

# Young People's Education and Skills Board

## 16-19 Bursary Fund - Financial Support for 16 to 19 year olds in Education or Training Consultation

Item No: 6

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**Summary**      This paper updates members on the new proposed 16-19 Bursary Fund and London Councils proposed response to the consultation on the response.

**Recommendations**      London Councils YPES board members are asked to note the Financial Support for 16 to 19 year olds in Education or Training consultation response.

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## 1 Background

- 1.1 As part of the spending review on 20 October 2010 the Government announced that the Education Maintenance Allowance (EMA) would be abolished and replaced by an enhanced discretionary learner support fund. Schools, colleges and training providers would be expected to target support to students most in need.
- 1.2 EMA payments made in the academic year 2009/10 amounted to £561m nationally and £81m in London. The Government had initially indicated that the discretionary learner support fund (£26m in 2010/11) would be trebled by 2014 to approximately £78m a difference of £480m when compared to the EMA budget last year.
- 1.3 This prompted extensive lobbying from a range of organisations – including London Councils YPES – concerned that the removal of EMA would adversely affect participation, retention and achievement. At present 54% of the 159,326 16-18-year-olds in education in London receive EMA, with 89 per cent entitled to the full £30 allocation – meaning their families have a total income of less than £21,817 per annum.

## 2 London Councils Activity

- 2.1 London Councils initially researched the impact that the withdrawal of EMA might have in London. A press statement was issued and a letter and report sent to all London MPs in advance of the opposition day debate on 19 January raising concerns about the impact the removal of the EMA would be likely to have on the thousands of young disadvantaged learners in the capital who currently rely on it.

- 2.2 London Councils subsequently made a submission to the Education Select Committee Inquiry into 16-19 participation including a focus on the removal of EMA. In particular this submission highlighted the increased living costs (e.g. childcare, housing and food) in London and higher rates of child poverty. It would appear these arguments have been listened to and have contributed to a welcome, if surprising, shift in policy.

### **3 16-19 Bursary Fund**

- 3.1 In response to the concerns raised by London Councils YPES and other key stakeholders the Government announced at the end of March that a proposed 16-19 Bursary Fund worth £180m would be introduced. The fund will be distributed to schools, colleges and work-based learning providers to provide support for young people in full-time education or training.
- 3.2 The Government has also indicated that it expects colleges to use the bursary fund in part to award bursaries of at least £1200 to young people in the most vulnerable groups including:
- Young people aged 16 and 17 in care;
  - Care leavers aged 16,17 and 18;
  - Young people aged 16, 17 and 18 who are in receipt of income support, for example: young people who are living independently of their parents; young people with severe disabilities; and teenage parents.

### **4 Transition funding**

- 4.1 Additionally £194m has been allocated to offer some continuity in transition for students currently accessing EMA. The Government will honour the EMA 'guarantee' in full, during 2011/12, for young people who successfully applied for EMA for the first time in 2009/10. Additionally any young person who successfully applied for the maximum EMA payment of £30 per week during 2010/11, can continue to claim £20 per week until the end of the 2011/12.
- 4.2 No other young people will be eligible and there are no proposals to support young people who would have been eligible since the scheme was closed to new applicants in December 2010. The additional funding for transitional support will only be available during the 2011/12 academic year and discontinued thereafter.

### **5 Consultation**

- 5.1 The Government is currently consulting on the 16-19 Bursary Fund; which is expected to be in place for the start of the new academic year.<sup>1</sup> London Councils YPES prepared a response to the consultation which was circulated and agreed by the board online – this is included as Appendix A. The response was submitted for the 20 May 2011 consultation deadline.
- 5.2 The consultation response broadly welcomed the Government's improved offer for support for young people in education and training, whilst cautioning that the bursary fund may be over-stretched once the transition funding expires at the end of 2011/12. Additionally, it recommended that the Bursary Fund is allocated on the basis of entitlement to Free School Meals for 2011/12, although London Councils would prefer a more sophisticated measure of deprivation to be used in the future.
- 5.3 London Councils YPES is also working with the London regional body of Association of Colleges (AoC) to seek to agree that colleges have broadly comparable criteria for targeting support. WBLA have also already expressed interest in recommending that their members adopt any 'agreed' criteria and similar support will be sought from ASCL to promote to its

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<sup>1</sup> Full details of the consultation and links to all related papers can be found at the DfE website:

<http://www.education.gov.uk/consultations/index.cfm?action=consultationDetails&consultationId=1754&external=no&menu=1>

schools. This will minimise the possibility of young Londoners choosing post-16 provision on the basis of 'the best offer' financially rather than what is best for their long-term future.

## **6 Recommendations**

- 6.1 London Councils YPES board members are asked to note the Financial Support for 16 to 19 year olds in Education or Training consultation response.

## **Financial Support for 16 to 19 year olds in Education or Training**

**Consultation Response Form**

**The closing date for this consultation is: 20 May 2011.  
Your comments must reach us by that date.**

**THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the offline response facility available on the Department for Education consultation website ([www.education.gov.uk/consultations](http://www.education.gov.uk/consultations)).**

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes, primarily the Freedom of Information Act 2000 and the Data Protection Act 1998.

If you want all, or any part, of your response to be treated as confidential, please explain why you consider it to be confidential.

If a request for disclosure of the information you have provided is received, your explanation about why you consider it to be confidential will be taken into account, but no assurance can be given that confidentiality can be maintained. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data (name and address and any other identifying material) in accordance with the Data Protection Act 1998, and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

**Please tick if you want us to keep your response confidential.**

Reason for confidentiality:

Name	Jonathan Rallings
Organisation (if applicable)	London Councils
Address:	59½ Southwark Street London SE1 0AL

If your enquiry is related to the policy content of the consultation you can contact the Public Communications Helpline on: Telephone: 0370 000 2288

e-mail: [learnersupportfunding.consultation@education.gsi.gov.uk](mailto:learnersupportfunding.consultation@education.gsi.gov.uk)

If you have a query relating to the consultation process you can contact the Consultation Unit on:

Telephone: 0370 000 2288, e-mail: [consultation.unit@dcsf.gsi.gov.uk](mailto:consultation.unit@dcsf.gsi.gov.uk)

Please tick the box that best describes you as a respondent.

<input type="checkbox"/> Young Person	<input type="checkbox"/> Parent	<input type="checkbox"/> School
<input type="checkbox"/> Sixth Form	<input type="checkbox"/> College	<input type="checkbox"/> Sixth Form College
<input type="checkbox"/> Local Authority	<input type="checkbox"/> Training Organisation	<input type="checkbox"/> Independent Learning Provider
<input type="checkbox"/> Representative Body	<input checked="" type="checkbox"/> Other- Please specify	

**London Councils is a membership organisation representing the interests of all 33 local authorities in London. London Councils houses the Young People’s Education and Skills board (YPES) which provides strategic leadership in 14-19 education and training for London. The board brings together regional stakeholders from across the sector including local authority members and officers, providers (e.g. Association of Colleges), funding bodies (e.g. YPLA), and the Greater London Authority. This consultation response has been agreed by the YPES Board as a response for London.**

The questions below indicate the issues we are particularly interested in receiving your views on. You do not have to respond to every question and are welcome to submit a general response if you prefer.

Q1) Do you think we have identified the right groups of young people to be eligible for the £1,200 bursary? (paragraph 3.2 of the consultation document)

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Sure
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Comments:

London Councils Young People’s Education and Skills Board believes that the groups identified in the consultation represent some of the most vulnerable young people in London and we support the proposal that these groups should receive a full bursary. We would additionally suggest that Young Carers might be another group which should be considered eligible for this entitlement.

However, we would caution that these groups alone do not constitute the whole range of young people in London who should benefit from a full bursary. Many young people are disadvantaged in their ability to access post-16 provision simply due to coming from a low-income background.

Whilst we agree with the proposal for particularly vulnerable groups to receive a bursary regardless of family income, we are still concerned to ensure that those from the most disadvantaged homes are guaranteed access to the financial support they need to further their education.

We are also pleased that government has elected to continue with the Care to Learn programme. With the recent OECD report highlighting the high costs of

childcare in the UK, and particularly London, most young parents would not even be able to afford to continue learning without this initial support.

Q2) Do you think these are the right underpinning principles for the way the fund should operate? (paragraphs 3.4 & 3.5 of the consultation document)

Yes

No

Not Sure

Comments:

London has a disproportionate number of vulnerable young people. It will be important to ensure that the Bursary funding pot available in the capital is sufficient to meet this demand. If not it could create a disincentive to providers for taking on the most vulnerable students if this is likely to prove a drain on their bursary resources. To avoid this it may be more prudent to centrally allocate the £1,200 bursaries directly to those vulnerable groups of young people identified in the consultation or alternatively to provide assurances that their choice of provision will not be prejudiced by a high take-up rate of bursary-eligible students at any one particular institution.

Q3) Do you agree that schools and colleges should have discretion in these areas? (paragraph 3.6 of the consultation document)

Yes

No

Not Sure

Comments:

London Councils YPES has started to work closely with the London regional body of the Association of Colleges to agree a means of ensuring that institutions in the capital have broadly comparable criteria for targeting support. We are also seeking to work with schools and work-based learning providers to secure agreement on principles for London. We hope this will minimise the possibility of young Londoners choosing post-16 provision on the basis of the best offer financially rather than what is best for their long-term future.

London Councils YPES believes any agreed principles will need to take full account of equalities and deliver on the DfE's ambition in its Equality Impact Assessment that *"16-19 Bursaries will have a similarly positive impact on these groups [certain ethnicities, gender, disability, low income], probably more so than EMA"*. It is important that the impact of the introduction of the fund is closely monitored to ensure this is the case.

Government should be aware, though, that the move to greater discretion – particularly for schools – brings with it added burdens of administration and bureaucracy.

Q4) Are our proposals for transitional support the right ones for young people currently in receipt of EMA? (paragraphs 3.7 to 3.11 of the consultation document)

Yes

No

Not Sure

Comments:

London Councils YPES is very pleased that the Government is honouring the commitment to students who signed up to EMA in 2009/10 and continuing these payments for those remaining in education during 2011/12.

We are also pleased that a measure of continuity will be provided to some other existing students who may have embarked on a course last year in the good faith that EMA will be continued through the whole life of their studies. We nevertheless are disappointed that this support will be cut by a third for those most in need and altogether for those presently receiving EMA at lesser levels. We also would like Government to consider guaranteeing payments for those students who signed up in 2010/11 but are expecting to complete their post-16 education during 2012/13.

Finally it is concerning that there are presently no support arrangements in place for students who would have been eligible for EMA since the scheme was withdrawn in December 2010. We would urge that bursary funding is brought in immediately to support those young people currently entering learning such as those beginning work-based learning schemes.

Q5) Do you agree that the fund should be allocated in 2011/12 on the basis of the proportion of young people currently in receipt of the maximum weekly EMA payment? (paragraph 3.13 of the consultation document)

Yes

No

Not Sure

Comments:

London Councils YPES believes that given the significant reduction in funding, the bursary fund needs to be targeted to the most disadvantaged pupils. A measure such as Free School Meals (FSM) is better at capturing those young people facing greatest financial barriers to participation. It also better targets funding to support those most at risk of under-attainment – DfE figures for 2010 show that only 24.2% of young people in receipt of FSM achieved a Level 3 qualification compared to 53.6% of those not in receipt of FSM. A FSM measure is also consistent with funding streams in other parts of the education system – for example the Pupil Premium.

London Councils YPES also feels there is a need to use up to date data in allocating funding – EMA take up data is historic whereas FSM is more immediate. We disagree that moving to a FSM measure would change funding for providers too significantly too quickly, since Government is already providing some stability to

institutions through the transitional support funding.

However, in the longer term London Councils would like to see the development of a more sophisticated measure of deprivation that takes into account area-based measures of deprivation such as IMD alongside pupil level measures such as FSM. Such area-based measures factor in the impact of area effects on attainment such as neighbourhood/peer effects. There is no shortage of literature<sup>2</sup> pointing to the importance of neighbourhood and peer effects on attainment (ie:- children not eligible for FSM but that live in deprived areas and go to deprived schools but that do suffer an impact on their schooling and attainment due to their environment and peer group).

The DfE have announced that the replacement bursary is sufficient to provide £800 annual support for young people eligible for free school meals. We would want to be assured that the allocation to individual post-16 learning providers takes account of historic recruitment of those in receipt of FSM at Y11 and, at provider-level, is sufficient to guarantee this level of support for all eligible young people.

We would also remind Government that the higher cost of living in the capital means the financial barriers to participation for young people are also greater. This should be considered when calculating London's regional allocation of Bursary funding.

Q6) Have you any other comments?

Comments:

London Councils YPES would caution that the impact of the removal of EMA is not going to be fully felt until the 2012/13 academic year. During 2011/12 the demands made on the 16-19 Bursary Fund will be offset by the transition funding available for many students already in the system. Once this transition funding expires the Bursary Fund in 2012/13 will most likely need to cater for around double the amount of students it will provide for during 2011/12.

It is particularly important that the impact both regionally and on specific groups of young people should be closely monitored. Government needs to be prepared to address any adverse effects which emerge.

We understand that DfE's internal modelling provides confidence that the proposed Bursary Fund will be sufficient to meet demand from the most important groups. However, it is important to remember that there may be unpredictable factors which could affect demand including:

- how providers use their discretion over distribution of the fund in the first year.

What the effect of increased participation may have on demand. Young people presently NEET are disproportionately more likely to be from the vulnerable groups Government is suggesting should receive the £1,200 bursary.

<sup>2</sup> For example: Webber and Butler [2007] Classifying pupils by where they live: how well does this predict variations in their GCSE results? Urban Studies, Vol 44, no 7, p1229-1253

Q7) Finally, please let us have your views on responding to this consultation (e.g. the number and type of questions, was it easy to find, understand, complete etc.)

Comments:

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

**Please acknowledge this reply**

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

Yes

No

All DfE public consultations are required to conform to the following criteria within the Government Code of Practice on Consultation:

Criterion 1: Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2: Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3: Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4: Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5: Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.

Criterion 6: Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7: Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

If you have any comments on how DfE consultations are conducted, please contact Donna Harrison, DfE Consultation Co-ordinator, tel: 01928 738212 / email: [donna.harrison@education.gsi.gov.uk](mailto:donna.harrison@education.gsi.gov.uk)

**Thank you for taking time to respond to this consultation.**

Completed questionnaires and other responses should be sent to the address shown below by 20 May 2011

Send by post to:  
Consultation Unit  
Area 1C  
Castleview House  
East Lane  
Runcorn  
Cheshire  
WA7 2GJ

Send by e-mail to: [learnersupportfunding.consultation@education.gsi.gov.uk](mailto:learnersupportfunding.consultation@education.gsi.gov.uk)