

Financial Support for Care Leavers who attend University

Currently the level of funding provided by Lancashire County Council is significantly above the minimum level expected by the Government.

It is proposed that the authority replaces the current level of funding of course fees and term time accommodation fees with a one off bursary of £3,500 on completing the degree in addition to meeting its statutory obligations

Key Information and Questions for Board Members

- Lancashire County Councils wants as many Care Leavers as possible to attend University
- This authority has always paid more than other Local Authorities in the North West in supporting care leavers who go to University.
- This plan means we will still pay more than other Local Authorities if the care leaver finishes their chosen degree course
- The increase in the numbers of care leavers who go to university and the rise in the cost of course fees cannot be supported within the current budget as course fees have gone from £3,000 to £9,000 per year.
- Lancashire County Council will pay Care Leavers £2,000 over a three year period and financially support any vacation accommodation required by the Care leaver.
- The care leaver will need to borrow money from the Government to pay for course fees and accommodation
- A non-repayable maintenance grant of up to £3,354 is available for care leavers
- A number of Universities also provide bursaries to young people who have been identified by the Government as being 'vulnerable'. Care leavers are in this group.
- The Young Persons personal adviser will ensure that they claim all of the monies for which they are eligible.
- Lancashire County Council will pay the Young Person £3,500 on the successful completion of the degree course.

Background

Legislation in relation to care leavers attending university requires Local Authorities to provide a one-off Higher Education Bursary of £2,000 and to provide vacation accommodation. Lancashire has always been more generous than statutory requirements and currently funds term time accommodation and undergraduate degree course fees alongside the statutory requirements. This has always been funded from within the existing budget allocation however from September 2012 the Government allowed universities to charge course fees of up to £9,000 per academic year.

The fee increase coupled with an increase in the number of young people taking up courses has highlighted that this level of financial support can no longer be met within the reducing funding envelope. It is therefore proposed to cease funding of course fees and term-time university accommodation costs. This will require young people to access support from alternative sources.

Young people attending university full-time are able to apply for the following Government funding:

- a non-repayable Maintenance Grant of up to £3,354 (where household income is less than £25,000);
- a Maintenance Loan (means tested based on parental income and amount of Grant received);
- a Tuition Fee Loan;
- An Accommodation Loan.

The Authority does not currently provide care leavers attending university with a weekly income to cover living costs and therefore it is expected that care leavers will apply for the Maintenance Grant (which will also enable eligibility for other financial support from some universities at times of hardship). All Care leavers are eligible to apply for the Maintenance Grant and some may also apply for a Maintenance Loan.

Whilst Lancashire's care leavers have previously not had to apply for the Tuition Fee loan or Accommodation Loan to enable them to attend university, doing so would place them in line with a large proportion of undergraduate students whose parents are unable to afford to fund this cost.

At present the Maintenance Loan, Accommodation Loan and Tuition Fee Loan are repayable only when a graduate is earning over £21,000 a year. The debt ends after 30 years and as repayment levels are linked to income some graduates may never repay the full loan borrowed.

In place of the Authority paying tuition fees and accommodation costs it is proposed that a one-off bursary of £3,500 (a graduation bursary) is awarded on successful completion of the course to provide financial support to care leavers immediately following graduation. The amount proposed has taken into account that a graduate care leaver may benefit from paying off student overdraft, move accommodation and financially support themselves until they start earning an income.

In addition, graduate care leavers will be given any outstanding amount left over from their 'Setting Up' Home Allowance (up to £2,050) which they may not have fully accessed prior to graduation.

This graduation bursary is not currently provided to care leavers though some may access financial support for a deposit / rent in advance and the Setting-Up Home Allowance before support from Children's Social Care ceases although care leavers are not usually given the outstanding unspent amount.

If agreed this policy will take effect on 1st January 2014 and will apply to those Care Leavers who are planning to commence at University for the academic year 2014/15. However the Care Leavers who are currently attending University or have applied to start University this year (2013) on the basis of the current financial support will receive that support until their studies are completed in 3 years (or less) time. Consequently the policy will only take full effect in 2016.

What do you want the Board to do (note or approve) what outcome would you wish to achieve by presenting your report to the Board, how can decisions made by the Board help to meet the needs of Children and Young People.

- (i) Seeking the agreement of the board to this new policy

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