Bursary Payment Communication

Summary
The position on combining bursaries with LSC participation funding and EMA payments is as follows:

- A one off payment as an incentive to join an industry or a specific school or college or a periodic bonus in recognition of achievement / to reward a learner’s particular effort are acceptable and do not effect eligibility for LSC funding, they can also be paid alongside EMA.
- Regular maintenance payments would not be acceptable and will render the Learner ineligible for LSC funding because they confuse employment and programme status, these may also represent double funding if combined with EMA.

Background:
The extension of Education Maintenance Allowance (EMA) brought Entry to Employment (E2E) and Programme-Led Apprenticeship (PLA) provision into scope for some of the financial support (Child Benefit and Child Tax Credit) available to young people in full time education at a school or college and their families.

The LSC’s preferred position on Apprenticeships is that employers should be encouraged to employ the Apprentice from the start of their programme. Currently there is confusion over the status of many programmes where learners are in full time education and receiving varying forms of payment from an employer. These arrangements should be reviewed and confirmed as Employer-led or Programme-led Apprenticeships or non-employed full, time education so that the Learners status is clear in Regulations. Under Child Benefit regulations a learner may only engage in up to 24 hours of employment a week (either waged or in anticipation of a wage) without jeopardising their families’ entitlement to these benefits. This led us to consider the issue of non-employed learners in E2E/PLA receiving bursary payments and more generally those in full-time FE provision and the possible implications this could have in terms of the financial support the family could claim. The FE and Adult Task group considered and agreed a proposal to provide a consistent approach on bursary payments across WBL and FE, including how they related to EMA.

Timing:
These arrangements need to be in place for learners starting provision from September 2007 onwards. Existing learners may continue under current arrangements until they complete their programme. This does not affect the current Learner Support Fund - Residential Bursary and FE Residential Support which provide support for learners’ accommodation costs and so can be combined with EMA.

LSC PFA teams and colleagues dealing with WBL and FE providers may wish to be aware of these principles to ensure that they are applied consistently across LSC funded provision.