<table>
<thead>
<tr>
<th>ABOUT THIS GUIDANCE</th>
<th>page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>page 4</td>
</tr>
<tr>
<td>CONTEXT AND BACKGROUND</td>
<td>page 5</td>
</tr>
<tr>
<td>RESPONSIBILITIES OF KEY STAKEHOLDERS</td>
<td>page 6</td>
</tr>
<tr>
<td>ELIGIBILITY</td>
<td>page 8</td>
</tr>
<tr>
<td>LENGTH OF ENTITLEMENT TO ALG</td>
<td>page 10</td>
</tr>
<tr>
<td>RETROSPECTIVE CLAIMS</td>
<td>page 20</td>
</tr>
<tr>
<td>LINKS WITH OTHER FUNDING</td>
<td>page 21</td>
</tr>
<tr>
<td>TAXABLE STATUS</td>
<td>page 24</td>
</tr>
<tr>
<td>ADULT EDUCATION BURSARIES</td>
<td>page 24</td>
</tr>
<tr>
<td>CHARITABLE GRANTS</td>
<td>page 24</td>
</tr>
<tr>
<td>LEARNER SUPPORT FUND – HARDSHIP, CHILD CARE, RESIDENTIAL</td>
<td>page 24</td>
</tr>
<tr>
<td>CARE2LEARN</td>
<td>page 24</td>
</tr>
<tr>
<td>SIXTH FORM COLLEGE CHILD CARE SCHEME</td>
<td>page 24</td>
</tr>
<tr>
<td>RESIDENTIAL BURSARIES, ADULT EDUCATION BURSARIES</td>
<td>page 24</td>
</tr>
<tr>
<td>HOUSING BENEFIT, COUNCIL TAX BENEFIT AND SECOND ADULT REBATE</td>
<td>page 24</td>
</tr>
<tr>
<td>CARER’S ALLOWANCE</td>
<td>page 24</td>
</tr>
<tr>
<td>DISABILITY LIVING ALLOWANCE</td>
<td>page 25</td>
</tr>
<tr>
<td>WORKING TAX CREDIT AND CHILD TAX CREDIT</td>
<td>page 25</td>
</tr>
<tr>
<td>CAREER DEVELOPMENT LOAN</td>
<td>page 25</td>
</tr>
<tr>
<td>EDUCATION MAINTENANCE ALLOWANCE</td>
<td>page 25</td>
</tr>
<tr>
<td>OUT-OF-WORK BENEFITS</td>
<td>page 25</td>
</tr>
<tr>
<td>INCOME SUPPORT</td>
<td>page 25</td>
</tr>
<tr>
<td>APPRENTICESHIPS</td>
<td>page 25</td>
</tr>
<tr>
<td>OFFENDERS</td>
<td>page 25</td>
</tr>
<tr>
<td>THE APPLICATION PROCESS</td>
<td>page 26</td>
</tr>
<tr>
<td>OBTAINING ALG APPLICATION PKS</td>
<td>page 26</td>
</tr>
<tr>
<td>MAKING AN APPLICATION</td>
<td>page 26</td>
</tr>
<tr>
<td>ACTION BY THE HAPB ON RECEIPT OF APPLICATION FORMS</td>
<td>page 26</td>
</tr>
<tr>
<td>IF THE APPLICANT IS NOT ELIGIBLE FOR ALG</td>
<td>page 27</td>
</tr>
<tr>
<td>IF THE APPLICANT IS ELIGIBLE FOR ALG</td>
<td>page 27</td>
</tr>
<tr>
<td>LEARNING AGREEMENTS</td>
<td>page 27</td>
</tr>
<tr>
<td>PAYMENT PROCESS</td>
<td>page 28</td>
</tr>
<tr>
<td>REPORTING ATTENDANCE</td>
<td>page 28</td>
</tr>
<tr>
<td>ATTENDANCE AND ABSENCE RULES</td>
<td>page 29</td>
</tr>
<tr>
<td>RETENTION OF ATTENDANCE/ABSENCE DATA</td>
<td>page 31</td>
</tr>
<tr>
<td>OVERPAYMENTS</td>
<td>page 32</td>
</tr>
<tr>
<td>ACTION WHERE OVERPAYMENTS HAVE BEEN ESTABLISHED</td>
<td>page 32</td>
</tr>
<tr>
<td>MANAGEMENT INFORMATION</td>
<td>page 34</td>
</tr>
<tr>
<td>EVALUATION</td>
<td>page 35</td>
</tr>
<tr>
<td>INDIVIDUALISED LEARNER RECORDS</td>
<td>page 36</td>
</tr>
<tr>
<td>AUDIT AND COMPLIANCE</td>
<td>page 37</td>
</tr>
<tr>
<td>APPEALS PROCEDURES</td>
<td>page 38</td>
</tr>
<tr>
<td>AMENDMENTS TO THIS GUIDANCE</td>
<td>page 39</td>
</tr>
<tr>
<td>ANNEX: HOUSING BENEFIT AND ALG – COPY OF THE LETTER SENT TO LOCAL AUTHORITIES</td>
<td>page 40</td>
</tr>
</tbody>
</table>
What is the Adult Learning Grant (ALG)?
ALG is intended to help adults studying full time for their first full Level 2 or first full Level 3 qualification with the costs of learning. The grant pays up to £30 per week (subject to financial assessment) during term time. It is open to adults aged 19 or over and has been designed to enable learners to combine full-time study with full-time or part-time employment where they wish to do so.

The grant is **not** aimed at:

- learners in receipt of ‘out of work’ benefits such as Jobseeker’s Allowance or ‘inactive benefits’ such as Incapacity Benefit;
- part-time learners (ie learners studying for less than 12 hours per week); or
- distance learners, or others who study without regular tutorials or guidance.
In July 2003, the Department for Education and Skills (DfES) published a national Skills Strategy for England, 21st Century Skills: Realising Our Potential. This presented an ambitious agenda for tackling the long-standing weaknesses in the way young people and adults are equipped with the skills they need, and announced the piloting of an ALG to help learners achieve the key Level 2 and Level 3 qualifications they need to improve their employability and help the UK improve its skill base.

The principles and direction of travel set out in the Skills Strategy were reaffirmed in March 2006 with the publication of the White Paper Raising Skills, Improving Life Chances. The White Paper specifically confirmed the Government’s commitment to ALG and brought forward the timetable for national rollout to September 2007, a year earlier than originally planned.

ALG is playing a vital role in contributing to the Public Service Agreement (PSA) target to reduce the number of adults in the workforce who lack a Level 2 qualification; and to the LSC priority – the importance of which was recently stressed again in the Leitch Report – to increase skills at Level 3 and above. To set these priorities in context, 6.3 million economically active adults currently lack a Level 2 qualification; and 11.4 million economically active adults currently lack a Level 3 qualification.

The impact of ALG so far
The Centre for Research in Social Policy (CRSP) at Loughborough University and the National Centre for Social Research (NatCen) have been evaluating ALG on behalf of DfES and the LSC throughout the life of the pilot.

Key findings include:

Impact on participation and retention
- ALG accelerates learning. Over a quarter (27%) of recipients said they would have studied part time without ALG – in other words, ALG is helping learners to gain their qualifications and improve their employment prospects more quickly.
- ALG improves retention. 17% of recipients said they would probably or definitely have dropped out of their course without ALG. On average, 93% of ALG learners stay in learning, compared with an average of 85% in further education. An increasing number of learning providers are reporting 100% retention rates for their ALG learners.
- ALG encourages participation. 15% of recipients said they would probably or definitely not have gone ahead with their course without ALG.
- ALG supports social equity. Recipients who do not have a job are those most likely to state that they would probably or definitely have dropped out without ALG.

Impact on attainment and progression
- ALG has so far helped over 16,200 learners to achieve their Level 2 and/or Level 3 qualifications.
- Over 20% of learners who use ALG to study at Level 2 go on to study at Level 3.

Impact on learner motivation
- 96% of learners were enrolled on their course for job-related reasons.
- The main reason for studying is career development. Very few learners in work are enrolled on courses related to their current job (18%); their motivations are to gain new skills and to get a job they are thinking of doing in the future.
In order for ALG to operate effectively and to enable the learner’s journey through the ALG process to be as clear, smooth and straightforward as possible, the LSC, in consultation with stakeholders involved in the pilot, has identified the key roles and responsibilities for each organisation involved in delivering ALG.

It should be stated that, in setting out these roles and responsibilities, the LSC acknowledges that individual learning providers, for example, may operate in different ways and as such may choose to deliver ALG in slightly different ways. These roles and responsibilities are therefore recommendations and not prescribed ways of working.

Roles and responsibilities

**LSC**
- Develop and communicate to key stakeholders national ALG policy and processes.
- Work with the Department for Innovation, Universities and Skills (DIUS) on issues of policy and strategy.
- Manage the Helpline, Assessment and Payment Body (HAPB) to ensure learners receive the best possible service from them.
- Develop and manage a national marketing and communications strategy and supporting materials, which can be adapted for regional/local use.
- Structure and co-ordinate events, for example national conferences, regional workshops, briefing sessions, etc as appropriate.
- Work with learning providers to integrate ALG with existing learner support and national and local fee remission arrangements.
- Energise and co-ordinate involvement of learning providers and other key stakeholders.

**Learning providers**
- Work with the LSC to integrate ALG with existing learner support and national and local fee remission arrangements.
- Enrol learners for appropriate courses and ensure completion of Individualised Learner Records (ILR) data.
- Brief teaching and non-teaching staff about ALG.
- Monitor attendance and report it to the HAPB.
- Integrate publicity of ALG with usual enrolment publicity.
- Comply with ALG procedures as set out in this guidance and the application pack.
- Maintain auditable records relating to ALG learners, ie attendance reports, Learning Agreements, etc.
- Deal with queries from learners about the withholding of ALG payments because of failure to meet attendance and Learning Agreement criteria.
- Provide general advice and support to learners about ALG.
- Provide feedback to the LSC on any policy or delivery issues that arise.

**Helpline, Assessment and Payment Body (HAPB)**
- Process applications, assess eligibility and notify successful and unsuccessful applicants.
- Make accurate payments to the learner; stop or suspend payments where appropriate; recover overpayments from learners where necessary.
- Maintain and provide management information systems to facilitate tracking and effective monitoring of the programme.
- Provide advice to learners and help them to understand the ALG process and any decisions relating to it, what their role in the process is, and what other kinds of help may be available to them as well as, and instead of, ALG.
- Provide advice to learning providers and other stakeholders.

**Jobcentre Plus**
- Signpost ALG to appropriate clients, which they might consider as a possible alternative to benefits.
- Help learners to identify and secure part-time employment that is compatible with their hours of study.

**learndirect**
- Provide information to learners about ALG and other kinds of learner support.
- Advise learners about their possible eligibility for ALG.
- On request, send ALG application packs to potential learners.
- Provide, or signpost learners to, advice about the availability of full-time courses.
- Refer any queries about the application process to the HAPB.
There are three eligibility criteria that must be met in order for a learner to receive ALG:

- eligibility of the learner;
- eligibility of the learning; and
- eligibility of the provider.

**Eligibility of the learner**

In order to be eligible for ALG, a learner must meet the criteria for:

- age;
- residency; and
- income.

They must also be studying full time for their first full Level 2 or first full Level 3 qualification.

**Age**

To be eligible, learners must be aged 19 or over in the academic year they begin their course.

Learners aged 18 can apply for ALG, but the earliest date they can apply is one month before their 19th birthday.

For learners who apply before their 19th birthday, ALG will be due from the Monday on or following their 19th birthday, subject to them meeting the usual eligibility criteria.

A learner must be of ‘working age’ in order to be eligible for ALG. The Department for Work and Pensions (DWP) definition states that this is age 60 for women and age 65 for men. This criterion has been set in order to maximise the impact of the limited ALG budget and ensure it is targeted at priority learners, ie those lacking the qualifications they need to improve their employability and skills.

However, if a learner is rejected for ALG on the grounds of age and appeals, stating that they intend to change career or continue in employment, each individual will be considered on a case-by-case basis.

The learner must meet the age criteria and all other ALG criteria to be eligible.

**Residency**

Learners must have citizenship of the UK or a European Union (EU)/European Economic Area (EEA) country, and must have been living in England for the three years preceding the start of their course.

It is helpful if the learning provider establishes if the learner meets the residency criteria as part of the general eligibility assessment for course enrolment.

Learners who live in Scotland or Wales are not eligible for ALG.

The learner must meet the residency criteria and all other ALG criteria to be eligible.

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**Residency terms**

**EEA**

The EEA consists of the states of the EU (see below) plus Iceland, Liechtenstein, Switzerland, Norway and Turkey.

Please note: Some EEA countries issue alien passports. These do not confer citizenship of that country. Therefore someone with one of these passports will also need to have indefinite leave to remain to be eligible for EMA.

**EEA migrant workers**

An EEA migrant worker is a national of a member state of the EEA who has taken up an activity as an employed person in the UK.

A UK national who has moved from the UK to work in another EEA country, and then returned to the UK to work, may be considered an EEA migrant worker on their return to the UK.

**EU**

The EU member states are: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Portugal, Spain, Sweden, the UK and Luxembourg. On 1 May 2004, 10 new countries joined the EU: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. Bulgaria and Romania joined on 1 January 2007.

**EU temporary protection**

In the event of a mass displacement of EU citizens, for example due to a natural disaster, the Council of the European Union may invoke the European Union Temporary Protection Directive, and therefore those displaced citizens will have a right to move to the UK and other EU states and access their public services. In this instance we will contact learning providers to inform them that the directive has been invoked.

**Exceptional leave to enter or remain (ELE/ELR)**

ELE/ELR is not asylum and does not constitute recognition as a refugee within the meaning of the United Nations Convention. ELE/ELR status does not confer eligibility to ALG, and is not the same as indefinite leave to remain or indefinite leave to enter (ILE). ELR was abolished on 1 April 2003. It was normally granted to a set calendar date (four years from the date of the application), although in some circumstances it may have been granted for a shorter period. The applicant should have been sent a letter by the Home Office stating that, while they were not recognised as a refugee, they had been granted ELR. After completing four years’ ELE/ELR, it is open to the person to apply for settlement, at which point indefinite leave to remain may be granted.

**Humanitarian Protection**

Humanitarian Protection (HP) is granted to individuals who do not qualify for asylum but who if removed from the UK would be at real risk of:

- the death penalty;
- unlawful killing; or
The flowchart below refers to the evidence that can be used by learning providers to confirm residency status. Examples of these different types of evidence follow.

For general queries regarding the status a piece of documentation confers, call the Immigration Enquiry Bureau on 0870 606 7766. However, please note that they will not be able to assess eligibility for ALG.

### Flowchart
### Residency guidance for ALG

#### Examples of evidence held by student

<table>
<thead>
<tr>
<th>Condition</th>
<th>Example of Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Someone who is ‘settled’ in the UK</td>
<td>A passport from one of the EU/EEA countries or a national identity card</td>
</tr>
<tr>
<td>Person with EU temporary protection</td>
<td>An Application Registration Card</td>
</tr>
<tr>
<td>Person with Discretionary Leave to Enter or Remain</td>
<td>A passport from one of the EU/EEA countries or stamped Home Office status letter</td>
</tr>
<tr>
<td>Person with Humanitarian Protection</td>
<td>An Immigration status document (or passport, if available, where dependants do not have a passport) that states Refugee or Humanitarian Protection status, endorsed with a vignette (see page 14 for examples) or stamped Home Office status letter</td>
</tr>
</tbody>
</table>

*The three years is the actual first date of the course. Evidence of residence may be confirmed in a letter from a school previously attended or from a GP confirming the student has been registered throughout the three-year residence period.*

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#### Refugees

A refugee is defined as someone who is outside their country of nationality and who is unable or unwilling to return there because of a well-founded fear that they may be persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion.

Due to a recent change in government policies on refugee leave and HP, which came into effect on 30 August 2005, refugees are now given an initial grant of five years’ limited leave (whereas previously they were immediately granted ILR/ILE). All people with refugee status are eligible to claim ALG, subject to other eligibility criteria being met. People granted HP are also granted five years’ limited leave (three years were granted before 30 August 2005).

#### Settled status

‘Settled’ means having either ILR/ILE or having the right of abode in the UK. British citizens have the right of abode in the UK as do the following people:

- those with European Community – United Kingdom of Great Britain and Northern Ireland passports;
- British Dependent Territories citizens (now known as British Overseas Territories citizens);
- those whose passports have been endorsed to show that they have right of abode in the UK; and
- those who have a certificate of naturalisation or registration as a British citizen.
Immigration status document
The example below is for someone granted refugee status, but documents can also be issued for those with HP.

Financial assessment
A financial assessment will be applied to ALG applicants in order to establish their ALG entitlement. For the academic year 2007/08, details are required of learners’ financial circumstances from the 2006/07 tax year.

The financial assessment takes account of the income of the learner and the income of any cohabiting partner. When the cohabiting couple are both students, the financial assessment for each student will be based on the income thresholds for learners without a cohabiting partner in paid employment.

This assessment offers the best opportunity to bring new learners in, reduce barriers and ensure simplicity. It would be inequitable, as well as inconsistent with EMA and Higher Education support, to ignore the income of cohabiting partners. Therefore, for learners with a cohabiting partner in paid employment, we will use the same income bands as those for the EMA, which have been designed for the purpose of assessing learners on a low income (Table 1).

For learners without a cohabiting partner in paid employment, we will use lower income thresholds (Table 2).

No account is taken of household income. This means that a learner who is living with their parents will be assessed only on their own income and not that of their parents.

The financial assessment will not take into account any money the learner receives from the Learner Support Fund (LSF) (including residential pilots), adult education bursaries and charitable grants.

The income thresholds will be reviewed on an annual basis and may be subject to change.

The two income thresholds for ALG are shown in Tables 1 and 2.

Table 1
Learners without a cohabiting partner

<table>
<thead>
<tr>
<th>Income level each year</th>
<th>Weekly ALG payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to £11,810</td>
<td>£30</td>
</tr>
<tr>
<td>£11,811–£15,405</td>
<td>£20</td>
</tr>
<tr>
<td>£15,406–£19,513</td>
<td>£10</td>
</tr>
<tr>
<td>Over £19,513</td>
<td>Nil</td>
</tr>
</tbody>
</table>

Table 2
Learners with a cohabiting partner

<table>
<thead>
<tr>
<th>Income level each year</th>
<th>Weekly ALG payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to £19,513</td>
<td>£30</td>
</tr>
<tr>
<td>£19,514–£23,621</td>
<td>£20</td>
</tr>
<tr>
<td>£23,622–£30,810</td>
<td>£10</td>
</tr>
<tr>
<td>Over £30,810</td>
<td>Nil</td>
</tr>
</tbody>
</table>
Prior qualification assessment
Payment of ALG will be limited to adults studying for their first full Level 2 and/or first full Level 3 qualification to ensure that provision is targeted in accordance with government priorities. ALG is not payable for learning to reach Level 1, Level 4 or Level 5. As there is currently no single qualification database against which an individual's qualifications can be checked, ALG applicants are required to self-declare their highest held qualification on the application form.

Full Level 2 refers to a standard equivalent to five GCSEs at grades A*–C or a National Vocational Qualification at Level 2.

Full Level 3 refers to a standard equivalent to two A-levels at grades A–E or a National Vocational Qualification at Level 3.

We recognise that a significant number of potential learners are already part-qualified within a level. For example, a learner may have obtained some Level 2 qualifications but not a full Level 2 standard. Provided that a part-qualified learner has an appropriate Learning Agreement (i.e., full time at first full Level 2 or first full Level 3) agreed with the learning provider, and therefore confirms eligibility for inclusion on the scheme, they will be eligible for ALG.

Learner's income has increased
Increases in income during the academic year are disregarded.

The learner will undertake a new income assessment every academic year, so any increase is likely to affect future entitlements to ALG.

The learner must meet the income criteria and all other ALG criteria to be eligible.

Full-time learning
To be eligible for ALG participants 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 the qualification.

The LSC definition of full-time learning is:
• 450 guided learning hours in an academic year (usually 150 guided learning hours a term equating to 12–13 hours per week).

Learners undertaking part-time learning are not eligible for ALG.

The learner must meet the full-time learning criteria and all other ALG criteria to be eligible.

Changes of circumstances
Learner's income has fallen
If, during the application process or after the course has started, a learner advises the HAPB that their income has fallen by 15% and this takes them below the next income threshold, actual earnings can be used, subject to the provision of suitable evidence.

The HAPB will automatically contact the applicant if there is evidence on the application form that indicates that a current income assessment is necessary.

Applicants who are not in receipt of a full-rate ALG are notified about current income assessments and are invited to supply further income details if they think that they may qualify for a higher rate.

Details of combinations of qualifications that the LSC considers to be equivalent to an overall full Level 2 or full Level 3 attainment are set out on page 18 in order to help learning providers to take a decision on an individual's potential eligibility. This will be confirmed by the HAPB when processing an individual's application form. Eligible qualifications are those accredited by the Qualifications and Curriculum Authority, details of which are available on the Learning Aim Database (www.lsc.gov.uk/Providers/Data/Software/LAD/).
**Part qualified learners**

If a learner has four AS levels as a free-standing qualification and wishes to undertake a full Level 3, the free-standing qualifications will not be used as part of the eligibility check. But the learner will be required to undertake a full A level course in order to qualify for ALG support.

If a learner achieves four AS levels and is continuing to the second year of an A level course, or chooses to switch to an alternative Level 3 course, these will not be used as part of the eligibility check as the learning aim is to achieve a full Level 3 qualification.

**The role of providers**

In these circumstances providers should encourage learners to enrol for a full A level course and to view AS levels as a stepping stone to a better qualification. If circumstances arise whereby the learner specifically requests an AS course as a free-standing qualification, they are, of course, at liberty to do so but they will not then qualify for ALG.

The learning provider should ensure that the learning aim is clearly stated as a two-year course leading to a full Level 3 qualification on the application form and the learning agreement.

To ensure that ALG applicants state their prior qualifications fully and truthfully, we will:

- publish legal warnings to learners on ALG documentation;
- brief learning providers thoroughly through this guidance and elsewhere as appropriate;
- ensure that LSC internal audit examines application forms and publicity materials prior to usage; and

---

### National Vocational Qualification (NVQ) level

<table>
<thead>
<tr>
<th>National Vocational Qualification (NVQ) level</th>
<th>Academic qualification equivalent</th>
<th>Vocational qualification equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1</td>
<td>GCSE/O-level grades D–G (or fewer than five at grades A–C)</td>
<td>BEC General Certificate</td>
</tr>
<tr>
<td></td>
<td>CSE below grade 1</td>
<td>BEC Diploma</td>
</tr>
<tr>
<td></td>
<td>One AS-level*</td>
<td>BTEC First Certificate</td>
</tr>
<tr>
<td>Level 2</td>
<td>GCSE/O-level</td>
<td>City &amp; Guilds Operative Awards</td>
</tr>
<tr>
<td>(five or more at grades A–C)</td>
<td>CSE grade 1 (five or more)</td>
<td>CPVE Year 1 (Technician)</td>
</tr>
<tr>
<td>One A-level</td>
<td>One A-level</td>
<td>GNVQ Foundation</td>
</tr>
<tr>
<td>Two/three AS-levels*</td>
<td></td>
<td>LCCI Elementary/First Level</td>
</tr>
<tr>
<td>Level 3</td>
<td>Two or more A-level passes (at grades A–E)</td>
<td>NVQ Level 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PEI Elementary/First Level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RSA Elementary/First Level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RSA Vocational Certificate</td>
</tr>
</tbody>
</table>

*Please note that the levels shown do not necessarily coincide with the level at which individual qualifications are set. For example, AS-levels are at Level 3, but the level of attainment achieved by a learner who has taken AS-level qualifications depends on the number of qualifications achieved, one AS-level being required for the learner to attain Level 1, at least two to attain Level 2 and at least four to attain Level 3.*

---

### Table 3

**Level 2/Level 3 academic and vocational qualification equivalents**

<table>
<thead>
<tr>
<th>National Vocational Qualification (NVQ) level</th>
<th>Academic qualification equivalent</th>
<th>Vocational qualification equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 4</td>
<td>Teaching qualifications (including PGCE)</td>
<td>BEC National HNC/HND</td>
</tr>
<tr>
<td></td>
<td>First degree</td>
<td>BTEC National HNC/HND</td>
</tr>
<tr>
<td>Level 5</td>
<td>Higher degree</td>
<td>Higher Education Certificate</td>
</tr>
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<td>Higher Education Diploma</td>
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<td>LCCI Advanced Level</td>
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<td>NVQ Level 4</td>
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<td>Nursing (SRN)</td>
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<td>RSA Advanced Certificate</td>
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<td>RSA Higher Diploma</td>
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*Other high level professional qualifications*
• ensure that LSC internal audit performs an audit sample check of ALG, including ILR data related to ALG (fields L34 and L35).

A learner must meet the prior qualifications criteria and all other ALG criteria to be eligible.

**Eligibility of the learning (about the course)**

ALG is open both to learners who are starting a new course and to learners who are already on a course who meet all of the eligibility criteria.

**Courses leading to a full Level 2 or full Level 3 qualification**

As set out above, learners must be following courses that lead to a full Level 2 or full Level 3 qualification.

**Full-time courses**

The course must be a full time course, as set out on page 16.

The following are not eligible for ALG:

- learners undertaking apprenticeships;
- learners studying at Level 1, Level 4 and Level 5;
- learners undertaking part-time learning (ie less than 12 hours a week); and
- learners on work-based learning provision that does not count towards the guided learning hours.

Learners who are studying through Train to Gain will not normally be eligible for ALG as the majority of learning undertaken via this route will be carried out in the workplace. However, in some instances the most appropriate learning may be that provided by an FE learning provider. This means that learners may be incurring additional costs, for example for transport, and as such may be entitled to ALG. These individuals will be considered on a case-by-case basis.

**Eligibility of the provider**

ALG is payable to learners who are following courses at FE learning providers. These are designated by the LSC in accordance with its usual funding criteria.

Entitlement to ALG is normally two years but can be extended for up to three years, for example where a student takes Level 2 before moving on to Level 3 and expects to complete their studies within a maximum of three years.

Requests to extend ALG beyond three years for individuals with learning difficulties and/or disabilities will be considered on a case-by-case basis. Learning providers should notify any learners whom they consider this may apply to of the normal ALG maximum eligibility before they embark on their course and should emphasise that no extension can be guaranteed.

Normally learners should aim to start their Level 3 course as soon as it is available after they have completed their Level 2 course. But any learners unable to do so may apply for ALG to start at a later date, with each case being considered on an individual basis.
Eligible learners who do not claim ALG at the outset of their learning can make a retrospective claim. Subject to meeting all of the eligibility criteria, the claim will be backdated to the start of the term in which they applied. If the learner was in receipt of state benefits while studying, ALG will be backdated to the Monday following benefits stopping.

Retrospective claims cannot be made for the previous academic year.

The following tables identify support which can/cannot be received alongside ALG (see pages 24 and 25). In order to release more funds for other learners, we suggest that ALG is classed as income when assessing for other support.

### Table 4

<table>
<thead>
<tr>
<th>A learner may receive support from the following in addition to ALG</th>
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<tbody>
<tr>
<td>Adult education bursaries</td>
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<tr>
<td>Charitable grants</td>
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<tr>
<td>LSF Hardship, Childcare, Residential</td>
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<tr>
<td>Care2Learn funding</td>
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<tr>
<td>Sixth Form College Childcare Scheme</td>
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<tr>
<td>Residential bursaries</td>
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<tr>
<td>Housing Benefit, Council Tax Benefit and Second Adult Rebate</td>
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<tr>
<td>Carer’s Allowance</td>
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<tr>
<td>Disability Living Allowance</td>
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<tr>
<td>Working Tax Credit and Child Tax Credit</td>
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<tr>
<td>Career Development Loan (CDL)</td>
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### Table 5

<table>
<thead>
<tr>
<th>A learner must not be receiving support from the following if in receipt of ALG</th>
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<tbody>
<tr>
<td>Education Maintenance Allowance</td>
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<tr>
<td>Out-of-work benefits</td>
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<tr>
<td>Income Support</td>
</tr>
<tr>
<td>Apprenticeships</td>
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</tbody>
</table>
**Taxable status**  
ALG is not taxable.

**Adult education bursaries**  
The ALG financial assessment will not take into account any money the learner receives from adult education bursaries.

**Charitable grants**  
The ALG financial assessment will not take into account any money the learner receives from charitable grants.

**Learner Support Fund – Hardship, Childcare, Residential**  
ALG recipients may also apply for help from the existing discretionary LSF to meet the costs of childcare support, residential accommodation if they have to study away from home, emergency living costs and additional learning costs, eg travel, books and equipment. When learners apply for LSF support, learning providers will usually ask for details of all household income. ALG may therefore be taken into account when assessing the learner’s entitlement to additional (discretionary) support from LSF.

**Care2Learn**  
A student in receipt of Care2Learn funding will be eligible to apply for the ALG on reaching their 19th birthday.

**Sixth Form College Childcare Scheme**  
Learners studying at school sixth forms and sixth form colleges may be eligible for support from the 20 plus childcare scheme.

**Residential bursaries, adult education bursaries**  
Recipients of residential bursaries and adult education bursaries are eligible to apply for ALG.

**Housing Benefit, Council Tax Benefit and Second Adult Rebate**  
ALG will be partly disregarded for Housing Benefit and Council Tax Benefit purposes. We expect local authorities to disregard the first £632 of the yearly ALG, but they are not obliged to do so. A copy of the letter sent from the LSC to all local authorities to confirm this is on page 40. Learners receiving these benefits who wish to apply for ALG are responsible for finding out from their local authority how ALG will affect the payment of such benefits.

**Carer’s Allowance**  
The Department for Work and Pensions (DWP) has agreed to allow people who are receiving the Carer’s Allowance (formerly the Invalid Care Allowance) to apply for ALG. Many of these people will be able to combine their caring responsibilities successfully with full-time learning. They must satisfy all of the other eligibility criteria for the ALG and must not be receiving any other out-of-work benefits. In addition, their chosen course of study must be less than 21 guided learning hours per week.

**Disability Living Allowance**  
A learner in receipt of Disability Living Allowance may apply as long as they are not in receipt of any out-of-work benefits.

**Working Tax Credit and Child Tax Credit**  
ALG is not taxable. HM Revenue and Customs does not take it into account as income when assessing eligibility for tax credits.

**Career Development Loan**  
ALG recipients are also eligible to apply for a CDL and may find this helpful with any additional costs of learning. Contact the CDL Information Line on 0800 585 505 for further information.

**Education Maintenance Allowance**  
Learners in receipt of EMA are not eligible for ALG. However, learners who have exhausted their entitlement to EMA and are continuing their first full Level 2 or first full Level 3 course for another year may apply. The aim is to safeguard continued support for those who receive EMA and ensure that the people in most need have the support to continue their studies. Learners in receipt of EMA who turn 19 and are not receiving the full amount should be encouraged to exhaust their entitlement before applying for ALG.

**Out-of-work benefits**  
People receiving out-of-work benefits such as Jobseeker’s Allowance (JSA) and inactive benefits such as incapacity benefit, including claimants signing for National Insurance credits, are not eligible for ALG, although this is being kept under review. Under joint signing arrangements, where both partners sign for JSA, neither partner is eligible for ALG. Where joint signing does not apply, partners of benefit recipients are eligible to claim ALG. However, receipt of ALG may affect the joint benefit entitlement, and individuals should contact their local Jobcentre Plus office to discuss the likely impact of ALG on their entitlement.

**Income Support**  
Individuals in receipt of Income Support are not eligible for ALG.

**Apprenticeships**  
Apprentices are not eligible to apply for ALG.

**Offenders**  
Learners serving custodial sentences and those released on temporary licence are not eligible to claim ALG. However, offenders serving a community-based sentence such as the Custody Plus sentence will be eligible to apply for ALG.
The following section sets out in more detail what happens at each stage of the process.

### Obtaining ALG application packs

#### Learners

Learners can obtain ALG application packs from a range of sources, including:

- learntdirect;
- learning providers; and
- nextstep/Connexions/IAG providers.

#### Learning providers

Learning providers will be sent an initial supply of application packs. Providers should contact Prolog for further stocks.

LSC Publications  
Tel: 0845 602 2260  
Fax: 0845 603 3360  
Minicom: 0845 605 5560  
Email: lsc@prolog.uk.com


### Making an application

- The learner sends their completed application form to the HAPB. To support their application, evidence is required (to prove income, residency, etc). Learners may send original documents or photocopies. The majority of learners will prefer to send photocopies rather than originals.

- The HAPB will acknowledge receipt of the application using the learner’s preferred method of communication as indicated on the application form.

- The HAPB will generate a unique reference number which will be included in all communications to the learner and learning provider.

- The HAPB will give support to the learner where necessary via a telephone helpline, email, etc., to guide them through the application and payment processes.

### Action by the HAPB on receipt of application forms

The HAPB will check the learner’s application for eligibility for ALG and for completeness of the required details and will check that photocopies or original documents have been provided.

Some learners will be immediately identified as ineligible for ALG, for example if they are:

- resident outside England;
- too young;
- not studying at an eligible learning provider; or
- already qualified at Level 2 or Level 3.

If the application does not contain all the necessary information, learners will be contacted by the HAPB by phone, email or letter as appropriate and the missing information will be requested. The HAPB will ensure that all relevant missing information is identified and requested in a single request. If the learner provides the required missing information by fax or email, this may enable a conditional notification to be produced at the assessment stage, but they will be informed that the information must be confirmed in the original or copied document(s).

### If the applicant is not eligible for ALG

If the learner is not eligible they will be notified at the earliest possible stage of the reason and of their right of appeal by email or letter.

Learners will also be advised about other sources of help which may be available to them, for example LSF, CDLs, etc.

If the learner makes a revised application for ALG, the learning provider should, where possible, check that the learning and residency criteria are met. The HAPB will check that all other criteria are met.

### If the applicant is eligible for ALG

The HAPB will notify the learner of their eligibility for ALG and will confirm the amount of ALG they will receive.

Before the HAPB makes any payments to the learner, they must be satisfied that the information provided by the learner and/or their partner has been verified by originals or photocopies such as P60s, certificates of benefits, etc. Public funds cannot be committed unless this evidence is provided. Learning providers should stress to learners the importance of providing the required documentation to the HAPB and ensure that they understand that no payments will be made until this is done.

### Learning Agreements

Along with the letter confirming an individual’s ALG eligibility, the HAPB will also send them a blank ALG Learning Agreement.

The Learning Agreement is intended to confirm the final course details, the qualifications that the learner is expected to achieve, the attendance requirements, the number of guided learning hours and the agreed outcomes. This, in conjunction with their prior qualifications stated on their application form, will demonstrate that the applicant will become fully qualified at Level 2 or Level 3 when they successfully complete their course. The learner should complete the Learning Agreement in conjunction with the learning provider.

Once completed, the learner should send one copy of the Learning Agreement back to the HAPB; one copy should be retained by the learning provider and one by the learner.

The HAPB will acknowledge receipt of the Learning Agreement using the learner’s preferred method of communication.

The Learning Agreement will be an auditable document.
No payments of ALG will be made to the learner until the Learning Agreement has been received by the HAPB. Learning providers should encourage learners to complete and return their Learning Agreements as soon as possible.

Payment process
Payment of ALG will normally be made weekly into the learner’s bank account. Exceptionally this may cause extreme difficulties, and cases such as this must be referred to the HAPB. Payments are made one week in arrears.

ALG is to help with the costs of learning and is therefore payable during term time only – so usually for around 38 weeks in a year. However, although this is the average length of the academic year, some learning providers/courses may require more weeks of attendance. When the HAPB establishes learning provider/course details to enable assessments to be completed, these will be based upon the published term dates for the establishment. Learning providers should inform the HAPB of the date of a learner’s last exam. Once a learner has taken their last exam they are no longer entitled to ALG payments for that year.

Reporting attendance

Reporting weekly absences
The HAPB will be flexible and receive absence reports in different formats from learning providers, as we know there will be many different ways and systems for monitoring attendance and absence. Learning providers may wish to produce reports from in-house computer systems or translate manual register systems.

Whichever method is used, it is crucial that a report is received each week, according to the time schedule set out below, by the HAPB – even a ‘nil return’.

Failure to provide an absence return on time will cause payments for all learners to be suspended for that institution, until the default is rectified.

The HAPB will also provide Excel spreadsheet versions of this report, which can then be emailed to learning providers, who may then update the spreadsheet and return it, by email, to the administrative provider.

The Excel spreadsheet provided by the HAPB is the recommended method of reporting.

Where and when to send weekly absence returns
Learning providers may wish to develop procedures that work in consultation with the HAPB but it is crucial that each learning provider can monitor the absence of ALG recipients to allow a weekly return. To ease this process, the following passages define the minimum requirements for the weekly absence monitoring return.

Requirements of weekly absence monitoring form
Each weekly return should:

- provide details of all ALG recipients who have had unauthorised absence during the preceding week or are otherwise in breach of their learning agreement;
- identify separately ALG recipients who are known to be absent due to long-term illness or who have ceased attendance for that term, for example because they have completed their exams;
- identify separately ALG recipients who have left the learning provider;
- identify separately those learners where the learning provider is asking the HAPB to make a retrospective payment for an earlier absence that has been reported in error, or where new information has become available that would enable the learning provider to authorise the absence; and
- clearly identify the learning provider making the return, the week(s) of attendance that are being referred to, the person making the return and how they can be contacted.

The HAPB will also provide weekly reports to learning providers giving details of learners who have applied for ALGs.

Absence returns are to be received by the HAPB by no later than 10.00am on the Tuesday following the week of attendance. All absence returns should be sent:

- by fax marked ‘for the urgent attention of the ALG Team’ to 0161 234 7131; or
- by email to alg@liberata.com. Attached documents should be capable of being opened using Microsoft Word or Excel.

Particular care should be taken at the learning provider during holidays/vacations, where staff employed to deal with ALGs are on term time only contracts. Please remember to send the weekly return on the last day of term/half term.

Gathering attendance data
Learning providers should use or further develop their existing methods for gathering attendance data, for example electronic systems, completion of time sheets by learners, completion of forms by tutors, etc.

Our overriding concern is to ensure that, whichever approach to attendance monitoring is taken, deadlines for receipt of attendance information are met. We therefore recommend that the systems and procedures for attendance monitoring are promoted within learning providers so that those responsible for monitoring and recording attendance are aware of their responsibilities and duties.

Attendance and absences – general rules and principles

Weeks of attendance
To qualify for the weekly ALG payment, a learner must be in full attendance on a full-time first Level 2 or first Level 3 course. Any unauthorised absence by the learner will cause the payment of ALG to be suspended.

ALG will normally relate to a full week’s attendance on the programme of study. However, when the learning provider is only open for part of a week because of bank holidays, college holidays or industrial action, for example payment may be made for the full week of attendance.
Unauthorised absence

All weeks where unauthorised absence has occurred must be reported to the HAPB. The HAPB does not require notification of each instance of unauthorised absence; it only requires notification from the learning provider that unauthorised absence has occurred and that payment for that week will be withheld. Learning providers should maintain records of all learners’ unauthorised absences.

Authorised absence

A learning provider may authorise an absence – and therefore not report it as an unauthorised absence – to allow a learner’s ALG payment to continue. Learning providers should maintain records of all learners’ absences. A list of examples of authorised absences follows. This should help consistency of approach across all providers, but the list is not exhaustive and learning providers are able to use their discretion in individual cases. Learning providers are strongly urged to contact the HAPB if they are unsure about whether to authorise individual absences.

Examples of authorised absence

Learner illness

Acceptable evidence should be collected; this may include self-certification. We recommend that medical certificates from GPs are only obtained where 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 been provided, the learning provider should arrange an interview with the learner to discuss the absences. This can be an effective deterrent against abuse of the system.

Attendance at medical appointments

In general, learners should be encouraged to make routine appointments outside their agreed course attendance times whenever possible. However, appointments with medical specialists, such as consultants, often fall during learning provider times and are unavoidable. Such specialist appointments may be classified as authorised absence.

Long-term absence

Some ALG learners may require long-term absence, for example maternity leave, broken limbs, jury service, etc, and it is possible that this may interrupt their studies. A programme of learning should be agreed, where possible, between the learning provider and the learner, to enable the learner to continue with their study if they wish to do so. For example, some periods of home study may be appropriate as long as the learning provider oversees the coursework and monitors its completion. The minimum guided learning of 12/13 hours per week must still apply; if not, the learner will not be eligible for ALG.

Other types of authorised absence

The following list is not exhaustive (learning providers should use discretion, or discuss with the HAPB if necessary), but will cover most instances of authorised absence:

- parental leave to take care of a child who is sick;
- attendance at the funeral of a close family relative or friend;
- the confirmed breakdown of a learner’s travel/transport arrangements;
- attendance at court or a probation meeting;
- work experience placement (if prearranged and an integral part of a course which is included in the Learning Agreement);
- study leave/exams (where learners are on formal study leave which forms part of their Learning Agreement. Learning providers will need to inform the HAPB of the date of a learner’s last exam. Once a learner has taken their last exam, they are no longer entitled to ALG payments for that year); and
- religious festivals – up to three days’ absence is permitted during the year, to coincide with recognised religious festivals.

Learners who take their holidays during term time are not eligible to receive ALG during that period. Absence of this sort should be reported to the HAPB so that payment is not made. Where the holiday absence is for part of a week, no payment can be made for the full week.

Retention of attendance/absence data

For audit purposes, learning providers must retain all records relating to learners’ attendance. 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 undertakes regular audit of ALG (and other learner support programmes), during which attendance records held by the learning provider may be examined.
This section describes the roles stakeholders will undertake in order to prevent overpayments.

**Learners** must notify their learning provider and the HAPB of any changes in their circumstances, for example if they have started to receive out-of-work benefits or if they have changed their address or bank account details, etc. The ALG application form contains a declaration that the learner must sign to confirm that they understand that it is their responsibility to report any changes in their circumstances. We would expect learners to make enquiries if they think their ALG payment is inaccurate or missing.

**Learning providers** are expected to keep accurate and robust attendance data (in line with LSC requirements) so that they can ensure that a learner receives (or does not receive) their ALG in line with their weekly attendance pattern. If the learner in some way causes the provider to believe that their attendance system has been manipulated in order to obtain payment of ALG (for example, where positive evidence of attendance is required by the provider and this evidence is falsified in some way), then the provider must inform the HAPB immediately, with details of supporting evidence. We also ask that learning providers notify the HAPB of any change in an individual's circumstances of which they become aware, particularly if they have started to receive benefits, to provide a 'back up' to notification by the learner.

The **LSC** has a role in ensuring that monitoring systems are in place to enable learning providers to obtain and manage accurate and robust attendance data. The LSC may decide to take follow-up action with learning providers if any ALG management information (MI) suggests that there may be potential issues to be addressed.

The **HAPB** will maintain MI which confirms the accuracy of payments. When the HAPB is notified by a learning provider that a previous payment was inaccurate, the HAPB will be responsible for all recovery action.

Payment validity may be subsequently questioned for several reasons, for example failure to disclose data or misrepresenting data, processing errors or systems errors. The HAPB will categorise these and include MI on overpayments in the regular reporting cycle.

**Action where overpayments have been established**

Where the learner is at fault, the HAPB will ask the learner to repay the money.

If there is an overpayment of any sort, a letter will be sent to the learner explaining why they have been overpaid, detailing the amount of the overpayment, and asking for repayment as soon as possible.

If the learner is still on their course, the HAPB can suggest two alternatives: either subsequent payments are 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 repayment, the HAPB will withhold future payments, as this may reduce the outstanding amount. The HAPB will contact the learner for a second time if no response is received following the first letter.

If the learner has left their course, the HAPB will write to the learner explaining the situation, as above. Where there is no response, the HAPB will contact the learner for a second time.

If the learner continues to fail to respond to the HAPB, the HAPB has the right, in agreement with the LSC, to take legal action to recover the overpayment. The declaration on the ALG application form which is signed by the learner makes this clear.
ALG has been evaluated throughout the life of the pilot. The key findings of the evaluation are set out on pages 6–7.

Further evaluation of ALG will be undertaken in order to continue to monitor its impact and to ensure that it is continuing to help priority learners in the best possible way. It is likely that input from both learners and learning providers will be required. Learners are made aware of this as part of the declaration on the ALG application form. The help of learning providers will be much appreciated, and the LSC will endeavour to notify them of any such evaluation as far in advance as possible.

Full details of the evaluation are available at:

- Evaluation of the Adult Learning Grant Cohort 1 (Waves 1 & 2); and
- Evaluation of the Adult Learning Grant Cohort 2 Wave 1.
  http://readingroom.lsc.gov.uk/lsc/National/alg-cohort2-wave-1.pdf

The majority of data will be collated from the administrative provider’s database and submitted to the LSC in standard report format. The reports will be provided monthly to the LSC/providers and will cover each completed calendar month.
Learning providers must record in the ILR the names of all learners who are awarded ALG (using value 24 in field L34). They should also take responsibility for assessing the learner’s overall Level 2 or Level 3 attainment, in accordance with the guidance set out on pages 17–19.

ALG will be subject to both internal and external audit procedures.

The application form makes it clear to ALG applicants that original or copies of source documents, for example P60s to provide proof of income, may be used to support applications. We suggest that the learning provider keeps a copy of relevant evidence.

The HAPB will, in addition, complete its own internal audit procedures to ensure that its systems are robust and that relevant checks and separation of duties are in place to deter and detect any possible fraudulent activity.
Any appeal against a decision taken by the HAPB about eligibility for ALG will be investigated by the HAPB and the applicant will be notified of the result.

If the HAPB finds that it has made an error when completing the initial assessment, it will notify the applicant accordingly. Appeals relating to data processed by the HAPB will usually be lodged when the applicant believes that the HAPB has made a factual error in processing, such as incorrectly assessing income details.

If a learner wishes to appeal against a weekly payment being withheld, their learning provider will deal with the initial appeal. Appeals should be dealt with via the learning provider’s normal procedures.

If it is subsequently discovered by the learning provider that the appeal involves the HAPB (for example because of a difficulty with administrative procedures), then the learning provider and the HAPB should broker an acceptable resolution to the appeal.

The ultimate decision on attendance rests with the learning provider, and the HAPB cannot intervene in any dispute over whether a learner attended or not. Therefore, it is important that all learners are made aware of the learning provider’s procedures for reporting absences and that all learning provider documentation makes it clear to learners what their responsibilities are.

Experience in previous programmes has shown that there are negligible numbers of formal appeals caused by attendance monitoring procedures, so it is not envisaged that learning providers will need to establish separate appeals procedures for this purpose. Learning providers should be aware that any appeals made by ALG learners about absence recording and reporting might affect the payment of a weekly allowance. Therefore, their current procedures should be robust enough to include any ALG appeals.

If the learning provider has not sent an absence return by the due date, the HAPB will contact the learning provider and ask them to follow it up urgently. The HAPB will not automatically inform a learner about any suspended or withheld payment. Learning providers should warn ALG learners about forthcoming suspended or withheld payments via the tutorial system.

Records of all complaints (and responses), both formal written appeals and notes of informal meetings or discussions by email etc, must be maintained by learning providers and the HAPB for audit purposes.

The LSC is responsible for maintaining and issuing updated guidance to confirm changes to policy and procedures. Any suggestions for future amendments should be sent to:

ALG Team
Learning and Skills Council
Learner Support Directorate
N8, 1 Moorfoot
Sheffield S1 4PQ

or emailed to alg.queries@lsc.gov.uk
June 2007

Dear Housing Benefit Manager

Interaction between Housing Benefit and the Adult Learning Grant (ALG)

I am writing to you about the Adult Learning Grant (ALG) and its interaction with Housing Benefit.

September 2003 saw the initial launch of the ALG pilot programme – which is intended to provide financial help to adults on low incomes who are studying full time for their first full Level 2 or 3 qualification – in 10 local Learning and Skills Council (LSC) areas. The following year, the size of the pilots doubled as ALG was made available across the North-East and South-East LSC regions. From September 2006 the grant will also be available in the whole of the West Midlands and Yorkshire and the Humber regions.

If awarded, ALG is paid weekly, during term time only, subject to satisfactory course attendance. Most courses are around 38 weeks, with ALG usually being £30 per week – although there will be some variations (eg the ALG financial assessment might lead to a lower payment rate of £20 or £10 per week, or a shorter duration course might be studied).

We have agreed with the Department for Work and Pensions (DWP) that people in work and claiming Housing Benefit, Council Tax Benefit and Second Adult Rebate are eligible to claim ALG. We also agreed that local authorities will disregard the first £632 of ALG funding. This disregard is detailed in the HB/CTB Guidance Manual,* which lists the disregards separately as:

Books and equipment £352 per annum
Travel £280 per annum

While ALG does not fall specifically in one or other of these two categories, these are the type of things we would expect it to be used towards because the grant is intended to help with the costs of learning. Hence the full £632 disregard is appropriate.

Our literature to individual learners advocates that they should discuss the impact of ALG on their entitlement to Housing Benefit etc with their local Housing Benefit office, as it is the responsibility of the individual to notify their Housing Benefit office if they receive ALG or other additional funding.

We, of course, are not expert in your own eligibility criteria, thresholds and processes, but we hope that you can assess yearly potential ALG income and ‘average out’ as you best see fit.

We are keen to ensure a light touch on bureaucracy, without removing the necessary checks and balances, and are keen to work with you in order to make this work for learners. We would like to hear from you if you have good practice to share, ie approaches you have taken to simplify processes and administration, any problems you have identified and overcome, etc. Learning from your experiences will help us to smooth off any rough edges the pilots may have and allow us to get the best administrative design for the planned national programme.

More information about ALG can be found in the annex to this letter [not reprinted here], but if you wish to discuss any aspect of ALG in more detail, please feel free to contact me.

Yours faithfully

Jayne Lievesley
Adult Learning Grant Team Leader

*HB/CTB Guidance Manual, Amdt9, December 2005. C5 Student Claims Annex E, which lists disregards 2005/06 under HB Regs 53(2A) and 57A(5) and CTB Regs 42(3) and 47(5).