



Department  
for Education

# **Evaluation of the 16-19 Bursary Fund: Year 1**

## **Research Brief**

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## Summary Report

This summary presents findings of the first year of the independent evaluation of the 16-19 Bursary Fund. The Department for Education commissioned NatCen Social Research to evaluate the 16-19 Bursary Fund. The aims of the evaluation are to:

- 1) Investigate the number and characteristics of young people who have applied for and/or received Defined Vulnerable Group and Discretionary Bursaries;
- 2) Evaluate the perceived impact of the policy and review decision-making processes that have been used by providers to allocate funds.

## Key Findings

- The total number of young people in England receiving a Defined Vulnerable Group (DVG) Bursary in 2011/12 is estimated to be 27,400. The total number of students awarded Discretionary Bursaries in 2011/12 in England is estimated to be 251,800.
- Profiles of applicants and recipients for DVG and Discretionary Bursaries across all characteristics were very similar, suggesting that no groups were more or less likely to be awarded Bursaries if they applied.
- The majority of providers used income-related criteria to determine eligibility for Discretionary Bursaries, with Free School Meal entitlement, household income and household benefit receipt being the most common criteria. Other eligibility criteria used by providers included identifying financial needs, transport costs and equipment needs.
- Discretionary Bursaries were most commonly awarded to cover the costs of transport or educational equipment.
- In-kind awards were used by more than a quarter (27%) of providers for at least some Bursaries and by a smaller proportion (12%) for all Bursary awards.
- Two-thirds of providers (68%) thought that the Bursary Fund was effective in targeting young people with the greatest barriers to participation.

## Background

### The 16-19 Bursary Fund

The 16-19 Bursary Fund was introduced in September 2011 and provides financial support to young people who face significant financial barriers to participation in education or training post 16. The Bursary Fund has two parts:

1) Vulnerable young people (those in care; care leavers; young people receiving Income Support and young people receiving both Disability Living Allowance and Employment Support Allowance) receive yearly bursaries of £1,200 (referred to in this report as Defined Vulnerable Group Bursaries).

2) The rest of the fund is allocated to schools, colleges and training providers so that they can identify and support the young people who need it with a Discretionary Bursary.

## Methodology

The first year of the evaluation draws on:

- Management Information returns completed by providers.
- A survey of 16-19 providers that collected information on Bursary spending, the characteristics of applicants and recipients, the administration of the Bursary Fund and perceptions of its impacts on young people. A sub-sample of providers was asked to supply detailed information on Discretionary Bursaries.
- Qualitative in-depth telephone interviews with 27 providers which discussed experiences and perceptions of the Bursary Fund.

The next stages of the evaluation, to be conducted in 2013-14, will include a survey of young people, longitudinal case studies of providers and further surveys of providers.

## Summary of Findings

### Characteristics of Bursary applicants and recipients

The total number of young people in England receiving a Defined Vulnerable Group (DVG) Bursary in 2011/12 is estimated to be 27,400, the majority of whom were receiving a full Bursary.

The numbers of recipients of DVG Bursaries was much higher in FE and sixth form colleges than in other provider types. The majority of these recipients were young people on Income Support or young people in care.

The average percentage of applicants for DVG Bursaries who were female (54%) was slightly higher than for the student population.

Profiles of applicants and recipients for DVG and Discretionary Bursaries across all characteristics were very similar, suggesting that no groups were more or less likely to be awarded Bursaries if they applied.

## **Awarding Discretionary Bursaries**

The total number of students awarded Discretionary Bursaries in 2011/12 in England is estimated to be 251,800. This represents approximately 17 per cent of the 16-18 cohort in education and work based learning. The total number of students awarded discretionary bursaries is likely to rise in future years as this report is based on the first year of the scheme when some students received EMA transitional payments instead of discretionary bursaries. In keeping with this, bursary allocations to providers were less in this first year, to reflect the fact that many second year students still received EMA payments in this year.

The majority of providers used income-related criteria to determine eligibility for Discretionary Bursaries, with Free School Meal entitlement, household income and household benefit receipt being the most common criteria. Other eligibility criteria used by providers included identifying financial needs, transport costs and equipment needs.

The most commonly mentioned purposes for Discretionary Bursaries were transport costs and educational equipment.

The amount allocated to individual Discretionary Bursary awards varied considerably, from under £10 to more than £2,000. Awards to cover transport costs or meals tended to be higher than those for other purposes.

Providers took different approaches to determining the level of Discretionary Bursaries:

- Setting a fixed-level Bursary, with the amount fixed at the outset and all recipients being awarded the same amount;
- Awarding Bursaries with the amount not fixed at the outset but dependent on demand on the Bursary Fund;
- Determining the amount of each award individually depending on personal circumstances.

## **Bursary Fund Spending**

Individual awards for Defined Vulnerable Group Bursaries were fixed at £1,200 for a full Bursary or the appropriate calculated amount for pro-rated Bursaries.

Discretionary Bursary awards were £395 per recipient on (median) average, indicating that Discretionary Bursaries tended to be smaller than Defined Vulnerable Group Bursaries.

Three-fifths (60%) of the providers surveyed had spent less than 90 per cent of their funding allocation. Providers tended to have been cautious in allocating funds as they found it difficult to predict demand in the first year of the Bursary Fund. Another factor in under-spending was students failing to meet the conditions attached to receipt of Bursaries.

Only one in five (20%) providers had access to additional funds to 'top-up' their Bursary Fund provision.

## **Administering the Bursary Fund**

Providers who administered their own Bursary Funds felt that the strengths of this approach were that it allowed them to be responsive to their own circumstances and to the individual circumstances of students. Perceived drawbacks were potential inequality in the financial support available to young people at different providers in the same area, the administrative burden placed on providers and lack of experience of assessing financial circumstances. The administrative burden and lack of experience tended to be concerns voiced by schools who did not previously have this role in relation to student support.

In areas where the Local Authority administered the Bursary Fund on behalf of schools, this was seen to offer efficiencies in administration, separate financial support from education and to ensure equality in the level of support available at different providers. However, there was less flexibility, with providers unable to adapt how payments were made or to respond to individual student needs.

Bursary awards were more commonly paid directly to students rather than paid in-kind (for example in the form of books or equipment). The majority of providers paid all Bursary awards directly to students (62%), with more than a quarter (27%) using direct payments and in-kind awards and just over one in ten (12%) only making in-kind awards.

Bursary awards were conditional on attendance in most (96%) providers. Other conditions set by providers included compliance with behaviour standards (63%) and completion of course assignments (48%).

Providers had publicised the Bursary Fund to young people using written materials (97%), word of mouth (75%) and events such as open days (68%). Ninety per cent of colleges had publicised the Bursary Fund on their websites but only 40 per cent of school sixth forms had done this.

Following the first year of the Bursary Fund, most providers were planning to make some changes for the 2012-13 academic year. These changes included eligibility criteria for Discretionary Bursaries (34% of providers), publicity of the Bursary Fund (32%), administration (30%) and the type of Bursaries offered (27%). Just two per cent of providers were not planning any changes.

## **Perceived impacts of the Bursary Fund**

The majority of providers thought that the Bursary Fund was having a positive impact on young people's participation (58%) and engagement in learning (54%). Similarly, two-thirds (68%) thought it was effective in targeting young people facing the greatest barriers to participation.

Special schools were less likely than other types of provider to have positive views of the Bursary Fund, particularly in relation to its effectiveness in targeting young people. Reasons for this included concerns that young people with learning difficulties were not specifically targeted and the restricted age range of the Bursary Fund.

Providers saw the flexibility they had in awarding and administering Bursaries as key to targeting their students' needs effectively. Some welcomed the ability to use in-kind payments to ensure that the Fund was targeted on needs related to education and training.

Concerns expressed about the Bursary Fund in relation to its impact on young people centred on the level of funding, both the amounts that recipients were awarded and the numbers of students that providers were able to support with the Fund.

## **Conclusions and recommendations**

The flexibility of the Bursary Fund was seen as its major asset. Providers valued being able to use the Fund in ways that they considered best supported their students to participate and engage in learning. This is reflected in the use of in-kind and cash Bursaries, the varied purposes of Discretionary Bursaries, the different conditions attached to awards and the different intervals of payment. Any future changes to the Bursary Fund should retain this flexibility.

While providers valued the level of autonomy they had over the Bursary Fund, there were concerns that this could lead to unequal access to financial support for students at different providers. Potential ways of mitigating this for students who are not eligible for guaranteed Bursaries might be to encourage local agreement of common eligibility

criteria for Discretionary Bursaries and to raise awareness of the Bursary Fund among young people so that they can take this into consideration when choosing where to study.

The Bursary Fund tended to be a much larger scheme in FE and sixth form colleges than in schools and other providers, both in terms of demand on the Fund and the amount of funding available. This has implications for administration as providers with larger sums of funding were able to set up more sophisticated systems of awards and payment processes. Smaller providers were particularly likely to voice concerns about the administrative burden that the Fund placed on them. More consideration may need to be given to how providers with relatively small amounts of funding available can best use and administer these funds.

It is worth emphasising that this was the first year in which the Bursary Fund had operated and providers had designed and implemented their systems in a relatively short space of time. The extent of under-spending identified appears to have been partly attributable to the Bursary Fund being new, with providers unable to accurately predict demand. Providers were prepared to make changes to the way their Bursary Funds operated based on their experiences of the first year.

It will be important to monitor spending on the Bursary Fund in relation to funding allocations to see if the tendency to under-spend continues beyond the first year. Consideration should be given to ways of helping providers to accurately predict demand on their funds.





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