



Education
Funding
Agency

16-19 Bursary Fund Guide for 2013/14

April 2013

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Introduction

1. This guide provides information to schools, colleges, Academies, training providers and local authorities (institutions) on the operation of the 16-19 Bursary Fund. It is non-statutory and sets out the arrangements the Secretary of State intends to make under section 14 of the Education Act 2002. It should be read in conjunction with the documents *2013/14 16-19 Bursary Fund Q&A for Institutions and Local Authorities* and *16-19 Bursary Fund Examples of Good Practice*.
2. A key priority of the Government is to close the gap in attainment between those from poorer and more affluent backgrounds, and to ensure every young person participates in and benefits from a place in 16-19 education and training. The Government provides funding to tackle disadvantage both through the Education Funding Agency's (EFA) funding formula and through support to help young people meet the costs of participating in education and training post-16, principally through the 16-19 Bursary Fund.
3. In 2013/14, institutions will receive 16-19 Bursary Fund allocations for discretionary bursaries only. The funding for vulnerable student bursaries will be held centrally by the Learner Support Service and institutions will draw down this funding on demand throughout the academic year (see paragraphs 17-18)¹.
4. Only those students in one of the defined vulnerable groups, or those experiencing the greatest financial disadvantages and/or course-related costs, should be supported using the 16-19 Bursary Fund.
5. Institutions should also ensure they retain a small emergency fund for exceptional circumstances.

¹ Further information and a *Funding Claim* form will be available in early June on the Department for Education website at <http://www.education.gov.uk/childrenandyoungpeople/youngpeople/studentsupport/funding/a00203061/16-19-bursaries>

16-19 Bursary Fund

6. The 16-19 Bursary Fund has two elements:
- A bursary of £1,200 a year for young people in the following defined vulnerable groups: in care; care leavers; young people in receipt of Income Support or Universal Credit; and disabled young people in receipt of Employment Support Allowance who are also in receipt of Disability Living Allowance or Personal Independence Payments.
 - Discretionary awards made by institutions to young people in ways that best fit the needs and circumstances of their students. Bursary awards should be targeted towards those young people who face the greatest financial barriers to participation; such as the costs of transport, meals, books and equipment.
7. Institutions are free to determine the assessment criteria for eligibility for discretionary bursaries, and the frequency of and conditions for payments for all awards; subject to the requirements of the Equality Act 2010².

Eligibility

8. To be eligible to receive a 16-19 Bursary in the 2013/14 academic year, the young person must be aged 16 or over and under 19 on 31 August 2013. Where a young person turns 19 during their programme of study, they can continue to be supported to the end of the academic year in which they turn 19, or to the end of the programme of study, whichever is sooner.³ In general, bursaries should be paid only to young people who are aged 16 or over on 31 August before the academic year in question. Institutions may, in exceptional circumstances, use their discretion to pay bursaries to younger students – for example, if they are following an accelerated programme⁴.
9. Young people should satisfy the residency criteria in the *EFA Funding Guidance for 2013/14*.⁵ This document sets out the evidence that is required to confirm eligibility.
10. Young people should be participating in provision that is subject to inspection by a public body that assures quality (e.g. Ofsted). That provision must also be:
- funded by the EFA either directly or via a local authority (this includes EFA tendered 'zero funded' provision); or
 - funded or co-financed by the European Social Fund; or
 - otherwise publicly funded and lead to a qualification (up to level 3) that is accredited by Ofqual or is pursuant to Section 98 of the Learning and Skills Act 2000.

² Further information on the Equality Act 2010 is available at <http://www.equalityhumanrights.com/legal-and-policy/equality-act/>

³ Students aged 19 and over may be eligible to apply for support from the adult discretionary learner support funding operated by the Skills Funding Agency:

<http://skillsfundingagency.bis.gov.uk/providers/programmes/ls/>

⁴ This does not apply to 14-16 year olds attending college as part of their Key Stage 4 programme.

⁵ This guidance will be published at:

<http://www.education.gov.uk/aboutdfe/executiveagencies/efa/funding/fundings/a00222378/funding-guidance-2013-to-14>

11. Bursaries should not be paid to:

- young people on higher education (HE) courses, with the exception of those participating in HE access courses or courses of HE falling within paragraph 1(g) or 1(h) of schedule 6 to the Education Reform Act 1988, provided the courses are funded under the 16-18 Learner Responsive Model⁶;
- young people on waged Apprenticeships or any learning or training undertaken while a wage is being drawn;
- young people in prison or a young offender institution or who have been released on temporary licence, for example, day release.

12. Institutions should take account of any allowances or other sources of financial support received by a young person when deciding whether to award a bursary, for example:

- Young people attending provision funded solely by the European Social Fund and receiving a training allowance.
- Young people resident in Wales or Scotland, who may be receiving EMA payments via the arrangements in place in the relevant devolved administrations.

Vulnerable young people

13. From 2013, there will be a phased introduction of two new benefits: firstly Universal Credit, which will replace both Income Support and Employment Support Allowance; and secondly Personal Independence Payments, which will replace Disability Living Allowance. There may be some 16-19 year old students affected by these benefit changes and therefore students in the following situations are also now eligible for a vulnerable student bursary:

- Young people who receive a Universal Credit payment in their own name.
- Young people who are disabled and receive Employment Support Allowance and a Personal Independence Payment in their own name.

14. Therefore, the defined vulnerable groups are: young people who are looked after (in care); care leavers; young people in receipt of income support (or Universal Credit) in their own name; and disabled young people in receipt of both Employment Support Allowance and Disability Living Allowance (or Personal Independence Payments).⁷

15. Young people in the defined vulnerable groups will be eligible for a bursary of £1,200 if their course lasts for 30 weeks or more (institutions should pay a proportional (pro-rata) amount for courses lasting less than 30 weeks a year). Larger bursaries can be paid if the institution considers this necessary to enable the young person to continue in

⁶ Information on this model is included in the funding guidance documents which can be found at: <http://www.education.gov.uk/aboutdfe/executiveagencies/efa/funding/fundings/a00222378/funding-guidance-2013-to-14>

⁷ Further information about the vulnerable groups criteria and changes to benefits is available in the *2013/14 16-19 Bursary Fund Q&A for Institutions and Local Authorities*.

education or training; however, institutions will need to provide the additional amount from their discretionary bursary allocation or from their own sources of funding.

16. Institutions are responsible for identifying young people who are eligible for a vulnerable student bursary payment. In doing so, they should seek and retain copies of evidence from the young person, bearing in mind confidentiality. The following are examples of appropriate evidence:

- a letter setting out the benefit to which the young person is entitled, ideally confirming that the terms of their benefit entitlement allow them to participate in further education or training (institutions should be aware that there are circumstances in which a young person on benefit is prohibited from participating and should take steps to ensure this is not the case)
- written confirmation of the young person's current or previous looked-after status from the local authority which looks after them or provides their leaving care services⁸.

17. In 2013/14, funding for students in the defined vulnerable groups will be held centrally. Institutions will draw down funding on demand from the Learner Support Service. Institutions are still responsible for identifying and assessing a young person's eligibility and must ensure they have seen appropriate evidence before they draw down funding..

18. To draw down vulnerable student bursary funding, institutions must complete a Funding Claim form, which can be downloaded from the Department for Education website from June 2013⁹. The completed form should be submitted to the Learner Support Service, preferably by email to enquiries@efalearnersupport.co.uk. The Learner Support Service will process the form, send institutions remittance advice and issue payment. Institutions are responsible for distributing vulnerable student bursaries to eligible students. Institutions should only follow this new process for students in the 2013/14 academic year, from August 2013.

Assessment and payment of bursaries

19. In determining arrangements for assessment and payment of the 16-19 Bursary Fund institutions are subject to equalities legislation, which means that they must not discriminate against their students, either directly or indirectly, on the basis of their protected characteristics. They are also subject to the public sector equality duty in section 149(1) of the Equality Act 2010¹⁰.

⁸ For more information about care status and eligibility refer to the *2013/14 16-19 Bursary Fund Q&A for Institutions and Local Authorities*.

⁹ The Funding Claim form will be available to download from <http://www.education.gov.uk/childrenandyoungpeople/youngpeople/studentssupport/funding/a00203061/16-19-bursaries> from early June.

¹⁰ For more information on the application of the Equality Act 2010 to institutions, see <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

20. Where a student is in a defined vulnerable group and is undertaking a course lasting less than 30 weeks, their award should be an appropriate proportion of the £1,200 (for example £600 for a 15-week course). Institutions should also consider whether, depending on the financial needs of the young person and the nature of their course, it is appropriate to pro-rata the award further for part-time courses (for example, to an hourly/daily rate).

21. Receipt of both vulnerable student bursaries and discretionary bursaries, should be conditional on the student meeting agreed standards, for example, relating to attendance and/or standards of behaviour. These conditions must be clear, available and understood by students. Evidence of conditions and that a student has agreed to them should be kept; for example in an agreement that is signed by the student.

22. Institutions should also ensure that their policies with regards to pro-rata awards and the conditions of payment are clear and available to students. These policies should be explained as part of the students' induction.

23. Institutions are free to determine which young people should receive a discretionary bursary and how much they should receive, subject to the requirements of the Equality Act 2010. Institutions should assess each young person's actual need for financial support before determining whether to make an award and if so how much. This assessment should be documented and retained for audit purposes. Therefore it is not recommended that blanket, or flat-rate, discretionary payments are made to all students. . Institutions should manage the number and size of discretionary bursary awards to keep within their budget.

24. For vulnerable bursaries and discretionary bursaries, institutions should request to see evidence of eligibility from students; students cannot self-certify their eligibility for the 16-19 Bursary Fund. This process should be documented (for example, through the use of an eligibility checklist) and copies of the evidence provided should be retained. For discretionary bursaries institutions may take account of the young person's household income as evidenced by receipt of benefit and/or P60, Tax Credit Award Notice or evidence of self-employment income. Young people currently or previously in receipt of free school meals are not automatically entitled to receive a bursary, but institutions may decide to use eligibility for free school meals as a criterion within their own arrangements.

25. When assessing the need for financial support, institutions should also consider other exceptional circumstances, such as where a young person is providing care to a sick or disabled relative: they are unlikely to be receiving Carer's Allowance, though this is possible if they are in learning for less than 21 hours a week. In most cases i.e.: where not in receipt of Carer's Allowance, institutions should establish the circumstances of the young person, including what benefits the household is receiving and whether the young person is providing care for short or long periods.

26. Unearned income (e.g. shares/investments, savings, rental income) may be taken into account when assessing whether students should receive a discretionary bursary and institutions may also choose to take into account the number of dependent children in the household.

27. Bursaries should not be used as a substitute for other sources of financial support e.g. childcare payments made under the Care to Learn scheme, or payments to meet residential costs under a Residential Support scheme. Bursaries should not take the form

of regular payments for living costs, which would then be subject to the Social Security Amendment (Students and Income-related Benefits) Regulations 2000.¹¹ Receipt of other benefits and financial support does not exclude a young person from receiving a bursary (e.g.: a young person who is receiving support from Care to Learn may also receive a bursary) if he/she is also experiencing financial difficulty with meeting costs associated with learning.

28. In making decisions about the number and size of bursary awards institutions should take account of the fact that a student's financial circumstances may change during a programme of study and this could lead him or her to drop out of learning. Retaining some funds to meet emerging costs will enable institutions to react to such circumstances. Institutions may also want to take account of any improvements in a young person's financial circumstances during a programme of study.

29. Bursaries should be sufficient to help young people meet the costs related to participation e.g. meals whilst attending their course, transport, books and equipment, field trips and other course-related costs and may also be used towards the costs of attending university interviews and open days. The use of bursaries to help meet transport costs does not replace the statutory duty on local authorities to set out (in an annually published transport statement) the arrangements they will make to facilitate the participation in education or training of young people of sixth form age. Bursaries to help meet transport costs should be targeted to individual students, where those costs have been identified as a specific barrier to that student's participation.

30. The 16-19 Bursary Fund should not be used by an institution for any purpose designed to give them a competitive advantage over other institutions, such as the provision of benefits, gadgets or other financial incentives. Nor should they be used for:

- enrolment or administration fees imposed by the institution;
- fees for access to college facilities;
- block subsidy of canteens;
- block subsidy of transport;
- block provision of equipment, materials or books
- paying bonus payments to reward attendance or achievement.

31. It is best practice to pay 'in kind' bursaries rather than cash e.g. a transport pass or chef's whites. Such items should be provided to individuals identified as requiring financial support, and in the case of books or equipment that are awarded as a discretionary bursary, they should be returned at the end of the course to enable them to be re-used by other eligible students. In the case of bursaries for students in the defined vulnerable groups, the value of these items and how their cost is deducted from the £1,200 should be made clear to students and those that support them. Institutions should consider how to achieve value for money – for example, by purchasing equipment through existing arrangements with suppliers instead of providing cash for students to purchase equipment themselves, or arranging facilities for students to purchase second

¹¹ Bursary payments made to young people in receipt of Income Support, Universal Credits, Disability Living Allowance, Personal Independence Payments or Employment Support Allowance (the £1,200 vulnerable student bursary) will be exempt from being taken into account in assessing income-related benefit.

hand books and equipment. The 16-19 Bursary Fund should not be used for block purchase, but institutions could part-fund any such arrangements using the 16-19 Bursary Fund for identified individuals.

32. Where monetary payments are made, these should ideally be by BACS transfer into the student's own bank account; but institutions may also make payments by cheque or small cash payments where they consider it appropriate to do so. Where there are exceptional circumstances that prevent a young person receiving bursary funds directly, it is for institutions to decide on the best method of payment.

33. Institutions can determine the frequency of payments, for both vulnerable student and discretionary bursaries, taking account of: the purpose of the bursary (e.g.: one-off or sustained support); the young person's circumstances; local administrative arrangements; and probity. When determining the frequency of payments, institutions may also want to consider how regular payments can support young people's budgeting and development of financial management skills, and differing financial pressures that arise during the academic year e.g. equipment that is needed at the beginning of a course, the timing of school visits, or final year students needing to visit universities.

34. It is good practice for institutions and the relevant professionals in local authorities to liaise regarding young people's bursary awards and their Care Plans or Pathway Plans to guard against overlaps or gaps in funding. It should be noted however that bursary payments are intended to support participation-related costs only.

Allocations to institutions

35. In 2013/14, institutions will receive 16-19 Bursary Fund allocations for discretionary bursaries only. The funding for vulnerable student bursaries will be held centrally by the Learner Support Service and institutions will draw down funding on demand (as explained in paragraphs 17-18).

36. All institutions were notified of their 16-19 Bursary Fund discretionary allocation in March 2013. The funding is for institutions to manage at their own discretion, but in line with this Guide.

37. For the majority of institutions, the 16-19 Bursary Fund allocations for discretionary bursaries in 2013/14 have been calculated based on the number of students in 2009/10 who were in receipt of EMA at £30 per week as a percentage of the 2010/11 allocated student numbers. This percentage has been applied to institutions' 2013/14 student numbers and multiplied by the 2013/14 standard funding rate of £287.89 (based on the overall budget available and number of students to be funded) to give the allocation for the institution.

38. Where an institution had no EMA students in 2009/10, or where the provision was new in 2011/12 or later, allocations have been based on, or include, 36% of the institution's 2013/14 allocated student numbers. Where institutions delivered short/summer courses in 2010/11, and where there were substantial numbers on these

courses, we have taken account of the reduction in short/summer courses by removing 50% of the respective 2010/11 allocated student numbers before applying the calculation based on the percentage of those in receipt of EMA at £30 per week in 2009/10.

39. Institutions that are currently delivering GAPs, Zero-Funded or Apprenticeship Pilots provision have already been allocated 16-19 Bursary Funding in relation to this delivery in 2012/13; including where it has been agreed that the contracted delivery will extend into the 2013/14 academic year. Any institution that is awarded a new contract to deliver this provision in 2013/14, or moves on to mainstream funding as a result of successfully fulfilling the terms of their current contract, will have 16-19 Bursary Funding attached to that new 2013/14 delivery at a later date.

40. The allocations for EFA-funded Independent Specialist Providers (ISPs), which cater for learners with learning difficulties and disabilities, include an additional amount of funding to enable them to pay discretionary bursaries to any students aged 19-24 with a Learning Difficulty Assessment (LDA). ISPs should note that students aged 19-24 are eligible for discretionary bursaries **only**. ISPs should therefore not claim vulnerable student bursaries for these students from the Learner Support Service.

41. For all other institutions, allocations for the 16-19 Bursary Fund can only be used to support 16-19 year olds as defined in paragraphs 8-12 of this Guide; funds cannot be used to support adult learners (for which there is a separate Adult Discretionary Learner Support Fund operated by the Skills Funding Agency) and cannot be vired into the Residential Bursary Fund. Institutions' use of the 16-19 Bursary Fund is subject to audit.

42. The discretionary element of the 16-19 Bursary Fund will be paid in two instalments: two-thirds will be paid in August 2013; the remaining one-third will be paid in April 2014. Vulnerable student bursaries will be paid at varying times throughout the academic year, depending on when institutions request funding from the Learner Support Service.

43. Institutions should note that any underspends from 2012/13 can be rolled forward into 2013/14 and used alongside the 2013/14 discretionary allocation to help address the needs of disadvantaged learners.

44. During 2013/14, institutions may accrue some unused vulnerable student bursary funding: for example, there may be instances where a student leaves their course early after receiving only part of their vulnerable student bursary payment, or where the expected amount of bursary is not paid to the student as a result of them not meeting the agreed conditions (e.g. attendance/behaviour). Institutions are expected to 'recycle' this unused funding and use it for other vulnerable student bursaries within the academic year. This means that institutions would not need to draw down vulnerable student bursary funding, although the Learner Support Service should still be notified of any such students (see paragraph 18). Where an institution has any surplus funding owing to these circumstances, and it has not been used to support other vulnerable group students by April 2014, this may then be used alongside their discretionary bursary allocation.

45. Allocations to maintained school sixth forms will continue to be made via local authorities, who are asked to pass the identified funding directly to the school, which is then responsible for administering the fund. Local authorities may also be allocated funds, as appropriate, to cover students in other maintained institutions such as Pupil Referral Units and a small number of other institutions (detailed on local authorities'

Annex C) with whom the EFA does not have a direct funding relationship. Local authorities may arrange to administer this funding on behalf of these institutions, or to pass the identified funding directly to the institution, which is then responsible for administering the fund.

46. Where a young person has been placed by a local authority in independent provision and where the local authority is funding that place, the school should approach the host local authority to access the appropriate support from the 16-19 Bursary Fund for eligible students. Local authorities will be responsible for requesting the appropriate funding from the Learner Support Service for students in the defined vulnerable groups, or the Education Funding Agency for an allocation of 16-19 discretionary Bursary Funds (if they don't already have one) for students who may be eligible for a discretionary bursary at these institutions.

47. Where an institution operates out of more than one location across England, or through sub-contracts, they should ensure that all students are able to apply for the 16-19 Bursary Fund. It is the institution's responsibility to ensure that the scheme's objectives are met at each site and by any sub-contractors.

Communications, governance and audit

48. Institutions should develop a statement, setting out how they will administer and distribute their funds, in good time to inform young people's consideration of their choices about what and where to learn in the following academic year. The arrangements must be clear and available to prospective and current students and the EFA. Due to the discretionary nature of the 16-19 Bursary Fund, young people are most likely to hear about the support they can expect as a result of communications directly from institutions. Institutions should ensure that information is provided to young people through literature and websites and that it is kept up to date.

49. It is important that institutions work with local authorities and consider innovative solutions to raise awareness of the 16-19 Bursary Fund amongst young people, particularly those in the vulnerable groups and those at risk of not participating.

50. Institutions are encouraged to work in partnership with other local institutions and the local authority to develop a common approach to administering the 16-19 Bursary Fund. Institutions are encouraged to use these partnership arrangements to identify and disseminate information about the 16-19 Bursary Fund to young people in the defined vulnerable groups; agree the best way to deliver the 16-19 Bursary Fund to these young people (particularly those in care and care leavers); and discuss how the 16-19 Bursary Fund could best be used to address barriers to non-participation at a local level. It is good practice to establish lead contacts, information sharing and joint working protocols to facilitate this.

51. Administration and allocation of bursaries will be subject to the institution's normal governance and audit regimes. 16-19 Bursary funds are also subject to assurance as part of the normal assurance arrangements for 16-19 education and training. Institutions should take note of the audit guidance available on the [Department for Education](#)

[website](#)¹². Institutions should note that, following an audit, funding may be recovered where 16-19 Bursary Fund payments are found not to have been made in accordance with this Guide.

52. Institutions should keep records to evidence 16-19 Bursary payments. For discretionary bursaries, examples of this are copies of income evidence used to assess entitlement, and relevant receipts for purchases made by the institution using the 16-19 Bursary Fund (e.g. the purchase of equipment). For vulnerable student bursaries, this includes a copy of all vulnerable student Funding Claim forms, supporting evidence to confirm the student's eligibility to receive a vulnerable student bursary, evidence of payment received from the Learner Support Service and evidence of payment issued to the student. Records can be kept electronically.

53. If a young person feels aggrieved about how their request for a bursary was handled, they should follow the institution's normal complaints procedure.¹³

54. Institutions will need to submit an **end of 2012/13 year** management information (MI) return and an **end of 2013/14 year** MI return; details of how institutions can submit this information will be provided separately. Details of the information to be collected for both these MI returns is given in the *2013/14 16-19 Bursary Fund Q&A for Institutions and Local Authorities*.

55. Management Information on vulnerable student bursaries will be collected via the Funding Claim form submitted by institutions to request funding from the Learner Support Service for vulnerable group students. Therefore, this will replace the need to submit a 2013/14 in-year MI return for these students.

56. Data fields for the 16-19 Bursary Fund are included in the ILR and the school census. Institutions should complete the appropriate fields to record details of the bursaries awarded to students in the defined vulnerable groups and for discretionary purposes.

57. Any institution or local authority administering the 16-19 Bursary Fund may use up to 5% of their total allocation to meet administration costs.

Further information

58. Further information on the 16-19 Bursary Fund is available on:

- The Department for Education website
<http://www.education.gov.uk/childrenandyoungpeople/youngpeople/studentsupport/funding/a00203061/16-19-bursaries>

¹² 16-19 Bursary Fund Audit Guidance is available at
<https://www.education.gov.uk/publications/standard/publicationDetail/Page1/EFA-00109-2012>

¹³ Institutions may want to take note of the EFA's complaints process, which is available on the Department for Education website at
<http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efabulletins/h00216416/issue-15/article-11>

- GOV.UK: <https://www.gov.uk/1619-bursary-fund>

59. Institutions should send all queries about the allocation and administration of the 16-19 Bursary Fund via email:

Academies should contact academyquestions@efa.education.gov.uk; schools, colleges, training providers, local authorities and other institutions should contact: 1619bursaryfund.EFA@education.gsi.gov.uk

60. Institutions can contact the Learner Support Service Provider Helpline on **0845 600 7979** with specific questions about how to draw down vulnerable student bursary funds.



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