

Learner Support Funds (LSF)

Funding Guidance for 2003/04

Introduction

1. This guidance offers advice on funding arrangements and monitoring requirements for Learner Support Funds (LSF) in 2003/04 and action that school sixth forms (LEAs) and FE providers need to take in the 2003/04 year. Learner Support Funds are available to support students studying in further education (FE) colleges, external institutions (EI), higher education (HE) providers, school sixth forms (SSF) and sixth form colleges (SFC).

Summary

2. We have seen an overall increase in LSF over 2002/03 of some 15%, although this will not be sustained in future years. LSC and DfES are making available learner support funds totalling £159 million in 2003/04 :

- £140 million to Sixth Forms and FE providers for Hardship funds, Childcare support and Residential Bursaries;
- £13 million to LEA-led Transport Partnerships;
- £6 million for the continuing (19+) childcare and (all age) residential pilot schemes, both of which are means-tested; and
- the new Care to Learn childcare scheme (see www.dfes.gov.uk/caretolearn) which provides a non means-tested childcare entitlement for students aged 16-19.

3. Different eligibility criteria and funding arrangements will apply to young people and adults from 2003/04. Arrangements for adults remain unchanged, but for young people, if a young person is entitled to LSC funding for their tuition fees then they will now be entitled to apply for LSF. In addition:

- Young asylum seekers (16-18) are eligible for LSF where they are on an LSC funded course and live in England;
- the existing childcare pilot scheme is extended (Care to Learn) to all young parents starting an LSC funded course in all colleges including external providers;
- The maximum allowance for childcare whether funded by the FE childcare support scheme or Care to Learn has been increased from £4,000 to £5,000; and
- Local LSCs have the ability to vire LSF between providers in their area, where a genuine case can be made.

4. There is an expectation that the LSC and providers will work together, using best endeavours to achieve the following Learner Support targets in 2003/04:

16-19

- 15% coverage of students
- 86.9% retention (for those in receipt)
- 25% of students covered to be from ethnic minorities
- 8.8% of students covered to be from those who are disabled
- 2,700 16-19 students in the 51 residential bursary colleges

19+

- 6% coverage of students
- 4% of students covered need childcare
- 90% retention or 5% higher than national retention rate, whichever is higher
- 25% of students covered to be from ethnic minorities
- 8.8% of students covered to be from those who are disabled
- 1,300 students in the 51 residential bursary colleges.

5. Key dates for action

Key date	Action required	By whom
28 Feb 2003	Issue of provisional allocations	Local LSCs
June 2003	Issue of final allocations	Local LSCs
31 July 2003	Acceptance of allocations	Principals or heads of providers
20 Aug 2003	First payment of funds	LSC
22 Dec 2003	Second payment of funds	LSC
22 Mar 2004	Third payment of funds	LSC
31 Aug 2004	Monitoring returns	Principals or heads of providers
20 Dec 2004	Re-distribution of unspent funds	LSC

Purpose and use of the Funds

6. The LSC pays a grant to FE providers so that they may provide, at their discretion, financial help to students whose access to, or completion of, education might be inhibited by financial considerations. Providers must have written policies for LSF, including arrangements for means-testing and a procedure for learners to appeal if refused funding. These policies must be made widely available and must apply principles of equality and diversity. Institutions will want to consider the impact of new initiatives when applying a means test, such as whether students are also in receipt of an Adult Learning Grant or Education Maintenance Allowance. And they will want to do some careful analysis of the extent to which students aged 19 and over are financially independent.

NB. Colleges should be aware that from April 2003 new Tax Credits have been introduced for those in employment, comprising the Working Tax Credit and a Child Tax Credit, introduced to replace the existing Working Families' and Disabled Person's tax credits and (benefit-related) child support payments. Consideration should be given to the amount of Tax Credit awarded when assessing applications for LSF. Learners should be asked to produce the award notice (TC602) issued by the Inland Revenue to confirm the amount of Tax Credit they are receiving.

7. Payments to students should be made according to individual needs, subject to the limits given in Table 1 below.

Table 1. Individual maximum payments of Learner Support Funds

	<i>Hardship funds</i>	<i>Childcare support fund</i>	<i>Residential bursary fund</i>
Full-time full-year students	Discretionary	£5,000 per dependent child in any one academic year	Normally £3,500 in any one academic year
Full-time part-year students	Discretionary	Pro-rata based on guided learning hours	Pro-rata based on guided learning hours
Part-time students	Discretionary	Pro-rata based on guided learning hours	Part-time students not eligible

8. Loans made to students should normally be repaid before the end of the year in which they are made and providers are encouraged to make every effort to ensure that this is done. However, if loans are repaid after the end of the year, they should be treated as additional funds in the year in which they are repaid.

9. Providers have discretion to provide student bursaries from their general learner support / hardship fund in the absence of LEA discretionary awards (for example, £300 a year, which was the average LEA rate), but are required to provide monitoring information on the purposes for which they are given.

10. General learner support / hardship funds may be used to help with childcare support or accommodation, but 19+ Childcare allocations cannot be used to meet general learner support / hardship or accommodation costs or to finance the setting-up of childcare places. Providers can vire funds between the age groups if they wish.

11. There may be a small number of programmes where it is necessary for all students to purchase large items of equipment. In such cases it may not be appropriate to use units from Additional Learning Support (further details at paragraph 67 below). If general learner support / hardship funds are used to buy such equipment for individuals in need of financial support, the equipment should remain the property of the provider and, if returned to the provider for its own use, the general learner support / hardship fund should be reimbursed with an amount representing the depreciated value.

12. As in previous years, to comply with the terms and conditions, providers should have administrative procedures that:

- record the details of student applications for financial assistance through learner support funds;
- account separately for the learner support funds distributed; and
- identify unspent funds at the end of the academic year.

13. Providers may use up to 5% of their allocation of learner support funds towards administration costs. Where it has been agreed that a large provider will administer learner support funds for other, small providers, the former will also be able to use up to 5% of the latter's funds for administration. Bank charges may not be deducted from learner support fund allocations.

14. The Secretary of State for Education and Skills requires providers to submit information detailing how learner support funds were spent. The monitoring form in use for 2002/03 will be reviewed to ensure its ongoing relevance and any revisions agreed with stakeholders will be notified to providers and LEAs. In the meantime, they should continue to hold the information required in 2002/03 and expect to submit the form electronically, to their Learner Support Funds contact at the local LSC, during August 2004.

Learner Eligibility

15. For young people, please refer to the Funding Guidance for Further Education in 2003/04, available on the LSC web site at:

www.lsc.gov.uk/National/Documents/SubjectListing/FundingLearning/FurtherEducation/default.htm

Reciprocal arrangements exist between Wales and England, meaning that wherever the student studies, they are eligible to apply for Learner Support Funds. So a student from Wales studying at a provider in England can apply to the institution in England for Learner Support. No such reciprocal agreement exists at the moment with Scotland, although DfES officials are working with their Scottish Executive colleagues to try to find common ground.

16. For adults, please refer to the residency regulations, available on the LSC web-site (www.lsc.gov.uk), type in Learner Support. Further advice can be obtained by contacting the HE Student Support Helpline on 01325 392822. For the avoidance of doubt, we do follow the HE regulations.

17. Students in receipt of an Education Maintenance Allowance (EMA), Adult Learning Grant (ALG) or Career Development Loan (CDL) are eligible to receive LSF. However, providers must use the Learner Support Funds to meet special needs and circumstances over and above the reasonable level of support that we would expect students to fund from their other sources.

18. FE students participating in learning programmes delivered through learndirect linked to FECs or EIs are eligible for learner support funds to help with associated living and learning costs.

19. Participants in the New Deal for Lone Parents scheme may not benefit from full payment of childcare support costs. They are eligible for FE learner support costs, including childcare. Providers should take into account the level of individual New Deal benefits in assessing the level of need for learner support funds. Participants in all other New Deal options are not eligible for FE learner support funds, as their funding needs are met under the New Deal.

20. For learners aged 19+, FE Learner Support Funds can only be paid to eligible 'settled status students'. To qualify as 'Settled status' a student must satisfy the residence conditions of eligibility for a student loan specified in the *Education (Student Support) Regulations 2001* or, where applicable, the equivalent categories in the *Education (Student Loans) (Scotland) Regulations 2001* or the *Education (Student Support) (Northern Ireland) Regulations 2001* or the *Education (Mandatory Awards) Regulations 2001* made under the *Teaching and Higher Education Act 1998*. This usually means that they must have settled status in the UK and must have been 'ordinarily resident' for the three years before their course began.

21. To be eligible for help from FE learner support funds a student must meet the residence and immigration requirements, under Home Office guidance. Students who meet the residence and immigration requirements after the start of their course are not generally eligible for FE learner support funds. However, people granted Humanitarian Protection and Discretionary Leave to enter or remain are eligible for support once they have been granted this status for the remainder of the academic year and subsequent years.

22. Students under the age of 16 are not eligible for LSF. It is the LEAs responsibility to fund learners up to age 16 regardless of the type of provision accessed. Providers do of course have discretion to fund learners under 16 from their own funds. Students over the age of retirement are eligible for LSF.

23. LSF may not be used for ACL provision. LSF for ACL learners is provided within the overall funding of the Adult Learning Plan. This was set out in section 4 of the original LEA ACL guidance from DfES.

24. Students participating in work-based training programmes, including those funded by the LSC are not eligible for FE learner support funds. New entrants under 19 are eligible for Care to Learn. Note: Training allowances and expenses are administered by local LSCs. The LSC does however, also provide childcare support for young people continuing on work based learning and those aged 19+, details of which can be found on the LSC web-site in document "Requirements for Funding Work Based Learning for Young People" at Appendix F.

25. Some provision, e.g. prescribed HE, Foundation and Advanced Modern Apprenticeships or learning aims that are deemed to be wholly funded from other sources are not eligible. Full details of the LSC funded courses for FE students can be found in the Funding Guidance for Further Education in 2003/04 (see link provided at paragraph 15 above).

26. Exceptionally, LEAs may offer LSF to eligible students in independent (private schools), CTCs, City Academies, non-maintained special schools and PRUs and those maintained by the LEA where the student is resident and can demonstrate particular need for support.

27. HE students attending FE colleges and participating in courses directly funded by the HEFCE are not eligible for general FE hardship funds. Funding for associated living and learning costs for these students will be met from HE support funds, details of which are being notified separately to providers by DfES. Note: This change does not affect HE students on franchised or partnership courses who should continue to apply for funding for associated living and learning costs from their franchisor or HE provider.

28. Students participating in courses of HE falling within paragraph 1(g) or 1(h) of Schedule 6 to the Education Reform Act of 1998 will be eligible for FE learner support funds providing that the courses are funded by the LSC. Paragraph 1(g) covers courses in preparation for a professional examination at a higher level than the standard of 'A' level or the examination for the National Certificate or the National Diploma of the Business and Technical Education Council. Paragraph 1(h) covers courses providing education at a higher level (whether or not in preparation for an examination) than the standard of 'A' level or the examination for the National Certificate or the National Diploma of the Business and Technical Education Council.

FE Childcare Support

29. Childcare support will only be used to fund childcare which is registered in accordance with the requirements of the Children Act 1989. The Act states that a childminder who looks after one or more children under eight years of age must be registered with OFSTED if they are to receive reward for minding the child in excess of two hours per day. Informal childcare, such as that provided by a relative, cannot be funded.

People aged 19+

30. Adults aged 19+ attending a school sixth form or sixth form college may be eligible for payments made from the ring-fenced childcare pilot support fund providing that they have a dependent child aged under 15 (16 for children with disabilities) for whom they provide care and assuming they satisfy the general eligibility conditions for learner support funds.

31. This scheme is administered on our behalf by the Manchester LEA, from whom application forms can be obtained, telephone number 0161 234 7026. Applications are means tested against the Child's parental income. The means test does not include the student's own income. A maximum award of £5,000 can be made per child based on the actual cost of childcare. Part-time learners are eligible to apply; their application will be assessed on a pro rata basis. Funding can be made available for the length of the learner's course, to a maximum of three years, but institutions should note that the funding for this pilot ends at the end of 2003/04 and so any commitments made beyond that will need to be met by the institution.

32. People aged 19+ in FE colleges are eligible for funding from the general allocation of LSF.

33. In exceptional circumstances, LSF may be used to assist learners in meeting any incidental costs they incur when they arrange for their child to be cared for by a relative, as relatives are exempt from the requirement to register.

People aged 16-19 : "Care to Learn" (C2L)

34. Learners can apply for support from C2L if they are aged 16 to 19 and have a dependent child aged 15 or under (16 for children with disabilities). Learners must be eligible to take part in publicly funded learning to qualify for C2L. Applications will not be means tested. Payments will be made direct to the childcare provider by the DfES delivery agent, Manchester LEA, on the basis of the actual cost of the childcare up to a maximum of £5,000 per child per year, for the duration of the learner's course, to a maximum of 3 years. Providers should support and assist young parents seeking C2L. The arrangements are set out in the scheme web-site. An admin. fee is payable to providers who assist successful applicants.

35. In addition, all FE students aged 16-19 in HEIs and EIs with childcare needs will be eligible for assistance from C2L due to the small numbers of students at these providers. They may also be eligible for hardship and bursary funds administered by HEFCE. C2L details can be obtained from the Helpline, 0845 600 2809 or from the DfES web site, www.dfes.gov.uk/caretolearn.

Residential Pilot Scheme

36. The residential pilot scheme is moving into its second year. Learners requiring financial support in order to study a course not available within reasonable daily travel of their permanent residence can apply. The scheme allows learners to claim up to £3,075 (£3,625 for Colleges within the London metropolitan area) towards their residential and associated travel costs. This scheme specifically excludes students wishing to attend one of the 51 residential bursary colleges (see paragraphs 38 to 43 below).

37. In order to be eligible for the residential pilot scheme learners must be aged 16 or over and applying for a full-time LSC funded course at level 3 or above, or exceptionally, level 2 if a specific job requirement has been identified. A booklet (explaining in more detail) and application form is available on the LSC web site, www.lsc.gov.uk, type in Learner Support.

FE Residential Bursaries in the 51 designated colleges

38. Residential Bursaries can only be used for FE students on full time courses, which last for 10 weeks or more in any academic year. These funds are intended primarily for students attending specialist colleges of agriculture and horticulture, art and design or on a course that attracts a number of students from beyond daily travelling distance. There are only 51 designated colleges to whom this scheme applies.

39. Funds for residential support can be used to help students reside in private accommodation as well as in accommodation owned or managed by the provider. Students receiving EMA or ALG payments are also eligible for these funds where there is a significant risk of them not joining or completing their course.

40. It is for the institutions to decide the criteria and procedures for considering applications and making payments to eligible students. However, priority must be given to students who are unable to access relevant training within daily travel or where the costs of this are prohibitive.

41. A payment to a student to support residential costs should not exceed £3,500 over the academic year.

42. Providers are allowed to use no more than 15% of their allocation up to a maximum of £25,000 to support students who are able to travel daily but the payment of fare costs from residential funds is necessary and cannot be met from the provider's allocation of Learner Support Funds. Daily travel using residential funding must only be considered as a last resort and providers must satisfy themselves that there is no alternative.

43. Note too that general hardship needs cannot be funded through the residential bursary funds and providers must record daily travel payments separately for audit purposes.

Priority Groups for FE Learner Support

44. FE learner support funds may only be used for the benefit of students on LSC funded courses of further education or non-prescribed higher education that satisfy the general eligibility conditions for learner support. Ministers wish to focus help on those in greatest need. Within the general context of widening participation, Ministers also wish to see allocations used to give special priority to groups identified by the Social Exclusion Unit as potentially excluded from further education. Table 2 below sets out the priority groups.

Table 2. Priority groups for LSF

	<i>Learner Support Funds</i>				
General priorities for all funds (National policies and priorities)	<p>Students who are disadvantaged, disabled, medically ill and/or have learning difficulties who need support with transport, childcare or other associated learning costs.</p> <p>Those who have been in care, on probation, or are young parents or otherwise considered to be at risk.</p> <p>Lone parents.</p> <p>Those taking programmes where the primary learning goal is adult basic education or English for speakers of other languages (ESOL).</p> <p>Those with hearing impairments who want to learn to lip read or to use sign language and those with visual impairments.</p> <p>Unemployed people receiving job seekers allowance (JSA).</p> <p>Those receiving (or the dependants of) a means-tested state benefit including Tax Credits eligible for fee remission particularly where benefits are reduced when a student attains age 19. Students who reach the age of 19 before they complete their A level or other further education courses face particular financial difficulties in this respect.</p> <p>Students on low incomes or from low-income families, identified by appropriate means testing.</p> <p>The unwaged dependants of those listed above.</p>				
	<i>Hardship</i>	<i>FE Childcare</i>	<i>Care 2 Learn</i>	<i>Residential Bursary</i>	<i>Residential Pilot Scheme</i>
Specific priorities for individual funds	All of the above	Lone parents and their unwaged dependents	Lone parents Young parents	Agriculture & horticulture and art & design programme areas – 51 designated colleges	Accessing provision at Level 3 or Level 2 not available locally. Level 2 only where provision is likely to lead to useful specific local employment opportunities.

Young People and Adult Definitions

45. To qualify for funding, a 16-18 year old learner must be aged 16, 17 or 18 on 31 August in the calendar year when they begin their programme of study.

46. When completing the management information return however, providers need to be aware that the definition of a young person is a learner aged 16, 17 or 18 on 31 August in the year in which they receive funding.

47. The same definitions apply for adults (aged 19+).

Funding and allocations

48. We aim to publish details of 2003/04 allocations to institutions and LEAs alongside this document, on the LSC web-site.

49. We are currently preparing a separate note detailing the method used to allocate funds in 2003/04. We aim to communicate this widely to stakeholders, as the first step in a review process, which we would like to take forward through the established LSF Advisory Group.

50. In 2004/05 and 2005/06 there is a considerable reduction in the level of 16-18 Learner Support Funds; a direct consequence of the national rollout of Education Maintenance Allowances. In EMA areas, we expect the majority of learners to meet reasonable costs from within their allowance. However, where individuals face particular hardship because of their needs and circumstances, providers should provide them with additional support. The 16-18 Learner Support budget in 2003-04 is just over £63million; in 2004-05 this drops to £53million and, on current plans, in 2005-06, to £42million.

51. Learner Support Funds comprise a total of five separate funding strands :

- General learner support / hardship funds (sometimes referred to as “Access” funds), covering general need, available to learners in all FE institutions offering LSC-funded provision;
- Childcare support costs for learners aged 19+ who have dependant children that are aged 15 or under (16 or under if the children have disabilities);

- Residential Bursaries (in 51 designated bursary colleges);
- 'Care to Learn'. From September 2003 childcare support available for all learners aged 16-18 taking an LSC-funded course. For more information, call the Helpline, 0845 600 2809 or see the DfES web-site : www.dfes.gov.uk/caretolearn; and
- Residential Pilot, allowing learners to access further education not available within reasonable daily travelling distance of their home. DfES are reviewing their web site content at the moment. A booklet explaining the scheme and copies of the application form are available from the LSC web site: www.lsc.gov.uk (type in Learner Support).

52. Linked closely to the LSC Learner Support Funds outlined at paragraph 51 above are 3 other schemes :

- Childcare Places programme, through which LSC-funded institutions can bid for funding to support new childcare arrangements. Further details from Helen Orr, in the LSC National Office, tel. 024 7682 3398 (e-mail: helen.orr@lsc.gov.uk);
- Transport Partnerships, providing support for learners aged 16-19 in FE. Please refer to the DfES circular LEA 0508/2002 which can be found on the DfES website (www.dfes.gov.uk/16-19transport); and
- Dance & Drama Awards, providing scholarships for learners who want to become professional dancers, actors or stage managers. Further information is available on the DfES web site: www.dfes.gov.uk/dancedrama.

53. Whilst general learner support / hardship, FE Childcare and Residential Bursary funds for 2003/04 have been allocated, Care to Learn (C2L) and the Residential Pilot will operate under national arrangements on a demand-led basis. Applications supported are submitted to the Manchester LEA, who administer the schemes – see C2L and Residential hyperlinks provided at paragraph 51 above. The Childcare Pilot for people aged 19+ in School Sixth Forms and Sixth Form Colleges continues into its second year. Applications are again handled by Manchester LEA. However, the budget for this pilot is limited. We will advise people when it has been fully taken up, at which point, applications for childcare support will need to be handled and funded where appropriate, by individual institutions.

Payment of FE Learner Support Funds

54. Before LSF may be paid to a provider, the LSC must receive a completed copy of the 'certificate of acceptance' to confirm that the provider accepts the allocation made, or a reduced amount.

Unspent FE Learner Support Funds

55. If, during the course of the academic year, a provider considers that it will be unable to spend any part of its LSF allocation, it should contact the LSC and arrange to repay the unspent amount. The provider may spend any uncommitted general learner support / hardship funds on the childcare support or residential bursary needs of eligible students in order to reduce the impact of overspending its ring fenced funds; it may not do the reverse. The LSC will aim to distribute any returned funds to other providers that can make use of additional LSF. Providers that do not comply with this request may prejudice their future eligibility for LSF.

56. The LSC will recover funds identified by providers as undistributed at the end of the academic year. **It is anticipated that this recovery will be made in October 2004.**

Reallocation of FE Learner Support Funds

57. Providers that return their monitoring information by the due date of 30 August 2004 and have shown that they have distributed additional funds from their own resources may be considered for a share of any unused funds that are returned to the LSC following the academic year-end. However, we cannot guarantee to be able to meet provider needs. **It is anticipated that any redistribution will take place in November 2004.**

The role of the local LSC

58. Local LSCs have been provided with details of allocations made to providers for which they have responsibility, including following our recent exercise in inviting business cases for a share of the contingency fund and having agreed any virement between their providers.

59. Local LSCs are responsible for :

- issuing final allocations to providers;
- answering queries from providers on Learner Support and making providers aware of who the key day-to-day contact is and who has managerial responsibility for Learner Support;
- ensuring that signed certificates of acceptance are entered onto the Business Applications Explorer (BAE) system in order that payments can be made; and
- ensuring provider monitoring returns are processed through to National Office at the end of August.

DfES Terms and Conditions

60. Revised Terms and Conditions associated with the release of these funds to the LSC have been prepared by DfES. You can find these in the Learner Support part of the LSC web site, but note that this Guidance supersedes some elements of that document, so great care should be taken when referring to it. We will work with DfES to update that document as soon as possible.

Education Maintenance Allowances (EMAs)

61. There are now 51 LEAs participating in full EMA pilot schemes together with a further 5 participating in transport pilots. In addition, pilot schemes for teenage parents have been established in three of the existing areas. The LEAs participating in the schemes and the type of EMA pilot are listed on the DfES website. From September 2004 EMAs will be rolled out nationally.

Full EMA pilot schemes

62. In allocating general learner support / hardship funds between colleges, the LSC has excluded 65% of 16 and 17 year olds from all pilot areas. The LSC has deducted numbers for such students from college FTE totals, on the basis of forecast patterns of recruitment from each LEA area.

Transport EMA pilot schemes

63. Three of the transport EMA pilots offer support 'in kind' complemented by a direct financial payment. In allocating hardship funds between colleges, the LSC has treated these pilot areas in a similar manner to full EMA pilot areas.

64. Two of the transport EMA pilots offer support 'in kind' only. Students who receive one of these EMAs in 2003/04 will be eligible for all learner support funds. Therefore, in allocating general learner support / hardship, childcare support and residential bursary funds between providers, the LSC has not deducted any student numbers for 2003/04 to reflect more limited EMA transport pilot schemes.

Additional Learning Support

65. Additional Learning Support is not the same as Learner Support. **Learner Support** deals with the costs that all learners on a programme have to bear to access or complete a learning opportunity, e.g. fees, local transport (from home), books, equipment or field trips. These can be considered as ordinary costs. **Learner Support** also deals with extraordinary costs, such as long distance transport (from home), childcare or residential accommodation. However, these costs are still incurred by significant groups of learners. **Additional Learning Support** deals with costs that are specific to an individual, e.g. language support requirements, behavioural needs, specialised equipment or transport within and between learning provider sites.

66. So, help getting a standard textbook for a poor student is **Learner Support** and help with getting a book translated into Braille for a blind student is **Additional Learning Support**. Similarly, a standard PC would be learner support and a PC having built in features or facilities to help dyslexic or partially sighted learners would be additional learning support.

Short Learning Programmes

67. Providers may wish to consider whether their learner support arrangements have sufficient flexibility to match the short programme delivery schedules set out in the Funding Guidance for Further Education 2003/04 i.e. for childcare arrangements for learners studying between 3 and 6 guided learning hours.

Treatment of Income Related Benefits

68. The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 changed the treatment of LSF for benefit purposes. The DfES issued all FECs and EIs with an explanation of the regulations in January 2001.

Managing the Risk of Fraud

69. The significant increase in Learner Support Funds creates an increased risk of fraud. Therefore, providers are asked to consider ways of controlling this risk. These include a greater use of means testing, the involvement of course tutors to identify need and confirm attendance and the involvement of governors in ensuring robust arrangements exist.

Identification of Unmet Need

70. There may be a need for providers to use their own hardship funds to supplement the funds allocated by the LSC for FE learner support. Providers may wish to consider using the processes shown in Table 4 below :

<i>Action by college or provider</i>	<i>Benefit</i>
a Create a learner support budget for students meeting the eligibility criteria, using allocated LSC funds and a share of the provider's own funds b Create a separate budget for any additional local priorities, using a further share of available funds	<ul style="list-style-type: none">• The contributions made by the provider towards meeting the DfES aspirations for learner support and any additional local priorities are transparent
c Post all expenditure for students meeting the learner support eligibility criteria to learner support account(s) excluding any covered by other external funds available to the provider d Post expenditure to meet any additional local priorities to provider account(s)	<ul style="list-style-type: none">• The provider's monitoring information will identify the total learner support expenditure made on students meeting the eligibility criteria• The LSC and the DfES will have evidence for unmet need and will be in a better position to argue for additional learner support funds• The provider will maximise its opportunity for a share of any unused funds returned to the LSC following the year-end
e Following the year-end and any re-allocation of LSC funds, transfer any unfunded expenditure from learner support to provider account(s)	<ul style="list-style-type: none">• The provider will not be perceived as 'overspending' against its allocation of LSC funds

Contacts for further information

71. Providers should liaise with their local LSC should they require any assistance. Local LSCs, where they require the assistance of National Office, should contact the Learner Support team, via Dave Bridges (david.bridges@lsc.gov.uk) or telephone 024 7682 3311, in the first instance. The Learner Support team at National Office is:

Alex Sutherland, Programme Manager

Alison Herrett (w.e.f. 15 September 2003), Planning & Budgeting Manager

Caroline Wheaton and Helen Orr, Policy & Allocations Officers

Dave Bridges, Administration

The team also leads for the LSC on the Local Intervention & Development Fund (for the time being), the national rollout of Education Maintenance Allowances and the introduction of pilot Adult Learning Grants.