Education & Skills Funding Agency

This document has been withdrawn as it is out of date.

16 to 19 Discretionary Bursary Indicative Allocation Calculation Toolkit for Academic Year 2019 to 2020

A guide

October 2019

Contents

Introduction

We are revising the way that 16 to 19 discretionary bursary allocations are calculated to better match financial disadvantage and student needs across the country. You can read the Government response that followed the consultation held earlier this year here.

We will use the new methodology from 2020 to 2021 academic year onwards. In advance of this we are sharing with you the detail of the methodology along with an indicative discretionary bursary allocation for 2019 to 2020. This is to demonstrate what impact the new methodology would have had on your 2019 to 2020 allocation had it already been in place including how the transition arrangement will be applied. It also includes the detail of how your data would have been used to calculate the funding. This does not change your current 2019 to 2020 allocation and is purely indicative, not a firm calculation of the allocation you will receive in 2020 to 2021.

You will find your discretionary bursary indicative allocation calculation toolkit on Information Exchange in the 2019 to 2020 folder.

This guide explains the practical detail of how we have used your data within the toolkit to calculate the various elements of the discretionary bursary funding for your institution.

Further details including narrated presentation to explain the changes can be found alongside this guidance here.

If you have any queries about the information in this guide, please contact us using our ESFA enquiries contact form.

Your 16 to 19 discretionary bursary indicative allocation calculation toolkit

To show you how we have used your data to calculate the instances for each element in your indicative discretionary bursary allocation for 2019 to 2020, we have prepared an allocation calculation toolkit (ACT) for you. The ACT includes four separate sheets.

Indicative Allocation – this shows a comparison between your current 2019 to 2020 funding allocation for discretionary bursary and what your discretionary bursary funding would have been in 2019 to 2020 had the changes been applied. The indicative allocation table shows the elements calculated from your 2017 to 2018 data (linked to the programme sheet) and the re-calculated funding amounts including transition arrangements.

Programme – 2017 to 2018 academic year student-level data that is required to calculate the elements used in calculating the instance values to be used in your indicative allocation.

Glossary – a technical description of each column in the programme sheet. You can use this sheet to identify the specific data fields we've used when looking at your data.

Comments – a tool to enable you to add notes to the data on the programme sheet when reviewing the information shown.

What data have we used?

We have used your 2017 to 2018 academic year data, either the Individualised Learner Record (ILR) R14 return, autumn census 2018 return or Higher Education Statistics Agency (HESA) return for 2017 to 2018.

You can find a detailed description of data sources in the glossary sheet of your ACT.

If we don't have a full set of 2017 to 2018 data for your institution the programme sheet will be blank and LA average instance values will be used to calculate your indicative allocation shown on the front sheet.

The programme sheet will also be blank for specialist post-16 institutions (SPI), as to align to the approach used for mainstream 16 to 19 allocations calculations, average figures will be used for all SPIs.

Why do we use 2017 to 2018 data?

Your 2017 to 2018 data is the last full-year set of data that you returned. We use it to understand the characteristics of your institution and its delivery. In using this data for the indicative discretionary bursary calculations, we are aligning it to the data used to

calculate you other funding factors used to calculate your programme funding for 2019 to 2020. For the 2020 to 2021 discretionary bursary allocations, we will use 2018 to 2019 full-year data.

Discretionary bursary funding

The new methodology for discretionary bursary funding has two elements:

- element 1: financial disadvantage
- element 2: student costs, to support travel and Industry Placements

Element 1: financial disadvantage

We look at where your students live in order to determine whether discretionary bursary financial disadvantage funding should be allocated. To do this we look up their home postcode in the Index of Multiple Deprivation (IMD) 2015. The IMD is an official government index that tells us how deprived areas are based on education, crime, health, employment, and income statistics. We assign an instance value to those students who live in the 27% most deprived areas of the country.

Table 1: Financial Disadvantage Instance Values

IMD Deprivation of Home Postcode	Instance Value
Top 9% most deprived (1% to 9%)	1.0
Next 9% most deprived (10% to 18%)	0.8
Next 9% most deprived (19% to 27%)	0.6

Column F in the programme sheet shows if the student is living in the top 27% most deprived areas and column O shows the instance value for each student. If a student is not in the top 27% and does not qualify for discretionary bursary financial disadvantage funding or if the postcode is unknown this column will show 0.

Calculation

You can see your instances per student on the indicative allocation sheet (cell F18).

This uses the data on the programme sheet to calculate an average number of instances per funded student.

We calculate this in the following way:

discretionary bursary element 1: financial disadvantage instances per student	=	sum of financial disadvantage instances (column O) where funded student	/	total funded students (where column C is marked as 'Yes')

(column C) is marked
as 'Yes'

The indicative allocation sheet shows the calculation of funding in row 18. The total funded students in cell E18 are multiplied by the instances per student in cell F18 to give the number of instances to be funded in cell G18, this is multiplied by the rate in cell H18 to give the funding value shown in cell I18.

Element 2a: student costs - travel

Element 2a student costs for travel provides funding to support students from the top 60% most deprived areas (based on IMD 2015) with their travel costs. Students that are recorded as residential are excluded (where column H in the programme sheet = 'Yes').

Column G in the programme sheet shows if the student is from the top 60% most deprived areas and column P to S show how the instance value for each student is calculated.

If a student is not from the top 60% they are not eligible for discretionary bursary funding to support travel and so the values will default to 0.

We use data from the 2017 to 2018 academic year to calculate an instance value for each student with a maximum of 1 (column S on the programme sheet), which is based on two parts:

- rurality, where a student's current postcode (column E) is classed as a rural area, then an instance value of 0.5 is given (column P)
- the distance travelled between the student's postcode for travel (column E) and the delivery location of their learning (column N), the table below shows the instance value given (column Q) based on the straight line distance between the two postcodes:

Where postcodes are unknown the instance values with default to 0.

Table 2: distance travelled instance values

Distance travelled	Instance value
>= 20km	0.500
>= 10km and < 20km	0.333
>= 3km and < 10km	0.167
< 3km	0.000

If the student is resident and learning in London they are able to take up the Travel for London (TfL) offer; where this is the case their instance value based on the above is halved. Column R on the programme sheet indicates where this is the case.

The student's total instance value for travel is shown in column S.

Calculation

You can see your instances per student on the indicative allocation sheet (cell F19).

The calculation of this value uses the data on the programme sheet to calculate an average number of instances per funded student.

We calculate this in the following way:

$$\text{discretionary bursary element 2a: student costs - travel instances per student} = \frac{\text{sum of travel costs total instances (column S) where funded student (column C) is marked as 'Yes'}}{\text{total funded students (where column C is marked as 'Yes')}}$$

The indicative allocation sheet shows the calculation of funding in row 19, the total funded students in cell E19 are multiplied by the instances per student in cell F19 to give the number of instances to be funded in cell G19, this is multiplied by the rate in cell H19 to give the funding value in cell I19.

Element 2b: student costs – Industry Placements

Element 2b - student costs for Industry Placements - provides funding to support students from the top 60% most deprived areas based on IMD 2015 who are undertaking an Industry Placement via the Capacity and Delivery Fund or as part of a T Level programme from the 2020 to 2021 academic year.

We use data from the 2017 to 2018 academic year to determine the number of instances to be funded.

Column G in the programme sheet shows if the student is living in the top 60% most deprived areas.

If the student's study programme makes them eligible for Industry Placement funding via CDF and they are from the top 60% most deprived areas they will be given an instance value of 1 in column T.

Funding for Industry Placements will only be allocated to institutions who submitted an approved plan, opted in and have an Ofsted overall effectiveness grading of "Requires Improvement" or better. Further details of the criteria for industry placement criteria can be found on Gov.UK.

Calculation

You can see your total instances on the indicative allocation sheet (cell G209). This will only be populated where you are currently in receipt of Industry Placement Funding in your main 16 to 19 funding allocation.

Because Industry Placements are currently funded based on the volume of qualifying students in the 2017 to 2018 academic year the discretionary bursary funding will apply in the same way.

The calculation of this value uses the data on the programme sheet, we calculate this in the following way:

$$\text{Discretionary bursary element 2b: student costs – Industry Placement instances} = \text{sum of Industry Placements instances (column T) where funded student (column C) is marked as 'Yes'}$$

The indicative allocation sheet shows the calculation of funding in row 20, the number of instances to be funded are shown in cell G20 (where applicable), this is multiplied by the rate in cell H20 to give the funding value in cell I20.

Discretionary Bursary Fund Total

The discretionary bursary fund total is shown in row 22 on the indicative allocation sheet. This includes the adjustment in your current 2019 to 2020 allocation in respect of free meals (shown in row 21). This is the total before transition arrangements are applied.

2019 to 2020 Indicative Discretionary Bursary Fund Total

Your indicative discretionary bursary fund total in row 26 shows what your 2019 to 2020 funding would have been based on the new methodoly after transitional arrangements have been applied based on the 2020 to 2021 methodology.

In the 2020 to 2021 academic year institutions will receive no less than 75% and no more than 125% (-/+25%) of the total discretionary bursary fund allocated in 2019 to 2020 as a result of the bursary changes. To demonstrate how this will be applied the calculation can be seen on the indicative allocation sheet. The indicative allocation sheet shows the 2019 to 2020 baseline in cell I23 with the lower and upper limits for transition shown in I24 and I25 respectively. The final indicative discretionary bursary funding amount is shown in cell I26 with the transition arrangement applied.

Transition will run for four years, the lower and upper limits will increase to +/-50% in 2021 to 2022 and +/-75% in 2022 to 2023. Transition arrangements will cease in 2023 to 2024 when the discretionary bursary funding will be based only on lagged data using the new methodology.

No institution will have an allocation that is less than £500 .

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