confirm final course and qualification details, attendance requirements, minimum guided learning hours and the agreed outcomes;
- recording and reporting of attendance data, including authorised and unauthorised absence, notification of payment/non-payment decisions; and
- advising and reporting to the LSS of any factors that may influence ALG payments or corrective actions.

Substantive testing

A random sample of payment transactions will be tested for validity against evidence held by the Provider. These tests will cover the same generic areas as the controls work detailed above, that is:

- general management controls and sub-contracting;
- eligibility;
- Learner Contract completion;
- attendance recording;
- adjustments/recoveries; and
- accuracy and reliability of data.

As part of the substantive testing, we would expect the following evidence to be available (and held by the Provider or its sub-contractor) in order to meet the above criteria. It must be noted that the list below is a guide and, depending on the nature of the control systems operated by the Provider, other acceptable evidence may be held which has not been mentioned here.

- A copy of the learner's NoE letter confirming the amount of weekly payment the learner will receive if payment is approved.
- A copy of the NoE signed by the learner and Learning Provider confirming fulfilment of guided learning hours.
- Current and archived evidence of learner attendance to determine appropriate authorisation and reconciliation of payments issued.
- Evidence of back-dating of payments as authorised by the Learning Provider to the LSS (if applicable).

- Evidence of recoveries action (if any) undertaken resulting from overpayments.

Feedback and reporting

LSC auditors aim to discuss audit findings with the auditee as the work progresses and usually hold a formal meeting at the end of the fieldwork. As well as detailing any findings, the auditors will endeavour to support Providers by giving recommendations for improvement to process controls if necessary.

Part of the rationale for the controls work is to enable auditors to gain understanding of how Providers control the administration of ALG payments to learners. Where errors are found, auditors will try to identify where controls have been broken down or failed to operate as intended, so that meaningful and value-added recommendations can be made.

A formal audit report will be issued that covers all the audit work carried out, including ALG payments.

Summary of common pitfalls

A number of recurring issues have been identified at previous ALG audits, and are summarised below.

- Eligibility checks: Providers do not check that each learner meets the ALG eligibility requirements prior to enrolling the learners and/or do not hold documentation to confirm that the eligibility checks have taken place.
- A recurring weakness is that Providers do not always have a clear documented attendance policy for staff and learners including guidance on authorised and unauthorised absences.
- Some Providers do not hold complete attendance evidence to support all the weekly payments decisions for all the learners. There are two main aspects to this: attendance evidence is missing or incomplete; and occasionally the attendance evidence held contradicts the payment decision made by the Provider.
- Occasionally, learners have been identified at audit who are ineligible to receive ALG because they are in receipt of other excluded government funding such as JSA.

Recommended best practice

Audit trail. Auditors will want to review evidence that Providers should already hold as part of their established systems and processes for delivering learning. This is sometimes referred to as 'normal', or 'naturally occurring' evidence. Therefore, in the interests of cutting unnecessary bureaucracy, auditors will not expect to see additional evidence prepared specifically for ALG, because appropriate underlying evidence to support attendance payments should already be held by Providers.

Eligibility. When Providers enrol learners on their learning programmes, the Provider is responsible for checking that the learners are eligible to participate in learning. It is recommended that the ALG eligibility check is completed at the same time. Providers should retain evidence to support their eligibility assessment. This is particularly important when confirming that learners meet the residency criteria. An eligibility checklist is included at the end of this annex, for Learning Providers' reference.

Attendance – authorised and unauthorised absences. In order to help learners understand their attendance requirements, Providers should have a documented attendance policy which includes authorised and unauthorised absences.

Retention of documentation

The following documentation for each learner should be retained for audit inspection for six years following the end of the 2009/10 ALG year (31 August 2016):

- Learning Agreements (prior to the 2008/09 academic year, when they are replaced by the NoE);
- NoEs; and
- attendance evidence to support each weekly payments decision.

ALG audit checklist

It is recommended that the following checklist is completed by Providers for each learner at their enrolment.

Eligibility criteria	Confirmed: Yes/No
Learner is aged 19 or over	
Learner is undertaking their first full Level 2 or first full Level 3 approved qualification	
Learner fulfils the ALG residency criteria	
Learner's course started and continues between 1 September 2009 and 31 August 2010	
Learner is in full-time learning (450 guided learning hours over the academic year) at an LSC-funded Learning Provider in England	
Learner is not in receipt of out-of-work benefits or EMA and is not on an Apprenticeship or Train to Gain programme	
Learner's income falls within the ALG income thresholds	
Learner is eligible to receive ALG payments	

Learner Support Directorate
Learning and Skills Council
(National Office)

The Straddle
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Sheffield S2 5SY

T 0845 019 4171

lsc.gov.uk

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