Learner Support Programme

Discretionary Funding Guidance and Requirements 2008/09
1. Introduction

1.1 The purpose of this guidance is to provide information to all providers and Local Authorities receiving allocations of discretionary funding from the Learning and Skills Council (LSC). The discretionary funding is to support the costs of learning and includes hardship, adult childcare (20+) and residential bursaries. It forms part of the Learner Support Programme which covers a range of schemes available to support the costs of learning (full list is in Annex B).

1.2 This guidance document sets out the requirements and the actions that will need to be taken into account for the application of each scheme and sets out the eligibility criteria and the priorities for disbursing the funding. It explains the process for allocations and describes how the LSC will collect monitoring information and audit the schemes.

1.3 This guidance has been written by the LSC for:

- LSC (national, regional and area);
- local authorities (LAs);
- further education institutions (FEIs);
- schools with sixth forms;
- higher education institutions (HEIs) offering FE provision.

2. Background

2.1 The purpose of discretionary funding is to provide exceptional support to learners aged 16 and above, who are experiencing financial difficulty with meeting costs associated with learning.

2.2 Allocations will be made through the LSC Partnership Teams. The total available for 16-18 and 19+ Hardship and Residential Bursaries and Adult Childcare (20+), is approx. £112 million in 08/09.

- £31.8 million for youth
- £80.4 million for adult

Funds to support transport partnerships and the Residential Support Scheme will be managed nationally.

2.3 Discretionary funding is available to support learners studying LSC funded Further Education (FE) provision in Colleges, External Institutions (EIs), Higher Education Institutions (HEIs), School Sixth Forms and Sixth Form Colleges. It cannot be used to support learners studying LSC funded provision from adult and community learning (ACL), Ufi or work-based learning (WBL).

HE providers with FE learners will receive an allocation of discretionary funding from the LSC. HE providers will be required to sign a contract schedule for the funds provided by the local LSC. The local LSC staff will also work closely with HE providers to ensure that there is a full understanding of the LSC’s allocation processes.
2.4 The discretionary funding comprises two main elements - Hardship and Adult Childcare (20+). The funds are allocated directly to providers to manage at their own discretion, but in line with LSC guidance and requirements. Additionally Residential Bursary Funds are allocated to 51 designated providers of specialist provision.

2.5 When making decisions about awarding Hardship and Adult Childcare funds, providers/LAs should consider the availability of other strands of financial support for learners (including support funding through DWP and Jobcentre Plus) ahead of consideration for the discretionary funds. Sources of further information on the other forms of financial support made available by the LSC through the Learner Support Programme are provided at Annex B.

2.6 Learners should exercise their entitlement to other forms of financial support before eligibility for discretionary funding is considered. In summary they comprise:

- Education Maintenance Allowance
- Adult Learning Grant
- Residential Support Scheme
- Dance and Drama Awards
- Care to Learn
- 6th Form College Childcare

Receipt of other forms of learner support is neither a pre-condition, nor an exclusion factor, for the receipt of the discretionary funds.

20+

Eligibility for support with childcare costs is covered in Para. 6.

2.7 A timetable of key dates of allocations, monitoring returns and any redistribution of funds is attached at Annex A.

3. **Priorities**

3.1 The priority target group for discretionary funding are learners who are economically or socially disadvantaged, who need support with transport, childcare or associated learning costs and are facing financial difficulty.

3.2 Once the primary priority (3.1) has been established it is expected the provider will further prioritise the funding to focus on groups currently under-represented in FE, securing participation and attainment in priority learning for the following:

- those in care or recently left care
- those on probation;
- young parents and those who are considered to be at risk;
- those eligible for fee remission because they are themselves, or they are the dependant of someone else who is, receiving a means-tested state benefit or Tax credit;
- adults undertaking a full first level 2;
- learners aged 19-25 undertaking a full first level 3 qualification;
learners taking a skills for life programme of study;
learners with learning difficulties and/or disabilities;
medically ill.

3.3 All providers receiving allocations of discretionary funding must have a set of written criteria describing how they will prioritise and disburse the funding for which they are given responsibility to learners, or on behalf of learners, and which should be available if required by LSC. The criteria should cover the way in which learners are assessed, using the principles set out in this guidance. We would normally expect assessment to establish financial hardship to be based on income assessment, except in exceptional circumstances.

3.4 The discretionary funding is provided to support learners with a specific financial need that could prevent them participating in FE. Therefore, before making an award, the specific need should be identified it is not appropriate to use the funding to pay weekly attendance allowances, achievement or attendance bonuses or to make awards solely based on income without identifying whether there is any specific financial need.

4. Learner Eligibility

4.1 The residency eligibility criteria for discretionary funding is aligned to the residency criteria addressed in the document Learner Eligibility Guidance part of the overall LSC Funding Guidance 2008/09. This document can be downloaded from the LSC website at:
http://www.lsc.gov.uk/publications/latestdocuments/Detail.htm?id=0ddc0770-2336-407e-bf4b-e62bc7d2c5cb

For clarity, refugees are not required to meet the three year residence rule if their refugee status was confirmed in the three years prior to starting the course.

4.2 Learners aged 16 + who have been accepted onto, and studying, a programme of learning funded by the LSC, will be eligible to apply for discretionary funds. The funding should not be used for accelerated learners who are still of compulsory school age as they are the responsibility of the local authority.

Reciprocal arrangements exist between Wales and England; however, no such reciprocal arrangement exists with Scotland.

4.3 Asylum seekers aged 19 and over are not eligible to apply for discretionary funding.

4.4 As the majority of learning provision on Train to Gain is likely to happen in the workplace, there will be very few, if any, additional costs of learning for individual participants to bear. With this in mind, we consider it extremely unlikely that learners participating in Train to Gain will need to apply for discretionary funding. However, any individual's eligibility for learner support, within Train to Gain, should be determined by the context in which their learning is taking place.
4.5 When making decisions about the allocation of this funding, Student Support Managers should consider the availability of other sources of funding to which the learner might be entitled, e.g. the New Deal for Lone Parents, New Deal for Partners, Tax Credits. Participants in the New Deal for Lone Parents scheme may not benefit from full payment of childcare support costs from this scheme. They are eligible to apply for discretionary funding but providers should take into account the level of individual New Deal benefits in assessing the level of need for support. Participants in all other New Deal options are not eligible for discretionary funding, as their funding needs are met under the New Deal.

4.6 Learners in prison or a young offender institution or who have been released on temporary licence (ROTL), for example on day release, are not eligible to apply for discretionary funding.

20+

4.7 A learner must be aged 20+ and above to receive support with childcare costs.

All ages

4.8 Learners on prescribed HE, Foundation and Advanced Modern Apprenticeships or provision with learning aims that are identified as wholly funded from other sources are not eligible for discretionary funding. ‘FE’ funded learners who are classified as Programme-led Apprentices (i.e. following only part of an apprenticeship framework) will be eligible to apply for discretionary funding. Employer Responsive funded Programme-led Apprentices (i.e. those following a full framework) will have access to the hardship funds which are contained within the employer responsive budget, known as Additional Learner Support.

4.9 Discretionary funding is not to be directed as a means of support when the learner is eligible to receive support through Additional Learning Support (ALS). The link to the guidance for ALS is available at Annex D.

4.10 Exceptionally, local authorities may offer discretionary funding to eligible learners in independent (private) schools, city technology colleges, city academies, non-maintained special schools, pupil referral units and other local-authority maintained institutions. The learner must be resident in the local authority area and demonstrate the special circumstances that give rise to their particular need for support.

4.11 Learners participating in HE access courses or courses of HE falling within paragraph 1(g) or 1(h) of schedule 6 to the Education Reform Act 1998 will be eligible to apply for discretionary funding, providing the courses are funded by the LSC.

5. Hardship Support

All ages

5.1 Hardship funds provide support for learners in exceptional financial circumstances. Providers have discretion to provide bursaries from their hardship funds but, should they choose to do so, they should report the purpose of the expenditure alongside other monitoring and management
information. Providers who do provide bursaries should take note of the guidance in paragraph 10 about clearly evidenced need.

5.2 Funding for discretionary support is provided by the two new departments, DIUS and DCSF, with particular responsibility for youth and adult learners. Budget arrangements for these groups of learners are now distinct. **There can be no vireing between 16-18 support funds and 19+**.

5.3 Hardship funding must not be used to fund fees for 16-18 learners, with the exception of resit examination fees.

19+ 19+ hardship funds cannot be used to subsidise tuition fees with the exception of learners in a priority group not currently supported through LSC fee remission policy, or the learning has been identified as responding to local skills priorities. In both instances these groups should be agreed with your area LSC, and agreement recorded for audit requirements.

16-20 5.4 Hardship funding must not be used to provide support with childcare costs for learners aged 16-20 as there is an expectation that these learners will be supported by the Care to Learn programme.

6. **20+ Childcare Support**

Providers may vire funding into, and out of, Adult Childcare into 19+ Hardship. However, we would not expect to see significant variations in the pattern of disbursement, without discussion/agreement with the Local LSC.

6.1 Childcare funds may only be used to fund childcare with a provider who is compulsorily registered with Ofsted. Compulsory registration ensures the childcare provider meets the national standards for under-eights day care and childminding.

Informal childcare, such as that provided by a relative, cannot be funded.

When making awards of childcare support, attention should be given to the prevailing rate of C2L, and childcare awards should not exceed the C2L maximum. Providers should not use discretionary funding to support the childcare costs of parent learners who are eligible for C2L.

6.2 Childcare allocations cannot be used by the college to finance the setting up of childcare places, and nor should they be used to make a financial contribution to the costs of a crèche. They should only be paid to, or on behalf of, individual learners aged 20 and above, who should be free to use the resource to support the childcare provision of their choice as long as it is subject to appropriate Ofsted registration.

7. **Support with the costs of Transport**

7.1 Local Authorities’ (LAs) responsibilities for home/college transport were set out in section 509 of the Education Act 1996. The original section 509 has been amended in subsequent legislation including the Education Act (2002), the Learning and Skills Act (2000), the School Standards and Framework Act

7.2 The LA has a duty to make arrangements in respect of travelling expenses, it considers necessary to facilitate attendance at schools and institutions of further education of learners who are over compulsory school age but under 19 and learners who are over 19 but who began their course before they reached 19 (those of sixth form age). LAs also have a responsibility to arrange provision as necessary for those not of sixth form age (section 509).

7.3 Discretionary funding must not be used to subsidise the LA’s statutory duty for transport provision, except for in exceptional circumstances. It is therefore expected that support for transport should only be granted for adults over sixth form age and then when a proven case of hardship has been identified.

Providers should advise learners that the LA has a duty to publish its transport statement setting out transport arrangements for learners aged 16-19.

**Education Act 2002, Schedule 19.**

**509AA Provision of transport etc. for persons of sixth form age**

(1) A local education authority shall prepare for each academic year a transport policy statement complying with the requirements of this section.

(2) The statement shall specify the arrangements for the provision of transport or otherwise that the authority consider it necessary to make for facilitating the attendance of persons of sixth form age receiving education or training—

(a) at schools,

(b) at any institution maintained or assisted by the authority which provides further education or higher education (or both),

(c) at any institution within the further education sector, or

(d) at any establishment (not falling within paragraph (b) or (c)) which is supported by the Learning and Skills Council for England or the National Council for Education and Training for Wales.

(3) The statement shall specify the arrangements that the authority consider it necessary to make for the provision of financial assistance in respect of the reasonable travelling expenses of persons of sixth form age receiving education or training at any establishment such as is mentioned in subsection (2).

Providers must not:

- use discretionary funding to make a block contribution to Post-16 Transport Partnerships; or

- fund transport costs for learners who have chosen not to attend an institution closer to their home address offering the same provision.
Further information on transport policies can be found on the LA’s own website or on www.direct.gov.uk.

8. **Residential Bursary Fund**

8.1 A number (51) of designated providers will receive allocations of residential bursary funding to support learners attending specialist provision at land based colleges and colleges of Art and Design on a course which requires a residential element.

8.2 RBF can be used to help learners reside in private accommodation as well as in accommodation owned or managed by the designated providers. Learners remain eligible for RBF when they are receiving EMA or ALG.

8.3 It is for the 51 designated providers to decide the criteria and procedures for considering applications for support from RBF within the eligibility and administration requirements of this document. They are also responsible for making payments to eligible learners. However, priority must be given to learners who are unable to access relevant training within daily travel from their home or where the costs of this are prohibitive. RBF have an advised maximum payment of £4,079 within London and £3,458 outside London on a pro-rata basis.

8.4 Learners who are not on a programme of learning at one of the 51 designated providers in the bursary scheme are eligible to apply for support from the Residential Support Scheme described at Annex B.

8.5 The 51 designated providers are allowed to use no more than 15% of their 2008/09 allocation or £25,000, whichever is the greater, to support learners who are able to travel daily, where the payment of fare costs cannot be met from the provider’s hardship fund. Daily travel using RBF must only be considered as a last resort.

8.6 General hardship needs cannot be funded through RBF and providers must record all payments including daily travel payments separately for audit purposes.

9. **Administering Hardship, Adult Childcare and the Residential Bursaries**

9.1 LSC Partnership Teams can vire funds between providers and local authorities in their area, with their agreement.

9.2 Providers must have written criteria for how they distribute discretionary funding, including arrangements for assessing learners’ income - where relevant - and a procedure for learners to appeal. The criteria must be made widely available and must apply principles of equality and diversity.

Providers will want to consider the impact of other initiatives when applying any income assessment, such as whether learners are also in receipt of EMA or ALG and the level at which those grants might be paid. Providers can take ALG and EMA income into account when considering income levels for
awards of discretionary funding. In making allocation decisions, providers should also consider the extent to which learners aged 19 and over are financially independent and they may want to review whether Tax Credits are payable to the learner as appropriate.

The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 establish how discretionary funding should be treated for benefits purposes. If a regular payment is made for other than living costs then it will be disregarded and will therefore not affect the level of benefit which the learner may be entitled to. However, it is very important that providers and local authorities make clear at the time they are making the payment to the learner, for what purpose the payment is given and whether it is one of a series, or a lump sum payment.

9.3 Where a learner has been income-assessed for other financial support providers should avoid a second income assessment and look particularly carefully at the learner’s financial situation and circumstances to ensure that dLSF is being targeted appropriately.

9.4 The LSC’s legal advisers have advised that Disability Living Allowance should be ignored when assessing disabled learners’ income in relation to discretionary funding, to avoid the risk of discrimination under the Disability Discrimination Act 1995.

9.5 If hardship funds are used to buy 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 hardship fund should be reimbursed with an amount representing the depreciated value. Where items of equipment, tools or protective clothing may be reusable at a later date by new learners, providers should have criteria in place for enabling the return and re-use of such items. In drawing up a list of items, practical consideration should be given to factors such as hygiene, health and safety, and wear and tear.

9.6 Any loans made to learners should be repaid before the end of the academic 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.

9.7 Providers may use up to 5% of their total discretionary funding allocation towards administrative costs. Where it has been agreed that a large provider will administer the funding for other providers, the former will also be able to use up to 5% of the latter’s total funds for administration. Bank charges may not be deducted from discretionary funding allocations.

9.8 For audit purposes, hard copies of all documentation for learner support should kept for a period of at least six years.

10. Financial and Data Monitoring

10.1 Providers must have administrative procedures that:
• record the details of learner applications for financial assistance;
• account for the discretionary funds distributed;
• identify unspent funds at the end of the academic year.

10.2 Providers must also submit information detailing how discretionary funds have been used. The data is used to demonstrate the efficacy of discretionary support and to demonstrate probity in the use of public funds. The data is collated in two ways:

• completion of mandatory field of the Individualised Learner Record (ILR) or the Pupil Level Annual School Census (PLASC). This is L34 for residential bursaries, and L49 for other support reasons (see Annex E);

• financial reconciliation, completion of a monitoring form, which will be distributed separately. The return establishes the main uses of the fund and amount of awards. Additional narrative may be required to identify reasons for support (see Annex F).

10.3 Where a provider has not completed the required data monitoring and financial reconciliation forms by the due dates, the LSC will deem the allocation of funding to be unspent and reserves the right to recover such funding in the next payment run and this will impact future allocation of discretionary funds. Where data is incomplete, providers will be asked to revise and resend the required return.

10.4 In order to fulfil its duty to protect public funds, the LSC may use the information it holds to prevent and detect fraud. The LSC may also share such information, for the same purpose, with other organisations that handle public funds.

10.5 When completing the monitoring form and management information return providers need to be aware that the definition of a young person, for this purpose, is a learner aged 16, 17 or 18 on 31 August in the year in which they receive funding.

11. Unspent Funding

11.1 If during the course of the academic year a provider considers that it will be unable to spend any part of its discretionary funding allocation, it should immediately contact the local LSC and arrange to repay the unspent amount. It is not possible to vire funds between the youth and adult budgets.

11.2 The LSC will aim to distribute any returned funds to other providers that can make use of further funding, and the LSC may recover funds identified by providers as undistributed at the end of the academic year.

11.3 The LSC cannot guarantee to reimburse overspends. Institutions are therefore advised not to overspend in the expectation that there will be a reallocation of funds later in the year, as this may not be the case.
11.4 The recovery of any dLSF under-expenditure is expected to take place in October 2009 onwards.

11.5 The Role of Local LSC

Local LSC will:

- work with local authorities and providers locally to agree allocations and discretionary funding agreement schedules;
- work with LSC national office to ensure up-to-date information is held;
- ensure that accurate payments are made to providers and local authorities at the appropriate times;
- liaise with local authorities and providers to ensure expenditure and management information will be available by the required deadline;
- reconcile funds, recovering and redistributing unspent funds as appropriate;
- ensure provider management information is processed accurately and is available to LSC national office;
- answer queries from providers on learner support.
## Annex A  Key Dates for Discretionary Funding

<table>
<thead>
<tr>
<th>Key date</th>
<th>Action required</th>
<th>By whom</th>
</tr>
</thead>
<tbody>
<tr>
<td>end of May 2008</td>
<td>Issue of final allocations via budgeting process to local area LSCs</td>
<td>LSC regional directors</td>
</tr>
<tr>
<td>Jun 2008</td>
<td>Issue of draft discretionary Learner Support Fund agreement schedule, with proposed 2008/09 allocations to institutions</td>
<td>Area LSCs</td>
</tr>
<tr>
<td>1 August 2008</td>
<td><strong>funding agreement schedule agreed</strong></td>
<td>Principals or heads of providers and local LSCs</td>
</tr>
<tr>
<td>Aug 2008</td>
<td>First payment of funds (50 per cent)</td>
<td>Area LSC</td>
</tr>
<tr>
<td>Dec 2008</td>
<td>Second payment of funds (25 per cent)</td>
<td>Area LSC</td>
</tr>
<tr>
<td>Mar 2009</td>
<td>Third payment of funds (25 per cent)</td>
<td>Area LSC</td>
</tr>
<tr>
<td>11 Sep 2009</td>
<td><strong>Financial monitoring returns to local LSCs</strong></td>
<td>Institutions and local education authorities</td>
</tr>
<tr>
<td>16 Oct 2009</td>
<td>Monitoring returns collated, analysed and sent to LSC national office</td>
<td>Local/ Regional LSCs</td>
</tr>
<tr>
<td>Nov 2009</td>
<td>Reconciliation of funds</td>
<td>LSC national office</td>
</tr>
<tr>
<td>Oct and Nov 2009</td>
<td>Recovery of under-expenditure from providers and local education authorities</td>
<td>Local/Regional LSC</td>
</tr>
<tr>
<td>Dec 2009 onwards</td>
<td>Redistribution of unspent funds</td>
<td>Local/Regional LSC</td>
</tr>
</tbody>
</table>
Annex B  Other Forms of Financial Support

Education Maintenance Allowance (EMA)

Education Maintenance Allowance (EMA) is an income-assessed weekly payment of up to £30, paid directly to young people who stay on in learning after they reach the statutory leaving age (that is, after the end of their compulsory schooling). Bonuses are also available to those who progress well on their course or learning programme. EMA is available to young people on full time further education courses at a college or school, LSC-funded Entry to Employment (E2E) and courses leading to an Apprenticeship (that is, Programme-led Pathways). More detail about the EMA scheme is available to providers and learners from the EMA website: www.direct.gov.uk/ema

Care to Learn

Care to Learn (C2L) supports young parents aged up to (and including) 19 when learning starts by funding the cost of their (Ofsted-registered) childcare and associated transport costs.

Further information for learners interested in applying for C2L can be found by telephoning the helpline on 0800 121 8989 or by accessing the following website: www.direct.gov.uk/caretolearn

20+ Childcare in Sixth Form Colleges and School Sixth Forms Fund

Adults attending a school sixth form or sixth form college - who are aged 20 or over when their learning starts - may be eligible for payments made from a nationally administered childcare support fund, providing they have a dependent child aged under 15 (16 for children with disabilities) and for whom they provide care.

Application packs can be obtained by calling 0800 121 8989.

Residential Support Scheme

The Residential Support Scheme helps learners access education that is not available within reasonable travelling distance of their home. Further details on the Scheme can be obtained by visiting the following website: www.direct.gov.uk/moneytolearn click on Extra Help then Help if you are studying away from home.

Career Development Loans

A Career Development Loan (CDL) is a commercial bank loan which can help learners gain the experience, training and qualifications needed to improve job skills to launch a new career. CDLs can be used to fund a variety of courses with a wide range of organisations, so learners are able to choose the course that best suits their needs.

A CDL can be obtained through three participating high street banks,
Barclay’s, The Co-operative Bank and the Royal Bank of Scotland. The LSC pays the interest on the loan whilst the learner is in learning and for up to one month afterwards. The learner then repays the loan to the bank over an agreed period of fixed rate interest.

Further information about Career Development Loans can be obtained from Learn Direct by calling the CDL information line on 0800 585 505 or visiting the following website: www.direct.gov.uk/cdl

**Dance and Drama Awards**

The Dance and Drama Awards (DaDAs) are scholarships funded by the LSC, and are for talented performers and stage managers who want to work in the performing arts.

DaDAs offer greatly reduced tuition fees and income-assessed help with living and learning costs at some of England’s leading private dance and drama training providers.

To apply for an award students must contact directly the participating dance and drama schools to arrange for an audition. DaDAs are given to the students who demonstrate the most potential to succeed in the profession at audition. Further information on the DaDA scheme can be found by logging on to the website: www.direct.gov.uk/danceanddrama

**Adult Learning Grant (ALG)**

ALG encourages improved participation, retention and attainment among adults on low incomes.

The scheme is intended to help adults studying full time (more than 450 guided learning hours a year) with costs associated with learning. The grant pays up to £30 per week (subject to financial assessment) for full-time learners aged 19 and over who are studying their first full Level 2 or first full Level 3 qualification. Further information on the ALG scheme can be found by logging on to the website: www.direct.gov.uk/alg
Annex C  Future Developments

Development of a New Childcare Scheme

The LSC is working with the Department for Children, Schools and Families (DCSF) to develop a new childcare scheme for adult learners which is aimed at workless parents. The objective is to encourage individuals into learning or training that will help lead them into sustainable employment.

The LSC intend to trial the new scheme during 2008/09 and further details will be communicated later in 2008.

Skills Development Fund

The Leitch Report recommended replacing discretionary Learner Support with a Skills Development Fund. The LSC are working with the Department for Innovation, Universities and Skills (DIUS) to look at the feasibility of this.

The LSC is also working with National Association for Managers of Students Services in Colleges (NAMSS) to explore the potential impact and issues associated with this recommendation. More information will be communicated later in 2008.

Annex D  Additional Learning Support

The link to the document is below (Page 116 onwards);
http://www.lsc.gov.uk/publications/latestdocuments/Detail.htm?id=2a24a864-df4c-40cf-a0da-b7b4f9432676
### Annex E  ILR

**ILR Extract of relevant discretionary funds fields – L34 Code 37**

‘Residential Support Scheme’ should be used to record residential bursaries and L49 for all other forms of discretionary funding.

<table>
<thead>
<tr>
<th>Field</th>
<th>L34</th>
<th>Learner support reason – other (occurs 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Required for</strong></td>
<td>LR</td>
<td>ER</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Identifies categories of other learner support for the learner</td>
<td></td>
</tr>
<tr>
<td><strong>Reason required</strong></td>
<td>To identify the demand for, and participation in, learner support and to assist in the evaluation of its effectiveness.</td>
<td></td>
</tr>
<tr>
<td><strong>Valid entries</strong></td>
<td>LR</td>
<td>ER</td>
</tr>
<tr>
<td>24</td>
<td>Adult learning grant (ALG)</td>
<td>Y</td>
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<tr>
<td>25</td>
<td>Education maintenance allowance (EMA)</td>
<td>Y</td>
</tr>
<tr>
<td>32</td>
<td>Career development loan (CDL)</td>
<td>Y</td>
</tr>
<tr>
<td>35</td>
<td>E2E / Programme Led Apprenticeships (PLA) hardship fund</td>
<td>Y</td>
</tr>
<tr>
<td>36</td>
<td>Care to Learn (C2L)</td>
<td>Y</td>
</tr>
<tr>
<td>37</td>
<td>Residential support scheme (RSS)</td>
<td>Y</td>
</tr>
<tr>
<td>41</td>
<td>time off for study</td>
<td>Y</td>
</tr>
<tr>
<td>49</td>
<td>learner living on campus (accommodation owned or managed by provider)</td>
<td>Y</td>
</tr>
<tr>
<td>50</td>
<td>learner living off campus (accommodation leased by provider and sub-let to learner)</td>
<td>Y</td>
</tr>
<tr>
<td>51</td>
<td>learner living off campus (privately managed accommodation on provider recommended list)</td>
<td>Y</td>
</tr>
<tr>
<td>52</td>
<td>learner living off campus (privately managed accommodation not on provider recommended list)</td>
<td>Y</td>
</tr>
<tr>
<td>53-96</td>
<td>Unassigned</td>
<td>Y</td>
</tr>
<tr>
<td>99</td>
<td>no learner support or no more of the above</td>
<td>Y</td>
</tr>
<tr>
<td><strong>Null value</strong></td>
<td>Zero fill. Use null value if field not required (ASL and ESF SR)</td>
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</table>

**Notes**

From 2008/09 discretionary learner support types will be captured in the Discretionary learner support type field, field L49. Codes 01-13 have been removed.

Where more than one category of learner support applies to a learner, enter up to four codes in the learner support reason fields. These different reasons should be justified from the left and 99 filled to the right.

The same learner support reason should not be entered more than once, except an entry of 99.
## Annex E  ILR - continued

<table>
<thead>
<tr>
<th>Field</th>
<th>L49: Discretionary learner support type (occurs 4)</th>
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</tr>
<tr>
<td>Field: length Type justification</td>
<td>2 (occurs 4) Numeric Not necessary</td>
</tr>
<tr>
<td>Description</td>
<td>Identifies categories of discretionary learner support for the learner</td>
</tr>
<tr>
<td>Reason required</td>
<td>To identify the demand for, and allocation of discretionary learner support funds and to assist in the evaluation of its effectiveness.</td>
</tr>
<tr>
<td>Valid entries</td>
<td>01 19+ Hardship – fees</td>
</tr>
<tr>
<td></td>
<td>02 16-18 Hardship – general (books, equipment, accommodation, etc)</td>
</tr>
<tr>
<td></td>
<td>03 19+ Hardship – general (books, equipment, accommodation, etc)</td>
</tr>
<tr>
<td></td>
<td>04 16-18 Hardship transport</td>
</tr>
<tr>
<td></td>
<td>05 19+ Hardship transport</td>
</tr>
<tr>
<td></td>
<td>06 20+ Childcare</td>
</tr>
<tr>
<td></td>
<td>07 Transport from local authority (LA) partnership</td>
</tr>
<tr>
<td></td>
<td>08-10 Unassigned</td>
</tr>
<tr>
<td></td>
<td>99 No discretionary learner support or no more of the above</td>
</tr>
<tr>
<td>Null value</td>
<td>Zero fill. Use null value if field not required (ER, ASL and ESF SR)</td>
</tr>
</tbody>
</table>

### Notes

Code 01 (19+ Hardship – fees) should only be used where the provider has formal agreement from their LSC Partnership Team to use the funds for this purpose.

Where more than one category of learner support applies to a learner, enter up to four codes in the learner support reason fields. These different reasons should be justified from the left and 99 filled to the right

The same learner support reason should not be entered more than once, except an entry of 99.
Annex F  Example Provider Financial Monitoring Data Form for 2008/09 Academic Year – please see separate link

Annex G  Audit Requirements for Discretionary Funding 2008/09

General
This excerpt is from the Education & Training Standard Terms & Conditions part of the funding agreement.

11. Access and Monitoring

11.1 THE COUNCIL shall give THE CONTRACTOR reasonable advance notice in writing of proposed visits to THE CONTRACTOR or its sub-contractors, to observe the delivery of the Services, by any person who has taken or will take no direct part in the conduct or content of the Services.

11.2 For monitoring and evaluation purposes, THE COUNCIL, the Secretary of State and his agents, the Department for Children, Schools and Families, the Department for Innovation, Universities and Skills, the National Audit Office, Representatives of the European Commission and the European Court of Auditors, the Audit Commission and the Inspectorates shall have the right to visit all or any site(s) and view operations relating to the provision and to inspect relevant documents and interview Learners and THE CONTRACTOR’S staff during these visits.

11.3 THE CONTRACTOR shall, and shall ensure that its sub-contractors shall, permit access at any reasonable time to any of the representatives listed at Clause 11.2 in order to:

a) examine, audit or take copies of any original or copy documentation, accounts, books and records of THE CONTRACTOR and its sub-contractors that relate to the Contract;

b) visit, view or assess the design, management and delivery relating to the Contract at any Premises where those operations are carried out (including those of sub-contractors) and conduct relevant interviews, including interviews with Learners, during these visits at any reasonable time;

c) carry out examinations into the economy, efficiency and effectiveness with which THE CONTRACTOR has used THE
COUNCIL’S resources in the performance of the Contract.

11.4 Where reasonably required, THE CONTRACTOR and its sub-contractors shall provide copies of any relevant documents required by any of the representatives listed at Clause 11.2.

11.5 THE CONTRACTOR shall, if required by any of the representatives stated at Clause 11.2 provide appropriate oral or written explanations.

Specific to Discretionary Funding 2008/09

Provider Financial Assurance (PFA) would audit against the Financial Monitoring Returns submitted by the institutions and local authorities. Any audit would seek to validate the funding reported via this return. There are various types of eligible funding and audit would be against these criteria.

Eligibility
- Evidence that the learner meets the standard LSC Residency criteria as contained in the guidance note – LSC Learner Eligibility Guidance 2008-09;
- Evidence that the learner meets one of the priority groups identified in the guidance;
- Evidence that the learner is not eligible to receive Additional Learning Support (ALS) Funding.

Application Process
- Written policies describing how funding will be prioritised and dispersed;
- Records of application for each learner for DLSF detailing the specific need and the amount required;
- Records of approved applications;
- Evidence of actual spend against each application i.e. Invoices.

Equipment
- Evidence that equipment is recorded and monitored for future use by other learners i.e. asset register;
- Evidence that the fund has been reimbursed for any equipment returned to the pool less depreciation.

Administration Costs
- Evidence that the administration costs amount to no more than 5% of the total allocation;
- Evidence of actual spend on administration of the programme i.e. staff hours, invoices, overhead costs apportioned accordingly.

In addition to the above general requirements each element of discretionary
Funding has additional evidence requirements as follows:

**Discretionary Funding - Hardship**

- Evidence to confirm a learner need for a bursary;
- Evidence to confirm the actual spend against each application i.e. invoices.

**Discretionary Funding - Childcare**

- Evidence that the childcare provider is registered with Ofsted;
- Evidence of actual spend against each application i.e. invoices;
- Evidence that the actual spend was eligible i.e. not used as set-up costs.

**Transport**

- Evidence that the application was eligible for funding (paragraph 7.3).

**Residential Bursary Fund (RBF)**

- Evidence that providers have used no more than 15% of their allocation or £25,000 to support daily travel for learners;
- Evidence to support daily travel payments made against each learner.