

HEFCE 02/12

**March**

Report

# Student support funding for higher education institutions 2002-03

## Student support funding for higher education institutions 2002-03

To Heads of HEFCE-funded higher education institutions  
Of interest to those responsible Student support services; Administration of funds and loans; Finance (including directors of  
for finance)  
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## Executive summary

### Purpose

1. This publication provides information about the allocation of funds for student support to higher education institutions in 2002-03, and requests monitoring information on their use.

### Key points

2. This document supersedes all previous guidance. It includes:

- background information on student support funding for 2002-03
- the Department for Education and Skills' guidance to institutions for 2002-03
- minimum allocations for Hardship and Bursary funding for 2002-03 (Part 1)
- minimum allocations of administration funds for 2002-03
- initial allocation for Opportunity Bursaries for 2002-03
- monitoring information required from institutions by 6 November 2003.

### Action required

3. We require:

- final monitoring information on the use of 2001-02 student support funding by **7 November 2002**
- interim monitoring return on the use of opportunity bursaries for 2002-03 by **7 November 2002**
- final monitoring information on the use of 2002-03 student support funding by **6 November 2003**
- Interim monitoring return on the use of opportunity bursaries for 2003-04 by **6 November 2003**.

## Background

4. The Department for Education and Skills (DfES) has made £92 million available to higher education institutions (HEIs) for student support funding in 2002-03. We allocate the funds on behalf of the DfES.

### **Main changes to funding for 2002-03**

5. There are no significant changes to the overall package of support available in 2002-03. The funding set aside for Access Bursaries for student parents in 2002-03 is slightly less than in 2001-02; this is because there are fewer students likely to be eligible for the lone parents grant and higher Access Bursary. However, funding for Opportunity Bursaries and Fee Waivers for part-time students will increase in 2002-03.

6. As last year, institutions will receive a single allocation to cover the two bursaries for student parents and the Hardship Fund.

### **Funds available**

7. Total student support funds available for 2002-03 are £91,115,500. This amount has been broken down into:

- a combined Hardship and Bursary Fund of £65,880,000
- a Fee Waiver fund of £14,365,000
- an Opportunity Bursary fund of £10,870,500.

8. A total of £2,277,888 will also be available for administrative costs.

9. In addition to the funds to be allocated by the HEFCE, the DfES has allocated £5.4 million to support students on higher education courses studying in further education colleges (FECs); this will be allocated to FECs by the Learning and Skills Council.

10. The data that inform institutions' allocations are not verified until late spring 2002. Therefore, at this stage we can only publish minimum allocations. Institutions are guaranteed to receive the minimum allocations, which represents at least 90 per cent of their 2001-02 Hardship/Bursary Funds allocation. (This does not include any allocation from funds recycled from previous years.) Part 1 shows the minimum allocations from the joint Hardship and Bursary Fund. In June 2002 we will issue a circular letter to institutions, giving their final allocations and the model used for the calculations.

### **Opportunity Bursaries**

11. There are 7,710 new Opportunity Bursaries available for HEIs in 2002-03, and 6,321 Opportunity Bursaries for continuing students.

### **Carry forward**

12. Institutions are reminded that for 2002-03 they are allowed to carry forward up to 10 per cent of Hardship/Bursary and Fee Waiver Funds, provided they can foresee a use for them in 2003-04.

13. Any unspent Opportunity Bursary funds for 2001-02 may be carried forward into 2002-03. However, unspent Opportunity Bursary funding for 2002-03 cannot be carried forward into 2003-04 and will be 'clawed back' because we may need to reallocate funding as we did in 2001-02.

#### **Fee Waivers**

14. The funds for Fee Waivers will be paid in a single instalment in January 2003. Institutions will receive an allocation based on the number of Fee Waivers given in the previous year as indicated in their monitoring return.

#### **Administration costs**

15. In the annual operating statements that institutions will submit to us in July 2002, we will ask them to provide information on how administrative funds have been used to enhance student support activity.

16. The contribution to administrative costs for 2002-03 will be paid in one instalment in August 2002.

#### **Payment and viring**

17. We will make payments for Hardship and Bursary Funds to institutions in three instalments:

- 60 per cent in August 2002
- 30 per cent in January 2003
- 10 per cent in April 2003.

18. Institutions will receive the funds for the initial allocations of Opportunity Bursaries in August 2002, based on the initial allocations at Part 2. The monitoring return for 2001-02 will include a 2002-03 interim return for Opportunity Bursaries (see Part 5). This will enable us to establish the final number of bursary holders at each institution. The January 2003 instalment of funding will be adjusted to take into account the difference between the initial and final allocations.

19. Institutions are reminded that they can vire funds from the Hardship/Bursary Fund to cover payments for Opportunity Bursaries before the final instalment is made in January 2002, or to cover Fee Waivers if necessary. Institutions can also vire from the Fee Waiver Fund to the Hardship/Bursary Fund as appropriate. This means that effectively the Fee Waiver and Hardship/Bursary Funds may be managed as a single fund.

#### **Monitoring student support funds**

2001-02

20. In HEFCE 01/15 'Student support funding for higher education institutions 2001-02', Part 6, we published a sample of the monitoring return for 2001-02. The actual monitoring return for 2001-02 is broadly the same; however there are some amendments to the return, and in particular there have been changes to the Opportunity Bursary 2002-03 interim return.

21. The Opportunity Bursary 2002-03 interim return has been reproduced in Part 5 for illustrative purposes only. We will provide institutions with disks for completion.

22. The timetable for return of monitoring information is as follows:

June 2002	Circular letter with funding allocations sent to institutions, plus guidance notes for completing the disks
August 2002	Disk plus a further copy of the guidance notes sent to institutional contacts
31 October 2002	Census date for the 2002-03 mid-year monitoring return for Opportunity Bursaries
7 November 2002	Deadline for return of completed disks

23. Institutions should notify us as soon as possible before 7 November 2002 if they are not going to be able to return the monitoring information on time.

24. Institutions should be aware that we will examine monitoring returns to verify the data, and may make additional enquiries to clarify the information. If an institution fails to make a return by the due date, we will deduct from the recurrent grant any expenses that we incur in obtaining a return. Any institution failing to make a return for 2001-02 by the due date will also lose entitlement to a share of any unused funds to be recycled.

25. Institutions should note that the final allocations for Opportunity Bursaries and Fee Waivers can only be made after the data from all HEIs have been received, and that delays in submitting therefore affect the whole sector.

2002-03

26. The monitoring return tables for 2002-03 are in Part 6. These forms are for illustration only. The monitoring disk will be issued to institutions in August 2003, with a return date of **6 November 2003**.