

16-19 Bursary Fund – Guide for 2011/12

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► For guidance

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Introduction

1. A key priority of the Government is to eliminate 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 YPLA's funding formula and through support to help young people meet the costs of participating in education and training post-16.
2. This guide covers the new 16-19 Bursary Fund, which is designed to help support those young people who face the greatest barriers to continuing in education or training post-16. It provides information to schools, colleges, academies, training providers and local authorities (providers) on the operation of the new fund, which is worth £180m a year. It takes account of the representations made during the consultation on the new arrangements, which ran from 28 March to 20 May 2011.¹
3. This guide is non-statutory. It sets out the arrangements the Secretary of State intends to make under section 14 of the Education Act 2002.

16-19 Bursary Fund

4. 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.
5. 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 11.²

¹ A report covering the consultation can be found at www.education.gov.uk/consultations.

² The average annual payment to all EMA recipients in 2009/10 was £718.60 (over an average of 26.04 weekly payments). The average annual payment to EMA recipients eligible for £30 a week was £792.01 (over an average of 26.4 weekly payments). 55% of EMA recipients received less than £800 a year.

6. 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.

Eligibility

7. To be eligible to receive a bursary the young person must be aged under 19 on 31 August in the academic year in which they start their programme of study.³ 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. In general, bursaries should be paid only to young people who have reached the statutory school leaving age. Providers may, in exceptional circumstances, use their discretion to pay bursaries to younger students – for example, if they are following an accelerated programme.⁴

8. Young people must satisfy the residency criteria in the document *YPLA Funding Guidance 2011/12: Funding Regulations*.⁵ They must 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 YPLA (either directly or via a local authority); 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.

9. 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 Model;
- young people on waged Apprenticeships;
- young people in prison or a young offender institution or who have been released on temporary licence, for example, day release.

10. The following groups of young people are eligible to apply for the 16-19 Bursary Fund, but providers should take account of any allowances or other

³ Students aged over 19 will be eligible to apply for support from Adult Discretionary Learner Support Funds operated by the Department for Business, Innovation and Skills

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

⁵ www.ypla.gov.uk/aboutus/ourwork/funding/dlf/

sources of financial support received when deciding whether to award a bursary:

- Young people attending provision funded solely by the European Social Fund and receiving a training allowance.
- Young people receiving support under the transitional arrangements announced for those who have previously received EMA. Schools, academies, colleges and training providers will know for which young people they are still authorising weekly payments under those arrangements.⁶
- 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

11. The most vulnerable young people will be eligible for a bursary of at least £1,200 (pro-rata for courses lasting less than 30 weeks a year). Larger bursaries can be paid if the provider considers this necessary to enable the young person to continue in education or training. This group covers young people who are looked after, care leavers, those in receipt of income support and disabled young people in receipt of both Employment Support Allowance and Disability Living Allowance.⁷ Providers are responsible for identifying young people who are eligible for this payment. In doing so they will want to seek appropriate evidence from the young person, for example:

- a letter setting out the benefit to which the young person is entitled;
- 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 services.

12. All young people in the identified vulnerable groups will receive their bursary payments from their school, academy, college or training provider. Providers should not authorise payments under the transitional support arrangements for young people in receipt of a £1,200 bursary. Where a young person is already in receipt of payments under the transitional support arrangements and is identified as being in one of the named vulnerable groups part-way through the year, the bursary should be pro-rated accordingly.

13. The YPLA will retain a small contingency, to cover the costs of guaranteed bursaries for the most vulnerable young people in instances where numbers at any one provider are such that the provider's initial allocation is either insufficient to meet the guarantee, or meeting the guarantee would result in little or no funds remaining to award discretionary

⁶ The level of payments under transitional arrangements will depend on when the young person started receiving EMA. Details of the transitional arrangements will be available on the YPLA website.

⁷ Employment Support Allowance is not normally paid to young people in full time education or training unless the young person is also in receipt of Disability Living Allowance.

bursaries. A review of allocations and the number of guaranteed bursaries awarded by each provider will be carried out early in 2012.

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)

⁸ Bursary payments made to young people in receipt of income support and Employment Support Allowance (the £1,200 bursary for the most vulnerable) will be exempt from being taken into account in assessing income-related benefit, as was the case with EMA.

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.

19. Bursaries should not be used by a provider for any purpose designed to give them a competitive advantage over other providers, such as the provision of benefits or gadgets. Nor should they be used for:

- enrolment or administration fees imposed by the school, academy, college or training provider;
- fees for access to college facilities;
- block subsidy of canteens;
- block subsidy of transport;
- block provision of equipment, materials or books.

20. It is good practice to pay young people by BACS transfer into their own bank account but providers may also make small cash payments where they consider it appropriate to do so. Providers are free to determine the frequency of payments, 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.

21. Bursaries may also be paid 'in kind' e.g. a transport pass or chef's whites. Such items should be provided to named individuals, and in the case of books or equipment should be returned at the end of the course if they will then be suitable for a new young person. Providers should consider ways of reducing costs for books and equipment, for example, by establishing bulk purchasing agreements with other local providers or arranging facilities for students to purchase second hand books and equipment. As set out above, the Bursary Fund should not be used for block purchase, but providers could part-fund any such arrangements using the Bursary Fund for identified individuals.

22. In determining arrangements for payment of the 16-19 Bursary Fund providers are subject to equalities legislation, which means that they must not discriminate against their students 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 2010. Arrangements must not discriminate against students on the basis of any protected characteristics as set out in equalities legislation.

Allocations to providers

23. Allocations will be made to providers, to manage at their own discretion, but in line with this guide. Allocations are made on the basis of the number of young people that a provider previously had receiving Education Maintenance Allowance at the £30 rate in 2009/10 multiplied by the standard

funding rate of £190 per eligible young person.⁹ Allocations for the 16-19 Bursary Fund can only be spent for that purpose; the money cannot be used to support adult learners (for which there is a separate Discretionary Adult Learner Support Fund run by the Department for Business, Innovation and Skills) or vired into the Residential Bursary Fund (if applicable).

24. Providers are responsible for:

- staying within budget (although they may top-up the 16-19 Bursary budget from their own sources);
- paying young people in the defined vulnerable groups bursaries of at least £1,200;
- reporting any anticipated underspend to the YPLA.

25. Allocations to maintained school sixth forms will 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 will also be allocated funds, as appropriate, to cover students in maintained Pupil Referral Units, maintained Special Schools, YPLA-funded activity they directly provide and a small number of other providers with whom the YPLA does not have a direct funding relationship.

26. Where a provider operates out of more than one location across England, or through sub-contracts, the allocation will be made to the lead office for distribution to each site. Providers should ensure that any young people attending provision that is delivered by sub-contractors are able to apply for the 16-19 Bursary Fund. It is the provider's responsibility to ensure that the scheme's objectives are met at each site and by any sub-contractors.

27. During the academic year 2011/12, the YPLA will manage the fund identifying any pressures and reallocating funds where available.

Communications, governance and monitoring

28. Providers should develop a statement on how they will administer and distribute their funds, in good time to inform young people's decisions. The statement must be available to young people and the YPLA. Due to the

⁹ This does not affect the overall coverage of the 16-19 Bursary Fund, which is sufficient to award an average of £800 to all young people who were eligible for free school meals in year 11. The standard funding rate is derived from the total number of young people eligible for £30 EMA in 2009/10. The number of young people eligible for £30 EMA is greater than the number eligible for free school meals. In addition, bursary allocations to schools, colleges and training providers in 2011/12 are not intended to cover the whole 16-19 cohort; most young people in their second or third year of study who would otherwise be expected to benefit from a locally administered bursary will be receiving support through the nationally administered transitional arrangements.

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 schools, academies, colleges and training providers. Providers will wish to consider what action they can take to raise awareness of the 16-19 Bursary Fund, including locally set eligibility criteria, amongst young people, particularly the most vulnerable.

29. When developing local arrangements, schools, academies, colleges and training providers may wish to work with other local providers to develop a common approach to the 16-19 Bursary Fund, or to take account of models such as those being developed by the Association of Colleges. Providers may wish to use existing partnership arrangements to discuss such issues.

30. Administration and allocation of bursaries will be subject to the institution's normal governance and audit regimes. If a young person feels aggrieved about how their request for a bursary was handled, they should follow the provider's normal complaints procedure.

31. Providers should have administrative procedures that record bursary applications and awards (including the number, value, purpose, whether awarded or not, and brief justification). The YPLA will request management information (MI) to support its monitoring of the 16-19 Bursary Fund. Colleges and training providers should also complete the relevant fields on the ILR.

32. Providers are asked to sign up to a web-based portal. This is a secure area which will require a user name and password for access. The YPLA will use this portal to communicate all information and documentation relating to the 16-19 Bursary Fund, and to collect MI returns.

33. Any provider or local authority administering a bursary scheme may use up to 5% of their total allocation to meet administration costs.

34. 16-19 Bursary funds are subject to assurance as part of the normal assurance arrangements for 16-19 education and training.

Further information

35. Further information on the use of Bursaries will be made available on:

- The 16-19 Bursary Fund [web portal](#)
- The [YPLA website](#)
- [Directgov](#)

36. Providers should direct all queries about the allocation and administration of the 16-19 Bursary Fund to 1619bursaryfund@ypla.gov.uk.

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