



16-19 Bursary Scheme

Standard Note: SN/SP/6154

Last updated: 9 December 2011

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Section: Social Policy Section

The purpose of this note is to give an outline the new 16-19 bursary scheme which replaced the Education Maintenance Allowance (EMA) in September 2011. The note discusses the abolition of the EMA and the transition arrangements put in place for students receiving the allowance and gives an overview of the new bursary scheme. Comment is given on the scheme and issues surrounding it are discussed.

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1 Summary

The EMA was introduced as a pilot scheme by the Labour Government in 1999, and was rolled out nationally in September 2004. The policy intent of the EMA was to broaden participation of young people in post-16 education and to improve retention and attainment in post compulsory education. The EMA was designed as a ‘something for something’ scheme and students had to show satisfactory progress and attendance to receive their allowance.

Over the years the take up of the EMA and Government spending on the scheme rose significantly, in 2010/11 the last year of the full scheme 643,000 students received the EMA in England at a cost to the Government of £564 million.

The EMA was extensively evaluated to ascertain its effectiveness and studies showed that the EMA had a positive impact on retention of students, but research showed that it had less impact on achievement.

In October 2010 the coalition Government announced somewhat unexpectedly that the EMA would be abolished and replaced by a more targeted scheme. Subsequently in March 2011 the 16 – 19 bursary scheme was announced.

The EMA scheme is continuing in Scotland, Wales and Northern Ireland.

2 Abolition of the EMA

Library standard note SN/SG/5778 [Education Maintenance Allowance \(EMA\) Statistics](#) 13 January 2011 gives an outline of the EMA scheme. The note explains that the Government announced in the Spending Review 2010 that the EMA in England would stop at the end of academic year 2010/11. No new applications were accepted from the start of January 2011.

The Government put in place transitional arrangements to safeguard those students already receiving EMAs, details of these provisions are available in a publication by the YPLA [16-19 Transitional Arrangements – Guide for 2011/12](#):

There are three categories of students who were awarded EMA in 2009/10 or 2010/11:

i) Students who first successfully applied for EMA in 2009/10 may continue to be eligible to receive weekly payments at the same rate (£10, £20 or £30) that they were awarded in 2009/10.

These students do not need to have enrolled in learning or received EMA in 2009/10 or 2010/11 in order to qualify for transitional payments in 2011/12.

ii) Students who first successfully applied for EMA in 2010/11 and received the weekly payment of £30 may continue to be eligible to receive £20 for each week they are in education or training.

These students do not need to have enrolled in learning or received EMA in 2010/11 in order to qualify for transitional payments in 2011/12.

iii) Students who successfully applied for EMA payments of £10 or £20 in 2010/11 are not eligible to receive any further payments in 2011/12 under these transitional arrangements

The decision to end the EMA was discussed in a report by the House of Commons Education Committee in July 2011, *Participation by 16-19 year olds in education and training*.¹

The sudden decision to bring an end to the Education Maintenance Allowance was controversial, and a vigorous campaign for retention of the Allowance followed. The vast majority of submissions to our inquiry commented on the Government's decision, and almost all were opposed. Large numbers of young people and their parents contacted the Committee directly, giving reasons why they believed that it was essential to retain the EMA. We were told that the Allowance was used by students to meet the cost of travel, computers and internet access, food, and necessary equipment and protective clothing (in some cases several hundreds of pounds).

We were also told that:

- The EMA was a necessity for some, not a luxury. For example, one student “was constantly on the edge; if her EMA was late she couldn’t afford her fare”;
- The EMA provided an incentive to attend college on time and to focus on studying. The loss of EMA could result in behavioural issues for those who lose that focus;
- The EMA had enabled students to attend their first choice of provision, rather than the closest;
- The EMA was part of the household income, used to help with the cost of household bills;
- The EMA had improved students’ retention and attendance (this is covered in more detail below, in paragraphs 94 to 99);
- The EMA enabled low income families to see further education as an option for them, and the lack of guaranteed funding as a ‘safety net’ would deter some young people from applying for courses;

¹ Education Committee *Participation by 16-19 year olds in education and training* Fourth Report of Session 2010-12 HC 850

- The EMA released young people from dependence on their parents, who might not otherwise have provided the financial support necessary (particularly where more than one child was in post-compulsory study); • A large proportion of students with learning difficulties came from low income households and would be disproportionately affected by withdrawal of the EMA;
- Young carers, who are less likely to enter further education because of their caring responsibilities, would be adversely affected;¹³²
- Young refugees and migrants, who experienced high levels of poverty and need, faced particular barriers to education: EMA had been “a vital resource” to young Roma;
- The loss of the EMA would mean that less well off students might need to take part time jobs, which would reduce their study time and put them at a disadvantage to better off students. Students from Brooke House Sixth Form College in Hackney reported difficulties in finding part-time employment;
- The EMA allowed young people to set and manage their own budget, developing their financial skills; and
- The EMA provided a means for some young people to participate in extracurricular activities that would enhance their university application.

Peterborough City Council's 8–19 Service listed many negative impacts of the loss of the EMA. However, it said that “one positive aspect of the removal of EMA” was that “we are no longer artificially trying to construct provision that meets EMA criteria. Our most vulnerable learners often require flexible, short or small programmes to entice them in to learning. Only after their confidence grows will they commit to 12 hours a week or a programme spread over a number of weeks. EMA was often a barrier to being truly flexible to meet learner needs, as we had to try to get young people to attend larger programmes that did not meet their needs”.

The report made the following statement on the abolition of the EMA:

we would have welcomed a more measured and public analysis by the Government before it reached its decision to abolish the EMA. The Government's assertion is that there was a substantial economic “deadweight” cost element to the EMA, meaning that a significant proportion of young people would have taken courses whether or not they received the EMA. However, economic “deadweight” costs are a feature of many interventions and do not necessarily mean that the policy is invalidated. The Government should have done more to acknowledge the combined impact on students' participation, attainment and retention, particularly amongst disadvantaged sub-groups, before determining how to restructure financial support.

3 16-19 Bursaries

On 28 March 2011² the Secretary of State for Education, Michael Gove, made a statement in the House [Post 16 funding](#) in which he announced that a new bursary scheme would be introduced for 16 – 19 year olds to replace the EMA:

Twelve thousand students, those in care, care leavers and those receiving income support, including the severely disabled, should in future all receive an annual bursary of £1,200 if they stay on in education—more every year than they ever received under EMA.

² HC Deb 28 March 2011 c51-54: [Post-16 education funding](#)

I also propose that those most in need who are currently in receipt of EMA be protected. All young people who began courses in 2009-10 and who were told that they should receive EMA will still receive their weekly payments. Young people who started courses in the 2010-11 academic year and received the maximum weekly payment of £30 should now receive weekly payments of at least £20 until the end of the next academic year.

In addition, those students will be eligible for support from an entirely new post-16 bursary scheme. Our scheme will help to ensure that the costs of travel, food and equipment for poorer students are properly met, so that no one is prevented from participating through poverty. One hundred and eighty million pounds will be available for that bursary fund, which is enough to ensure that every child eligible for free school meals who chooses to stay on could be paid £800 per year—more than many receive under the current EMA arrangements.

Schools and colleges will have the freedom to decide on the allocation of the bursary. They are best placed to know the specific needs of their students, and we will give professionals full flexibility over allocating support. We will now consult on the implementation of the new scheme, so that allocations can be made for the new arrangements to come into effect from this September.

Mr Gove said that the new scheme would be more targeted than the EMA.

A Department for Education (DfE) press notice [*£180 million new bursary scheme to help the most vulnerable 16-19 year olds*](#) gave an overview of the new scheme:

The Government today announced a new £180 million bursary scheme to help the most vulnerable 16-19 years olds continue in full-time education.

The scheme is made up of two parts – a guaranteed payment to a small group of the most vulnerable, worth more than anybody got under the Education Maintenance Allowance (EMA), and a discretionary fund for schools and colleges to distribute:

- Around 12,000 16-19 year olds will be given guaranteed bursaries of £1,200 a year. This group is made up of children in care, care leavers and those on income support. Income support is paid to young people such as teenage parents, young people with severe disabilities, teenagers living away from their parents and young people whose parents have died. This is more than they would have received through the EMA.
- Schools and colleges can distribute the rest of the money to support any student who faces genuine financial barriers to participation such as costs of transport, food or equipment. They will have the freedom to decide the scale of the bursaries; to pay weekly, monthly, or annually; and link it to behaviour or attendance.

The current discretionary fund is £26 million. In future the fund will be worth £180 million. Even after the guaranteed bursaries have been paid to the most vulnerable 12,000, colleges will still have £165M for the discretionary pot.

An eight week consultation on the scheme was launched on 31st March 2011.

3.1 Details of the 16-19 Bursary scheme

The 16-19 bursary scheme is administered by schools and colleges. Schools are allocated funding which they can distribute to support any student who faces financial barriers to participation such as costs of transport, food or equipment. Institutions will have the freedom

to decide the scale and frequency of bursary payments. The Government expect schools and colleges to make receipt of the bursary conditional on students meeting agreed standards, for example behaviour or attendance.

A YPLA document [16-19 Bursary Fund – Guide for 2011/12](#) June 2011 gives an outline of the operation of the scheme:

16-19 Bursary Fund

The 16-19 Bursary Fund has two elements:

- (i) Young people in care, care leavers, young people in receipt of income support and disabled young people in receipt of Employment Support Allowance who are also in receipt of Disability Living Allowance will be eligible to receive a bursary of £1,200 a year.
- (ii) Providers may then use their discretion to make awards to young people in ways that best fit the needs and circumstances of their students. Bursary awards should be targeted towards young people facing financial barriers to participation, such as the costs of transport, meals, books and equipment.

Under these arrangements, the most vulnerable will receive over £400 more than the average annual payment under the Education Maintenance Allowance (EMA). Beyond that, the 16-19 Bursary Fund is sufficient to allow for bursaries of £800 (again, more than the average received under EMA) for all young people who were eligible for free school meals in year 11.

Providers are free to determine the scale of discretionary bursaries and the frequency of payments for all awards. Awards to students undertaking courses lasting less than 30 weeks should be made on a pro-rata basis. Receipt of a bursary should be conditional on the student meeting agreed standards set by the school, academy, college or training provider, for example, relating to attendance and/or standards of behaviour.

Information on the 16-19 bursary scheme and accompanying documents can be found on the [DfE website](#), at [Directgov](#) and on the Young Peoples Learning Agency (YPLA) website under [16-19 Bursary Fund](#). The DfE website also contains [16-19 bursary – frequently asked questions](#) which provides further details.

3.2 Eligibility criteria

Bursaries are discretionary payments and outside the vulnerable group element each institution has discretion, within the guidance, to establish its own criteria for awarding bursaries. Unlike the EMA there is not set income threshold for funding, or criteria for automatic receipt such as receiving free school meals. The YPLA document [16-19 Bursary Fund – Guide for 2011/12](#) June 2011 gives the following information on assessment for bursaries on p5:

Assessment and payment of bursaries

14. With the exception of the bursaries paid to young people in the vulnerable groups defined above, providers are free to determine which young people should be eligible to receive a bursary and how much they should receive. Providers should manage the number and size of discretionary bursary awards to keep within their budget, targeting bursaries towards those facing the most significant financial barriers to participation.

15. Providers should assess the young person's actual need for financial assistance before determining whether to award a bursary. They may decide to 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 this may be taken into account.

16. Bursaries should not be used to 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 2000.8 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.

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

18. Bursaries should be used to help young people pay for the costs related to participation e.g. meals whilst attending their course, transport, books and equipment and other course-related costs. The use of the 16-19 Bursary Fund 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 real barrier to that student's participation.

3.3 Impact of the new scheme

Information in a PQ in September 2011 stated that the new scheme had been designed to take into account issues of widening participation:

Education Maintenance Allowance

Teresa Pearce: To ask the Secretary of State for Education what representations he has received from the Access to Education Advocate on abolition of the education maintenance allowance. [67881]

Mr Gibb: Between the date of his appointment, in December 2010, and the announcement of the 16-19 Bursary Fund in March 2011, the Advocate for Access to Education met regularly with Department for Education Ministers and officials to discuss financial support for young people. We took account of his work in designing the new 16-19 Bursary Fund, which schools and colleges will be able to use to support those students who most need financial assistance to continue in education or training post-16.³

The [Equality Impact Assessment](#) (EIA) of the EMA replacement scheme, 16-19 bursaries and associated transitional arrangements, said that the new scheme could potentially have a more positive impact on disadvantaged groups than the EMA:

³ HC Deb 5 September 2011 c307

72. The evidence suggests that EMA was poorly targeted and that a significant number of young people would have participated without financial support. Not all of those who received EMA will receive support under the 16-19 Bursary scheme although all will be eligible to apply (as well as those who did not receive EMA). The changes in financial support will therefore result in some young people receiving less money than they did under previous arrangements however there is no data to suggest that this particular change will have a disproportionate impact on young people with disabilities and/or learning difficulties; on either gender or on those of different ethnicities. Importantly, discretionary funds can be targeted more sensitively to those who most need the support.

73. Given the current economic climate it becomes even more difficult to justify continuing to pay young people to participate when they would have done so anyway. Given that prior attainment is the factor that most strongly predicts post-16 participation redirecting funding to close the existing gaps in educational achievement between specific groups of young people will deliver better value for public money.

74. The financial support of EMA did have a positive impact on young people from certain groups: low income; disability and/or learning difficulties; certain ethnicities and gender. However, 16-19 Bursaries will have a similarly positive impact on those groups, probably more so than EMA. There is no evidence that removing EMA in itself will have a negative or disproportionate impact on the ongoing participation and attainment of particular groups of young people, providing there remains a source of financial support to address financial barriers to learning for the most vulnerable.⁴

However the EIA also suggested that the discretionary nature of the new process could potentially lead to 'unintended discrimination':

It will be at the discretion of colleges to determine the relative merits of applications for financial support. This process is therefore open to unintended discrimination on the basis of disability; gender; ethnicity or other characteristics protected under equality law. We will consider whether there should be some central arbitration of the discretionary administration of funding or at least ensure transparency of administration to evaluate the impact achieved by providers, including value for public money.⁵

4 Areas of Concern

1.1 Issues raised by the Education Committee

The Education Committee report in July 2011, *Participation by 16-19 year olds in education and training*⁶ raised several areas of concern about the new bursaries:

Timing of the new scheme

Allocations of funding for student support through the bursary scheme for 2011–12 have been made far too late to allow Year 11 students to make fully informed decisions on what they will do the following year. The Government misjudged the scale of support necessary when announcing the abolition of the Education Maintenance Allowance, and precious months were lost while it revised its plans and consulted on

⁴ *Ibid* p15

⁵ *Equality Impact Assessment EMA Replacement Scheme: 16-19 Bursaries and associated transitional arrangements* p12

⁶ Education Committee, *Participation by 16-19 year olds in education and training* Fourth Report of Session 2010-12 HC 850

the bursary proposals. The delay in deciding on allocations and guiding principles for distribution was regrettable and should not have been allowed to happen.

Move from an entitlement to a discretionary scheme

A number of witnesses made it plain that they had reservations about the bursary system. Martin Ward, Deputy General Secretary of the Association of School and College Leaders, said that "I think we would all prefer an entitlement scheme such as EMA, so that people know in advance what their entitlement is, and they know it will be the same whatever institution they choose to go to. In fact, we would prefer to keep the EMA". Anne-Marie Carrie, the Chief Executive of Barnardo's, stressed that Barnardo's was "utterly in opposition to the discretionary support fund, and to moving that fund to providers ... I consider that unfair. It is inefficient, and it will stigmatise some young people who don't want to say, 'Well, actually, I was in a young offenders institution and I need a bit of extra support because of x, y and z'".

There is also the possibility that neighbouring institutions will adopt differing criteria for distribution of discretionary bursaries. Mr Doel said that there are times "when that would be justified, particularly if you are in a rural area and the needs are different", but that at other times, differing practice in bursary payment by institutions within the same travel-to-learn area would be "unhelpful". LEACAN warned that the existence of differing levels of support could lead learners to make decisions "based on financial benefits rather than educational choice". Similar points were made by others.

The report acknowledged that a 'change to financial support for 16-19 year olds was inevitable' but concluded:

It will be difficult to ensure that bursary funds are matched efficiently to need and that inconsistencies which will inevitably arise do not erode confidence in the scheme or distort learners' choices of where to study. **The Committee is not persuaded that a strong enough case has been made for distributing £180 million in student support as discretionary bursaries rather than as a slimmed-down, more targeted entitlement.** We believe that the Department should have conducted an earlier, more public assessment of the options for better targeting of student support.

Other organisations have raised further areas of concern:

4.1 Disparity between bursaries in different areas

Articles suggest that the discretionary nature of bursaries is creating disparities in funding in different areas:

"The flexibility of discretionary funding also meets the real costs of participation rather than a fixed-cost payment option like the EMA. Some young people need relatively little to address financial barriers while others may require more support."

That the costs of study may vary between colleges and schools in different parts of the country is not disputed. But a TES analysis last month revealed the scale of bursary discrepancies across the country. Students in London boroughs were among the worst affected, including Southwark, where £243 was provided per free school meals student, and Lambeth, where the figure was £430.

Average funding per student in the 32 local authorities worse off under the changes totals just £579. In other council areas, students eligible for free school meals will receive £1,168 each in bursaries.⁷

The [Government Response](#) to the Education Committee report said that different approaches to bursary allocation were not necessarily a problem:

We do not consider that schools and colleges taking different approaches to Bursary allocation is necessarily a problem. It is right that there should be different approaches in different areas—young people's needs are not uniform across the country, and will depend on local and individual circumstances. We believe that providers are best placed to decide on the young people that will benefit the most from additional resources. The flexibility of discretionary funding also meets the real costs of participation rather than a fixed cost payment option like EMA. Some young people need relatively little to address financial barriers while others may require more support.⁸

4.2 Low funding allocations

Colleges and schools received their bursary allocations in June 2011 and the funding was less than originally suggested:

At the end of June, Colleges received letters from the Young People's Learning Agency (YPLA) telling them about their bursary allocations, which will help the poorest students continue their education. Bursaries replace Education Maintenance Allowances but the total money available will fall from £575m in 2010 to £180m in 2012, a cut of two-thirds.

Many Colleges have been surprised that the Bursary fund for the 2011/12 academic year adds up to £115m instead of the £180m it promised in March. This is because the Department for Education (DfE) decided to top-slice the fund to provide money for the transition payments paid to young people who received EMAs in 2009 and 2010 and who are still under 19.⁹

Some local authorities have been unable to allocate £800 to students on free school meals as was anticipated:

About 23,000 of the poorest students who started sixth-form studies this year live in boroughs where too little cash has been allocated: more than one in four of those entitled to free school meals. Many of those worst affected are in London: in Southwark, there is just £243 per free school meals student, and in Lambeth £430. But those hardest hit include students in England's largest local authority, Birmingham, where nearly 5 per cent of free school meal students live, and deprived areas such as Knowsley in Merseyside.

Forced to implement a rapid allocation of the new funds after the education maintenance allowance (EMA) was abolished earlier this year, the Young People's Learning Agency (YPLA) opted for a simple solution of offering £190 to every school and college for each student who previously claimed the full EMA, whose families have an income of below £20,818.

⁷ ["Ministers unrepentant over huge disparities in bursaries"](#) *Times Educational Supplement* 4 November 2011

⁸ Education Committee [Participation by 16-19 year olds in education and training: Government Response to the Committee's Fourth Report](#) 26 October 2011

⁹ Association of Colleges new release [Colleges and Bursaries](#) 6 July 2011

Most colleges have followed Mr Gove's lead and are paying the bursaries to students eligible for free school meals, whose families are on benefits or earn less than £16,190 a year. The YPLA has calculated that only about one in four students claiming the full EMA falls into this lower-income category - true on a national scale but not for these 32 local authority areas.

When TES compared the bursary allocations in each local authority to the numbers of free school meal students - and also accounted for more than 12,000 young people entitled to a guaranteed £1,200 because they are in care or receive income support - some areas are left considerably shortchanged.

One is Tower Hamlets in east London. In a borough where more than 57 per cent of secondary students qualify for free school meals, the local authority has opened up its records so Michael Farley, principal of Tower Hamlets College, knows exactly which students are identified as the most in need. He has about 50 students entitled to £1,200 and about 500 who were on free school meals. To give them the support Mr Gove outlined would cost £460,000, far more than the £248,000 he has received.

"We know that at least two-thirds of the students entering the college are eligible for free school meals. We haven't told students how much they will receive yet, but it won't be half of the £800 that was quoted as an expectation," Mr Farley said.¹⁰

4.3 Drop in number of 16-19 year old college students

In October 2011 the Association of Colleges (AOC) published a survey of 16-19 enrolment in colleges during September 2011.¹¹ Many of the colleges which responded to the survey reported a fall in the number of 16-19 year olds enrolling on courses. The survey An AOC new release on 13 October 2011, "[Mixed picture for college enrolment – transport and funding cuts fears](#)" gives an overview of the survey's findings:

A study of further education enrolment patterns reveals major concerns among college leaders for the most vulnerable students in their communities.

Half of colleges reported falling numbers of students aged 16-19; where colleges have reported a drop in numbers for this age group, they believe unaffordable transport, combined with the abolition of the Education Maintenance Allowance (EMA) and increased competition for student numbers among school and college sixth forms, have been the main causes for a decline.

[...]

Martin Doel, Chief Executive at the Association of Colleges, said: "AoC conducted some detailed research into enrolment figures this year in order to understand the impact that recent Government initiatives and changes in funding have had on colleges and their students.

"It is a complex picture. Some of the changes may well be due to demographics – there is a drop of 40,000 in the 16-18 age group. The decline in college enrolment by students on Level 1 courses may be partially explained by improvements in school teaching. Equally, it may point to a more worrying trend of certain young people disappearing from college and school rolls.

"What is clear is that a significant number of member colleges are concerned that financial constraints are preventing some students from pursuing their preferred

¹⁰ "[Poorest FE students short changed](#)" *Times Educational Supplement* 21 October 2011

¹¹ [AoC September 2011 Survey of Colleges Headline findings on 16-19 enrolment](#)

courses at their institution of choice, and that there is a risk of vulnerable groups becoming disengaged from education.

A *BBC News* article [“EMA: Student numbers fall blamed on allowance cut”](#) discussed this issue.