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SCOTTISH STATUTORY INSTRUMENTS

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**2004 No. 83**

**EDUCATION**

**The Individual Learning Account (Scotland) Regulations 2004**

*Made* - - - - 4th March 2004  
*Laid before the Scottish*  
*Parliament* - - - - 8th March 2004  
*Coming into force* - - 29th March 2004

The Scottish Ministers, in exercise of the powers conferred on them by sections 1, 2 and 3(2) of the Education and Training (Scotland) Act 2000<sup>(1)</sup> and of all other powers enabling them in that behalf, hereby make the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Individual Learning Account (Scotland) Regulations 2004 and shall come into force on 29th March 2004.

(2) In these Regulations—

“the 1992 Act” means the Social Security Contributions and Benefits Act 1992<sup>(2)</sup>;

“account holder’s year” means the period commencing upon the date on which the learning account is opened, and expiring on the first day of the same month in the following year, and each subsequent period of 12 months;

“the Act” means the Education and Training (Scotland) Act 2000;

“approved learning” means education or training falling within regulation 10(1) or 10(2);

“European Economic Area” means the European Community and, subject to the conditions laid down in the Agreement on the European Economic Area signed at Oporto on 2nd May 1992<sup>(3)</sup>, as adjusted by the Protocol signed at Brussels on 17th March 1993<sup>(4)</sup>, the area comprised by the Republic of Iceland, the Kingdom of Norway and the Principality of Liechtenstein;

“learning account” means an account opened and maintained by the Scottish Ministers in the name of the learning account holder which records the amount of grant available to be credited in any account year;

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(1) 2000 asp 8.  
(2) 1992, c. 4.  
(3) Cm 2073.  
(4) Cm 2183.

“Learning Account Administrator” means a person or body which has been designated by the Scottish Ministers in terms of sections 1(4) and (5) of the Act and whose designated status has not been withdrawn;

“learning account holder” means a person who is a party to qualifying arrangements as specified in regulation 2;

“Learning Provider” means a person or body who is a qualifying person or body as specified in regulation 5, and who provides approved learning;

“Learning Provider Registration Agreement” means the formal agreement to be entered into between the Learning Account Administrator and the Learning Provider, specifying the obligations of the parties, including the maintenance of the Quality Standards;

“Learning Provider Payment Agreement” means the formal agreement to be entered into between the Scottish Ministers and the Learning Provider specifying the obligations of the parties as regards the application for, and payment of grants;

“Operational Rules” means those rules, compliance with which shall be terms of payment of grants under the Scheme, as such rules are determined by the Scottish Ministers from time to time in accordance with section 1(2)(c) of the Act, and notified to Learning Providers by the Scottish Ministers;

“qualifying person” has, in regard to learning account holders, the meaning given in regulation 3 and, in regard to Learning Providers, the meaning given in regulation 5;

“Quality Standards” means those standards, stipulated by a Learning Account Administrator, which have been accepted by a Learning Provider as part of the Learning Provider Registration Agreement, and any subsequent version thereof notified to a Learning Provider by the Learning Account Administrator;

“Scheme” means the learning account scheme established under these Regulations.

### **Qualifying arrangements (learning account holders)**

2.—(1) For the purposes of section 2 of the Act, arrangements qualify under that section if—

- (a) they take the form of registration by a qualifying person, being a learning account holder, with the Scottish Ministers in accordance with regulation 4; and
- (b) the registration has not been cancelled or withdrawn in accordance with regulation 4(6) to 4(8);

(2) The qualifying arrangements as specified in paragraph (1) are identified under the names “ILA Scotland Targeted Arrangements” and “ILA Scotland Universal Arrangements.”

(3) The qualifying arrangements named “ILA Scotland Targeted Arrangements” and “ILA Scotland Universal Arrangements” are collectively known as “ILA Scotland”.

### **Qualifying persons (learning account holders)**

3.—(1) For the purposes of these Regulations, a learning account holder is a qualifying person for the purposes of entering the qualifying arrangements named “ILA Scotland Universal Arrangements” if he or she has registered with the Scottish Ministers in terms of regulation 4, and satisfies at that time the conditions specified in paragraphs (3) to (5) below.

(2) For the purposes of these Regulations, a learning account holder is a qualifying person for the purposes of entering the qualifying arrangements named “ILA Scotland Targeted Arrangements” if he or she has registered with the Scottish Ministers in terms of regulation 4, and satisfies at the date of registration the conditions specified in paragraphs (3) to (5), and (7) below.

(3) The condition in this paragraph is that the person has attained the age of 18.

- (4) The condition in this paragraph is that the person—
- (a) is a British citizen; or
  - (b) is settled in the United Kingdom within the meaning of section 33(2A) of the Immigration Act 1971<sup>(5)</sup>; or
  - (c) is a refugee, ordinarily resident in the United Kingdom who has not ceased to be so resident since that person was recognised as a refugee; or
  - (d) is a person who—
    - (i) has been informed by a person acting under the authority of the Secretary of State for the Home Department that, although that person is considered not to qualify for recognition as a refugee, it is thought right to allow that person to remain in the United Kingdom;
    - (ii) has been granted leave to enter or remain accordingly; and
    - (iii) has been ordinarily resident in the United Kingdom throughout the period since that person was granted leave to enter or remain; or
  - (e) is a person not falling within paragraphs (a) to (d) but is a national of a member state of the European Economic Area who is working in the United Kingdom.
- (5) The condition in this paragraph is that the person is either—
- (a) resident in Scotland; or
  - (b) temporarily resident outside Scotland but ordinarily resident in Scotland (unless paragraph (6) applies).
- (6) For the purposes of these Regulations, the residence of a member of the naval, military or air force of the Crown (“a member of the armed forces”) shall be determined as follows:—
- (a) unless sub paragraph (b) applies, a member of the armed forces shall be treated as resident at the establishment where he or she is for the time being serving; and
  - (b) where the member of the armed forces is serving at an establishment outside the United Kingdom, that person shall be treated as resident at the establishment in the United Kingdom where he or she most recently served, disregarding any establishment at which he or she served for a period of less than one month.
- (7) The condition in this paragraph is that the person is either—
- (a) a person with a gross income from earnings not exceeding £15,000 in the account holder’s year; or
  - (b) a person in receipt of any one of the following:—
    - (i) a jobseeker’s allowance payable under Part I of the Jobseekers Act 1995 (The Jobseeker’s Allowance)<sup>(6)</sup>;
    - (ii) income support payable under section 124 of the 1992 Act (income support)<sup>(7)</sup>;
    - (iii) invalid care allowance payable under section 70 of the 1992 Act (carer’s allowance)<sup>(8)</sup>;
    - (iv) incapacity benefit payable under section 30A of the 1992 Act (incapacity benefit: entitlement)<sup>(9)</sup>;

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(5) 1971 c. 77; amended, and subsection (2A) inserted, by the British Nationality Act 1981 (c. 61), section 39 and Schedule 4.

(6) 1995 c. 18.

(7) Section 124 was amended by paragraph 30 of Schedule 2, and Schedule 3, of the Jobseekers Act 1995 (c. 18) and paragraph 28 of Schedule 8 of the Welfare Reform and Pensions Act 1999 (c. 30).

(8) Section 130 was amended by paragraph 3 of Schedule 9 of the Local Government Finance Act 1992 (c. 14); paragraph 174(4) of Schedule 13 of the Local Government etc. (Scotland) Act 1994 (c. 39) and Part VI of Schedule 19 of the Housing Act 1996 (c. 52).

(9) Section 30A was inserted by section 1 of the Social Security (Incapacity for Work) Act 1994 (c. 18).

(v) the maximum rate of child tax credit payable under section 9 of the Tax Credits Act 2002 (maximum rate)(10).

(8) For the purposes of this regulation, a person's gross income from earnings shall include the amount of income tax and social security contributions payable in respect of it.

(9) For the purposes of this regulation, "earnings", in the case of employed earners, has the same meaning as in regulation 35 of the Income Support (General) Regulations 1987(11), and, in the case of self-employed earners, has the same meaning as in regulation 37 of those Regulations.

(10) A learning account holder may register with the Scottish Ministers in terms of regulation 4, either as a qualifying person for the purposes of entering the qualifying arrangements named "ILA Scotland Universal Arrangements" or for the purposes of entering the qualifying arrangements named "ILA Scotland Targeted Arrangements", but not both at the same time.

(11) Where a learning account holder is registered as a qualifying person for the purposes of entering the qualifying arrangements named "ILA Scotland Targeted Arrangements" for one account holder's year in accordance with regulation 4(3), but upon the date of expiry of the account holder's year, the learning account holder no longer satisfies the conditions specified in paragraph (7), the learning account holder is automatically entitled to be registered with the Scottish Ministers as a qualifying person for the purposes of entering the qualifying arrangements named "ILA Scotland Universal Arrangements":

Provided that—

- (a) he or she shall not be required to submit a further application for registration in accordance with regulation 4(1); and
- (b) he or she satisfies at the said date of expiry of the account holder's year, the conditions specified in paragraphs (3) to (5).

#### **Registration (learning account holders)**

4.—(1) An application for registration as a learning account holder shall be made in such form and in such manner as the Scottish Ministers may, from time to time, determine, and different forms of application may be determined for ILA Scotland Targeted Arrangements, ILA Scotland Universal Arrangements, or renewal of applications.

(2) An application for registration as a learning account holder for the purposes of entering the arrangements named "ILA Scotland Targeted Arrangements" and an application for registration as a learning account holder for the purposes of entering the arrangements named "ILA Scotland Universal Arrangements" shall not be submitted prior to such respective dates as the Scottish Ministers may determine.

(3) An application for registration as a learning account holder for the purposes of entering the qualifying arrangements named "ILA Scotland Targeted Arrangements" shall be made in respect of the period from the date of registration for one account holder's year only, but upon expiry of the account holder's year, a further application for such registration may be made for the following account holder's year, and so on for successive account holder's years.

(4) The Scottish Ministers may require an applicant for registration as a learning account holder to provide such information or documents as the Scottish Ministers may require, in order for the Scottish Ministers to determine whether the person is eligible to become a learning account holder, and may decline to accept an application for registration unless such information or documents are provided.

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(10) 2002 c. 21.

(11) S.I.1987/1967.

(5) A registered learning account holder may, from time to time, be required to provide to a Learning Account Administrator such information, details and documents as may be required for the purpose of assessing the quality and effectiveness of the approved learning in respect of which a grant has been paid.

(6) The Scottish Ministers may at any time cancel the registration of a learning account holder if—

- (a) it appears to the Scottish Ministers that the person does not satisfy the conditions specified in regulation 3(3) to (5) in respect of the qualifying arrangements named “ILA Scotland Universal Arrangements” or the conditions specified in regulation 3(3) to (5) and 3(7) in respect of the qualifying arrangements named “ILA Scotland Targeted Arrangements”;
- (b) it appears to the Scottish Ministers that any information provided under paragraphs (1) to (5) by or on behalf of the learning account holder was false, or if the learning account holder has failed to provide any other information or documents which were requested by the Learning Account Administrator under paragraph (5); or
- (c) the learning account holder has been convicted of an offence involving dishonesty or fraud in relation to ILA Scotland.

(7) A learning account holder may at any time withdraw his or her registration with the Scottish Ministers by notifying the Scottish Ministers in such form as the Scottish Ministers may determine.

(8) Where registration is cancelled or withdrawn, the Scottish Ministers shall close the relevant learning account and shall advise the Learning Account Administrator of that fact.

(9) While a person is a party to qualifying arrangements, as specified in regulation 2, he or she may not at any time during which he or she is a party to the qualifying arrangements become a party to other such arrangements, and accordingly any subsequent registration with the Scottish Ministers shall be of no effect.

(10) A learning account holder shall forthwith notify the Scottish Ministers of any change of circumstances which may affect his or her status as a qualifying person.

### **Qualifying persons and registration (Learning Providers)**

5. For the purpose of these Regulations, in regard to qualification as a Learning Provider, a person or body shall, subject to regulation 7, be a qualifying person or body if they have registered with a Learning Account Administrator in terms of regulation 6 and that registration has not been suspended, withdrawn or cancelled.

### **Registration (Learning Providers)**

6.—(1) An application for registration as a Learning Provider shall be made in such form and in such manner as a Learning Account Administrator may, from time to time, determine.

(2) A Learning Account Administrator may require an applicant for registration as a Learning Provider to provide such information or documents, as the Learning Account Administrator may require to enable it to determine whether the applicant is suitable to become a Learning Provider for the purposes of the Scheme, and the Learning Account Administrator may decline to accept an application for registration unless such information and documents are provided.

(3) A Learning Account Administrator may grant an application for registration as a Learning Provider only if—

- (a) it appears to the Learning Account Administrator that the applicant is a suitable person to deliver education and training in conformity with the Quality Standards for the purposes of the Scheme; and
- (b) the applicant has delivered a validly executed Learning Provider Registration Agreement to the Learning Account Administrator.

(4) Where an application for registration has been granted, the Learning Account Administrator shall notify the Scottish Ministers of that fact in such a manner as the Scottish Ministers may, from time to time, determine, whether by means of updating a central database or register or otherwise.

### **Suspension and cancellation of registration (Learning Providers)**

7.—(1) The Learning Account Administrator may, forthwith, either suspend or cancel the registration of a Learning Provider in the event that—

- (a) in the opinion of the Learning Account Administrator, the Learning Provider has failed to comply with the Quality Standards;
- (b) in the opinion of the Learning Account Administrator, the Learning Provider has failed to comply with the Operational Rules;
- (c) the Learning Provider has not delivered a validly executed Learning Provider Payment Agreement to the Scottish Ministers;
- (d) the Learning Provider has otherwise breached any of the terms of the Learning Provider Registration Agreement or the Learning Provider Payment Agreement;
- (e) an administration order is made in respect of the Learning Provider, or a voluntary arrangement is proposed in respect of the Learning Provider, or a resolution is passed or an order made for the winding up of the Learning Provider (other than a resolution or a members' voluntary winding up for the purpose of reconstruction in terms approved by the Scottish Ministers) or a receiver or administrative receiver or liquidator shall be appointed over the whole or any part of the undertaking or assets of the Learning Provider, or the Learning Provider shall make or seek to make any composition or arrangement with its creditors, or shall become bankrupt, apparently insolvent or shall have a Trustee appointed over any of its assets or, where the Learning Provider is a partnership, any of its partners suffers any of the foregoing;
- (f) there is a change of control (as defined in the Income and Corporation Taxes Act 1988<sup>(12)</sup>) of the Learning Provider or any other material change in its management which, in the opinion of the Learning Account Administrator, may adversely affect the operation of the Scheme; or
- (g) in the reasonable opinion of the Learning Account Administrator, the Learning Provider has acted or omitted to act in a manner tending to bring the Scheme into disrepute.

(2) In the event that a Learning Provider's registration is suspended, the Learning Account Administrator shall advise the Scottish Ministers of the fact. The suspension shall continue until the Learning Account Administrator is satisfied that the default situation in question has been rectified. If the Learning Account Administrator is not so satisfied within 6 months after the date of suspension, the Learning Account Administrator may cancel the learning provider's registration at any time after the expiry of that 6 month period.

(3) The Learning Provider may, at any time, withdraw its registration by giving the Learning Account Administrator not less than 3 months' prior notice in writing to that effect.

(4) Where a Learning Provider's registration is cancelled or withdrawn, the Learning Account Administrator shall forthwith advise the Scottish Ministers of that fact.

### **Review**

8. Where a Learning Provider is aggrieved by a decision of the Learning Account Administrator to suspend or cancel the Learning Provider's registration in terms of regulation 7, that Learning Provider may, within the period of 21 days of the date when the Learning Provider is notified of the

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(12) 1988 c. 1.

decision in question, request that the decision shall be reviewed in accordance with the ILA Scotland review process current at the time of the request for the review, such review process for Learning Providers to be published by the Scottish Ministers.

### **Grants in respect of learning account holders**

**9.—(1)** Grants may be paid, in accordance with regulations 11 and 12 below, in respect of Learning Account holders in connection with their approved learning, where the learning account holder at the time of payment of the grant is not eligible for any scholarship, grant or other allowance paid out of public funds in respect of that part of the cost of the education or training in question to be paid from learning account funds, and that education or training constitutes approved learning.

(2) Any entitlement to payment of grant held by a Learning Provider shall be in respect of that Learning Provider only, and may not be transferred to another Learning Provider.

(3) Where a person—

(i) is a party to arrangements which qualify under section 2 of the Act; and

(ii) holds an account which qualifies under section 104 of the Learning and Skills Act 2000<sup>(13)</sup>

grants shall not be payable both in respect of those arrangements and that account in relation to the same period of time.

### **Education and training for which grant can be paid**

**10.—(1)** In these regulations, “approved learning” for the purposes of the qualifying arrangements named “ILA Scotland Targeted Arrangements”, as specified in regulation 2(2), means any education or training, other than excepted education or training, which has been approved by a Learning Account Administrator, and which is provided by a Learning Provider who has been registered by a Learning Account Administrator for the purposes of regulation 6, and whose registration has not been suspended, withdrawn or cancelled.

(2) In these regulations, “approved learning” for the purposes of the qualifying arrangements named “ILA Scotland Universal Arrangements” as specified in regulation 2(2), means such education or training as may be specified by direction made by the Scottish Ministers, which has been approved by a Learning Account Administrator, and which is provided by a Learning Provider who has been registered by a Learning Account Administrator for the purposes of regulation 6, and whose registration has not been suspended, withdrawn or cancelled.

(3) In this regulation, “excepted education or training” means—

(a) secondary education within the meaning of section 135(2)(b) of the Education (Scotland) Act 1980<sup>(14)</sup>;

(b) full-time higher education (that is to say education provided by means of a full-time course of any description mentioned in section 38(2)(b), (c), (d) or (e) of the Further and Higher Education (Scotland) Act 1992<sup>(15)</sup>);

(c) education or training which is a statutory requirement for the individual’s particular employment;

(d) lessons for the purposes of sitting a test of competence to drive leading to a category A or B driving licence granted under the Motor Vehicles (Driving Licences) Regulations 1999<sup>(16)</sup>; or

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<sup>(13)</sup> 2000 c. 21.

<sup>(14)</sup> 1980 c. 44.

<sup>(15)</sup> 1992 c. 37.

<sup>(16)</sup> S.I. 1999/2864.

- (e) such other education or training as may be specified by direction made by the Scottish Ministers.

### **Amount of grant**

**11.**—(1) The amount of grant for which a learning account holder shall be eligible in an account holder's year is such amount as may from time to time be determined by the Scottish Ministers, it being a requirement however that the learning account holder has first paid, or secured the making of payment, to the Learning Provider (and not received by way of discount or vouchers) either—

- (a) the amount of the minimum contribution as may from time to time be determined by the Scottish Ministers; or
- (b) the amount of the balance, after deducting the applicable grant allowed, towards the cost of the approved learning,

whichever is the greater.

(2) The Scottish Ministers may determine that the amount of grant for which a learning account holder shall be eligible in an account holder's year may be either the same amount or differing amounts, such amounts to be from time to time determined by the Scottish Ministers, depending upon whether the learning account holder as a qualifying person is entering the qualifying arrangements named "ILA Scotland Universal Arrangements", or is entering the qualifying arrangements named "ILA Scotland Targeted Arrangements, in accordance with regulation 3(1) and (2).

(3) The costs of approved learning which shall be eligible for grant in accordance with paragraph (1) shall be the direct costs of the approved learning, including course registration, assessment fees, qualification and examination fees, the provision of professional advice and guidance, or such other costs as may be determined by the Scottish Ministers.

### **Grant: supplementary provision**

**12.**—(1) Grants shall be paid at such times and in such instalments as the Scottish Ministers may determine.

(2) Grants shall be paid to the person who has entered into a Learning Provider Registration Agreement with a Learning Account Administrator and a Learning Provider Payment Agreement with the Scottish Ministers and is the person providing the approved learning.

(3) Grants shall be paid on such terms as the Scottish Ministers may determine and those terms may include terms requiring repayment of whole or part of the grant—

- (a) by the Learning Provider if—
- (i) the approved learning in question is not provided;
- (ii) the learning account holder does not commence the approved learning;
- (iii) any other terms on which the grant was paid are not complied with; or
- (iv) any funds have been paid to the Learning Provider in error; or
- (b) by the learning account holder if—
- (i) his or her registration is cancelled or at the time of payment of the grant the registration is capable of being cancelled in accordance with regulation 4(6);
- (ii) any of the conditions contained in regulation 3(3) to (5) in respect of the qualifying arrangements named "ILA Scotland Universal Arrangements", or the conditions contained in regulation 3(3) to (5) and 3(7) in respect of the qualifying arrangements named "ILA Scotland Targeted Arrangements", were not satisfied at the time of registration with the Scottish Ministers;



(iii) the condition contained in regulation 9(1) was not satisfied at the time of payment of the grant; or

(iv) any funds have been paid to the learning account holder in error.

(4) For the purposes of paragraph (3)(a)(ii) the approved learning shall be deemed to have commenced upon the date on which the learning account holder first attends to receive the approved learning concerned or, in the case of distance learning, the date on which Scottish Ministers are provided with confirmation, in such form as they may require, that the learning account holder has received and has accepted the relevant training materials.

(5) Without prejudice to paragraph (3) above, no grant shall be paid to a Learning Provider unless the Scottish Ministers are satisfied that—

(a) in respect of each claim submitted for learning account funds, the Learning Provider has complied with the Operational Rules, applicable at the time each such claim is submitted;

(b) that the Learning Provider has complied with the terms of the relevant Learning Provider Payment Agreement; and

(c) that the Learning Provider has been registered by a Learning Account Administrator in terms of regulation 6 and that registration has not been withdrawn, suspended or cancelled.

(6) The Scottish Ministers shall be entitled to vary, supplement, replace or otherwise amend the Operational Rules from time to time. The Scottish Ministers shall notify any such changes to the Learning Account Administrator and the Learning Account Administrator shall notify them to Learning Providers. It shall be a condition of the payment of all grants that Learning Providers comply at all times with the Operational Rules as they apply from time to time.

### **Suspension or termination of the Scheme**

**13.** The Scheme may be suspended or terminated upon Scottish Ministers giving written notice to that effect to learning account holders and Learning Providers.

### **Transitional provisions**

**14.** Any payments which are due in terms of the Education and Training (Scotland) Regulations 2000(17), as amended, shall continue to be payable notwithstanding revocation of said Regulations.

### **Revocations**

**15.** The Education and Training (Scotland) Regulations 2000, the Education and Training (Scotland) Amendment Regulations 2000(18) and the Education and Training (Scotland) Amendment Regulations 2001(19) are, excepting only regulation 10 of the Education and Training (Scotland) Regulations 2000, hereby revoked.

St Andrew's House, Edinburgh  
4th March 2004

*JAMES WALLACE*  
A member of the Scottish Executive

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(17) S.S.I. 2000/292 as amended by S.S.I. 2000/342 and SSI2001/329.

(18) S.S.I. 2000/342.

(19) S.S.I. 2001/329.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations revoke, with one minor exception, the provisions of the Education and Training (Scotland) Regulations 2000 (“the 2000 Regulations”). They also revoke the Education and Training (Scotland) Amendment Regulations 2000 (“the 2000 Amendment Regulations”) and the Education and Training (Scotland) Amendment Regulations 2001 (“the 2001 Amendment Regulations”).

They define “arrangements” which qualify under section 2 of the Education and Training (Scotland) Act 2000 (“the Act”). They provide for payment of grants in respect of persons who are parties to such qualifying arrangements (those persons being defined in these Regulations as “learning account holders”). They also set out the qualifying requirements in regard to persons or bodies providing education or training under the Regulations (those persons being defined in the Regulations as “Learning Providers”).

Regulations 2 to 4 deal with qualifying arrangements for, and registration of, learning account holders. The arrangements take the form of registration by a qualifying person (defined in regulation 3) with a body approved by the Scottish Ministers (referred to in these Regulations as a “Learning Account Administrator”), and where the registration of the Learning Provider with the Learning Account Administrator has not been cancelled or withdrawn. The qualifying arrangements are identified by the names “ILA Scotland Targeted Arrangements” and “ILA Scotland Universal Arrangements”, and which are collectively known as “ILA Scotland”. Regulation 4 deals with general matters in connection with registration of learning account holders.

Regulations 5 and 6 deal with qualifying arrangements for, and registration of, Learning Providers. Regulation 5 sets out the general requirements for qualification as a Learning Provider. Regulation 6 sets out requirements in relation to the registration of a Learning Provider, including that the Learning Account Administrator may grant an application for registration as a Learning Provider only if the applicant is suitable to deliver education and training in conformity with the Quality Standards (as defined in regulation 1(2)) of the ILA Scotland scheme, and that the applicant has delivered a validly executed Learning Provider Registration Agreement (as defined in regulation 1(2)) to the Learning Account Administrator.

Regulation 7 provides that the Learning Account Administrator may suspend or cancel the registration of a Learning Provider in certain defined circumstances, and that the Learning Provider may withdraw its registration upon at least 3 months prior notice. The provisions for suspension or cancellation include where the Learning Provider has failed to comply with either the Quality Standards of the learning account scheme, or the Operational Rules of the scheme (as defined in regulation 1(2)), or where the Learning Provider has breached any of the terms of the ancillary documentation (called the Learning Provider Registration Agreement and the Learning Provider Payment Agreement and as defined in regulation 1(2)) that it requires to enter in relation to the learning account scheme.

Regulation 8 provides for the ability of the Learning Provider to request a review by the Scottish Ministers of a decision of the Learning Account Administrator to suspend or cancel the Learning Provider’s registration.

Regulations 9 to 12 provide for the conditions of payment of grants in respect of learning account holders. Regulation 9 provides for the power to pay grants, and imposes restrictions on entitlement to receive grant. Regulation 10 provides for the kind of education or training in respect of which grant is payable. Regulation 11 provides for requirements in relation to the amount of grant payable under the learning account scheme. These include that the amount shall be from time to time determined

by the Scottish Ministers, and that the amount may either be the same or different depending upon whether grant is paid under the ILA Scotland Targeted Arrangements or the ILA Scotland Universal Arrangements. Regulation 12 contains various supplementary provisions including provision for the grant to be paid on such terms as the Scottish Ministers may determine, and provision for payment of grants to the person providing the education or training. Provision is also made for grant to be repaid in specified circumstances, by the person providing the education or training, or by the learning account holder.

Regulation 13 provides for suspension or termination of the learning account scheme by the Scottish Ministers.

Regulation 14 contains transitional provisions.

Regulation 15 provides for revocation of the 2000 Regulations together with the 2000 Amendment Regulations and the 2001 Amendment Regulations, excepting only regulation 10 of the 2000 Regulations, which relates to a minor amendment of the Act dealing with the renumbering of references to sections within it.