



Education  
Funding  
Agency

# **16 to 19 bursary fund guide**

**Guide for 2014 to 2015 academic year**

**Advice for institutions**

**April 2014**

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## Introduction

This guidance is for all institutions that administer the 16 to 19 Bursary Fund. This includes schools, academies, FE colleges, sixth-form colleges, training providers, independent specialist providers and local authorities. Education Funding Agency (EFA) calls all of these 'institutions' throughout this guidance.

The guidance is non-statutory and sets out the arrangements the Secretary of State intends to make under section 14 of the Education Act 2002.

Guidance for young people and their parents is available on [the 16 to 19 Bursary Fund page](#).

Where academies have further questions on the 16 to 19 Bursary Fund, they should email [academy.questions@education.gsi.gov.uk](mailto:academy.questions@education.gsi.gov.uk). All other institutions should email [1619bursaryfund.EFA@education.gsi.gov.uk](mailto:1619bursaryfund.EFA@education.gsi.gov.uk).

# Introduction to the 16 to 19 Bursary Fund

There are 2 types of 16 to 19 bursaries:

1. a [vulnerable](#) bursary of up to £1,200 a year for young people in one of the defined vulnerable groups
2. [discretionary](#) bursaries that institutions award to meet individual needs (discretionary bursaries are targeted on students who cannot stay in education without financial help for things like transport, meals, books and equipment)

## Useful points

It is useful to know that institutions:

- should use the vulnerable bursary funding [claim form](#)
- are responsible for identifying and assessing a student's eligibility and must see evidence before they claim funding
- set their own eligibility criteria for discretionary bursaries, but they must comply with the basic [eligibility conditions](#)
- must also comply with the requirements of the [Equality Act 2010](#) when setting their eligibility criteria

## Vulnerable bursary - introduction

Young people in the defined vulnerable groups are eligible for a bursary of £1,200 if their course lasts for 30 weeks or more. You should [pay a pro-rata amount for courses of less than 30 weeks](#).

Young people in the defined vulnerable groups are usually living apart from their parents/carers, so they can get social security benefits in their own right.

The defined vulnerable groups are:

- young people in care, including unaccompanied asylum-seeking children
- young care leavers
- young people getting Income Support or the equivalent Universal Credit (UC) in their own right
- young people getting both Disability Living Allowance (or the new Personal Independence Payments) and Employment Support Allowance (ESA) (or Universal Credit as a replacement for ESA) in their own right

The young person does not have to live independently of their parents; they can claim ESA or UC in their own right, although their parents will not be able to claim Child Benefit for them if the young person's claim succeeds.

## Benefit Changes

The Department for Work and Pensions (DWP) is phasing in 2 new benefits. Universal Credit, will replace Income Support and Employment Support Allowance (ESA). Personal Independence Payments will replace Disability Living Allowance (DLA).

### Universal Credit

Universal Credit will have rolled out by 2017. As it is a work-related benefit only a few students will be eligible to claim it:

- young people without parental support (i.e. those currently getting Income Support)
- disabled young people who get Employment Support Allowance and satisfy a Work Capability Assessment

[Further information about the introduction of Universal Credit](#) is available from the Department for Work and Pensions website.

### Personal Independence Payments

DWP will invite all Disability Living Allowance claimants aged 16 or over to claim Personal Independence Payments by October 2018. This might affect some students. Students who get Personal Independence Payments recipients can also claim Employment Support Allowance.

### Effects on the defined vulnerable groups

Because of these changes, students will qualify for a vulnerable student bursary from 2013 onwards if they are:

- young people who get a Universal Credit payment in their own name if it is instead of being awarded Income Support
- young people who are disabled and get Universal Credit instead of Employment Support Allowance, plus Personal Independence Payment in their own name

Further information about the [introduction of Personal Independent Payments](#) is available on the GOV.UK website.

[Further information about ESA](#) is available from the Benefit Enquiry Line (0800 882 200) and on the GOV.UK website. [Information on Income Support](#) is also available on GOV.UK.

## Identifying vulnerable students

Institutions are responsible for identifying students in the defined vulnerable groups, who are eligible for a bursary of £1,200.

You can take the initiative to identify students eligible for the vulnerable bursary, by working with the local authority, looked after children's education services and care leaver services, to help and encourage students to apply for a bursary.

Students who are in care or care leavers might not want to say so because of fear of stigma. You should provide confidentiality to reduce these concerns. For example, tell students how their information will be used and shared and do not make students identify themselves publicly.

It is good practice for institutions and local authorities to liaise on young people's 16 to 19 bursary payments and their care plans or pathway plans to guard against overlaps or gaps. However bursary payments are for helping with participation-related costs only.

You should ask for and retain copies of evidence from the student, for example:

- for students in receipt of qualifying benefits, you could ask for a letter from DWP saying which benefit the young person is entitled to. The letter should confirm that they can be in further education or training. Some young people getting benefits are not allowed to participate. Institutions should check this does not apply
- for students who are in care or a care leaver. You should get written confirmation of the young person's current or previous looked-after status from the relevant local authority. This is the one which looks after them or provides their leaving care services. This could be a letter or an email, as long as it is an official document from the local authority

You must document the process and retain copies of the evidence provided. You may find it is helpful to include a list in your application forms where students can certify their eligibility, as long as it is backed up by the relevant evidence.

Funding for students in the defined vulnerable groups will continue to be held centrally. Institutions should draw down funds on demand from the Learner Support Service. Institutions are still responsible for identifying and assessing a student's eligibility and must see evidence before they claim funding.

The [vulnerable bursary funding claim form](#) is available on GOV.UK



## Further Information

### How are children in care, and care leavers defined?

For the purposes of the 16 to 19 Bursary Fund, the definitions are:

- “children in care” means children looked after by a local authority on a voluntary basis (section 20 of the Children Act 1989) or under a care order (section 31 of the Children Act 1989). Section 22 of the Children Act 1989 defines the term ‘looked after child’
- “care leavers” means:
  - either young people aged 16 and 17 who were previously looked after for a period of 13 weeks consecutively (or periods amounting to 13 weeks), which began after the age of 14 and ended after the age of 16.
  - or a young person who is aged 18 or above who was looked after prior to becoming 18 for a period of 13 weeks consecutively (or periods of 13 weeks), which began after the age of 14 and ended after the age of 16.

In legal terms these children are called relevant children or former relevant children.

Other organisations and charities also provide useful information that will help providers to understand these definitions, these include:

- [the Who Cares? Trust](#)
- [the National Care Advisory Service NCAS](#) (leaving care)
- [Buttle UK](#) (quality mark for care leavers)

### Foster care, including foster care that has been privately arranged

Any young person placed with a foster carer by the local authority, including where the foster carer is on the books of an independent fostering agency, is classed as looked after and is therefore in a defined vulnerable group for the bursary.

A child who is privately fostered (the arrangement is made between the parent and the person who will care for the child) is not classed as a looked after child, as this is a private arrangement. Local authorities should have published policies stating what support they will provide in these circumstances.

Where a student has been in the care of the local authority and subsequently that care is transferred to another party via a permanent form of fostering such as a Special Guardianship Order then that student is deemed to have left care and is now a care leaver and entitled to a vulnerable student bursary as a former relevant child/care leaver.

## Impact on household benefits

Getting 16 to 19 Bursary Fund payments does not affect entitlement to DWP income-related benefits. So 16 to 19 bursaries are paid directly to students in addition to other means-tested benefits paid to families, such as Income Support, Jobseeker's Allowance, Child Benefit, Working Tax Credit and Housing Benefit and does not affect them.

However, if the student is getting DLA (or Personal Independence Payments) and ESA or UC, parents can no longer receive certain household/family benefits for that child such as child benefit.

Bursaries are not a substitute for other sources of financial support such as childcare payments made under the [Care to Learn](#) scheme, or payments to meet residential costs under a [Residential Support](#) scheme. Bursaries should not be regular payments for living costs, which would then be subject to the Social Security Amendment (Students and Income-related Benefits) Regulations 2000.

Receipt of other financial support does not exclude a student from receiving a bursary. For example a student who is receiving support from Care to Learn may also receive a bursary if they are experiencing financial difficulty with meeting costs associated with learning.

## Pro-rata bursaries for vulnerable group students

Institutions can pay more than £1,200 if the student needs it to continue in education. The Learner Support Service (LSS), which administers the vulnerable bursaries for the EFA, will only pay a maximum rate of £40 per week. The LSS will adjust any claims for a higher funding level to the £40 weekly maximum. If an institution wants to pay a student more, they should pay it from their discretionary allocation, if they have one, or their own funds.

Institutions can give a qualifying vulnerable student who is on a course lasting less than 30 weeks less than £1,200:

- a 30 week course attracts a vulnerable bursary of £1,200. If paid weekly, the bursary is  $£1,200 \div 30 = £40$  per week
- so, for example, if a student is on a course lasting 10 weeks, the bursary would be  $£40 \times 10 = £400$

Where a vulnerable student is on a part time course, the institution can make a reduction based on an hourly or daily rate.

For example:

- a vulnerable student is on a full-time course lasting 20 weeks; their bursary should be calculated at the rate of  $20 \times £40 = £800$
- a vulnerable student is on a part-time course (2 days a week) lasting 20 weeks. Here, if the daily rate for the bursary is £8 ( $£40 \div 5 = £8$ ), then  $£8 \times 2 \text{ days} = £16$  a week;  $£16 \times 20 \text{ weeks} = £320$

EFA would not usually expect students in the vulnerable groups to be awarded less than £1,200, if they are on a course lasting 30 weeks or more and are participating full-time. They should also not normally be awarded less than the relevant pro rata amount if they are part time or on a shorter course.

The vulnerable bursary is payable for each academic year the student is in education or training, providing they continue to meet the age eligibility criteria.

## **Young people in the defined vulnerable groups who do not need bursaries**

There can be cases where a young person is eligible for a vulnerable bursary, but their financial needs are met or they have no relevant costs.

Examples could be:

- where a student is attending specialist residential provision where all costs are covered
- where a student is taking a distance learning course and there are no costs, such as transport or meals
- where a student is in local authority care and their costs are covered

If a student in these circumstances still wants to claim a vulnerable student bursary, institutions can decide to award a reduced bursary or no bursary at all. If institutions decide to do this, they must ensure all relevant parties are told why.

## Discretionary bursary: introduction

Discretionary bursaries are targeted at students who cannot stay in education without financial help for things like transport, meals, books and equipment.

Institutions should:

- assess each student's actual need for financial help before deciding to make an award and if so how much
- document the assessment, get evidence to support the amounts being claimed and retain it for audit purposes

Institutions must manage the number and size of discretionary bursary awards to keep within their budget. EFA is not usually able to give more funds to institutions that run out of money.

Institutions set their own eligibility criteria for discretionary bursaries, but they must comply with the basic eligibility conditions set out below. Institutions must also comply with the requirements of the Equality Act 2010 when setting their eligibility criteria. They must not discriminate against their students, either directly or indirectly, on the basis of their protected characteristics.

[Further information on the Equality Act 2010](#) is available online.

Institutions are encouraged to work with other local institutions and the local authority to agree a common approach to the 16 to 19 Bursary Fund. Institutions that take part in a collaborative arrangement must submit an MI return for each institution involved.

Institutions decide how often students will be paid and payment should depend on the student meeting agreed standards, such as attendance, attainment and or behaviour.

## Setting eligibility criteria for discretionary bursaries

Institutions use various ways of deciding who should get discretionary bursaries. Some examples are given here, but there will be others.

Some institutions use household income as the main eligibility criterion, using Tax Credits forms, a P60, or 3-6 months' worth of bank statements (as evidence of self-employment income) as evidence.



Some use household income, but differentiate between students with different support requirements. Some students from low income households get more support depending on their needs such as bus or train passes, money for educational visits, money towards exam re-sits and contributions to the costs of university open days and interviews.



Some look at wider family circumstances, including whether the student is from a single parent family or where the student is a carer, or where there are a lot of other children in the family.



Some use free school meals eligibility to decide who should get a bursary. Young people eligible for free school meals are not automatically entitled to a bursary, but it is a good indicator of family income.



Others give more support to students doing courses with high costs. This includes courses where specialist equipment or clothes are required.

You can take into account any unearned income such as shares/investments, savings and rental income, when assessing whether students should receive a discretionary bursary. Institutions may choose to take into account the number of dependent children in the household.

Usually a young person providing care to a sick or disabled relative will not be getting Carer's Allowance, though this is possible if they are in education for less than 21 hours a week. In cases where a student is not in receipt of Carer's Allowance, institutions should find out the circumstances of the student, including what benefits the household gets and whether the student is providing care for short or long periods.

## **Advice on the size of discretionary payments**

The amount institutions should pay depends on the needs of the student. Institutions should not make blanket, or flat-rate, discretionary payments to all students.

There are no limits set for the amount of discretionary payment that can be awarded to students who need support from the bursary. Institutions can award discretionary bursaries of £1,200 or more as long as they stay within their overall budget.

Bursaries should be sufficient to help students meet the costs related to participation e.g. transport, books and equipment, field trips and other course-related costs and may also be used towards the costs of attending university interviews and open days.

Where you have identified transport costs as a specific barrier to participation, the bursary can be used to help meet these costs. However, this does not replace the statutory duty on local authorities, who need to set out in an annually published transport statement the arrangements they will make to facilitate the participation in education or training of students of sixth-form age.

## **Retaining funds for in-year applications**

Financial circumstances can change and some students may drop out of education. Institutions must plan for different circumstances by retaining some funds so they can react to emerging needs. These are hard to predict, but it is inevitable that some needs will develop so there should be no absolute cut-off date for applications.

Students enrolling on short-term foundation learning courses or roll-on roll-off courses should be able to apply for support from the bursary fund, as appropriate, over the academic year.

## **Children of armed service personnel who have died in service**

The Ministry of Defence has a separate scheme to support the children of servicemen and women killed on active service. The scheme is for students entering both further and higher education. [Further information and details about how to apply](#) can be found on GOV.UK.

Students who are the children of serving armed forces service personnel, are not automatically included in the defined vulnerable groups. They will be able to apply for a vulnerable bursary if they fall into one of the defined vulnerable groups or they can apply for a discretionary bursary from their institution.

## **General Eligibility for the 16 to 19 Bursary Fund**

This section covers basic eligibility and mirrors eligibility for publicly funded 16 to 19 education and training.

## **Assessing young people's need for bursaries**

Receipt of both vulnerable and discretionary bursaries, should depend on the student meeting agreed standards, for example, relating to attendance and/or standards of behaviour. These conditions must be clear, accessible and understood by students.

Evidence that a student has seen and agreed to the conditions should be kept for audit, for example in an agreement that is signed by the student.

John starts an FE study programme on 1 September 2014. His 19<sup>th</sup> birthday is on the same day. He will be eligible for the bursary for the full academic year as long as he meets the other eligibility requirements. He will not be eligible for the bursary if he continues to study in the next academic year (2015 to 2016).



Rukhsana is in the second year of her A levels when she turns 19. She has been getting a discretionary bursary. She fails one of her A2 exams and wants to repeat it the following year. She will not be eligible for the bursary during that year.

Institutions should also ensure that their policies on pro-rata awards and their conditions of payment are clear and accessible to students and explain these policies as part of the induction process.

Good practice suggestions are to:

- share information with other agencies and individuals so that they can help the student and the institution
- set up processes that maintain confidentiality, so that students do not feel embarrassed.

## Age

To be eligible to receive a bursary the student must be aged:

- over 16
- under 19 at 31 August before the academic year in question

If a student turns 19 during their programme of study, they can continue to get the bursary to the end of the academic year in which they turn 19, or to the end of the programme of study, whichever is sooner.

## Residency

Students must meet the residency criteria in the [EFA funding guidance for the 2014 to 2015 academic year](#). The guidance sets out the evidence that institutions must see to confirm eligibility.

## Accompanied asylum seeking children

Generally, asylum seekers are not entitled to public funds. Accompanied asylum seeking children (i.e. those under 18 with an adult relative or partner) and those aged 18 and above are entitled to education, but not to public funds. If they are destitute they can apply to the Home Office for suitable housing and cash for essentials, but they are not eligible for other income.

As long as an asylum seeker has not had their application refused then institutions can provide in-kind student support such as course related books, equipment or a travel pass. But under no circumstances should a provider give cash to an asylum seeker who is not an unaccompanied asylum seeking child (UASC).

## **Unaccompanied asylum seeking children**

Unaccompanied asylum seeking children do not receive cash support from Home Office. They are the responsibility of the local authority. They are treated as looked-after children and are eligible for a vulnerable bursary.

When these young people reach legal adulthood at 18 then, unlike 'citizen' children in care, institutions must consider their immigration status. If their asylum claim is decided in their favour then the local authority will have to provide them with the same support and services as care leavers. As such, they will continue to be eligible for a vulnerable bursary until they reach the age threshold.

Where an asylum claim is not supported, they may not be able to stay legally in the UK. When asylum claims have been fully heard and the appeals rights exhausted, they have no entitlement to public funds. There are a few exceptions where the withdrawal of support would be seen as a breach of human rights.

Further information that you may find useful is available from.

- the National Care Advisory Service (leaving care)
- the Coram Children's Legal Centre
- the Refugee Council

## **Eligible education provision**

Students should be participating in provision that is subject to inspection by a public body that assures quality (e.g. Ofsted). That provision must also be either:

- funded by the EFA directly or via a local authority
- funded or co-financed by the European Social Fund
- otherwise publicly funded and lead to a qualification (up to level 3) accredited by Ofqual or is pursuant to Section 96 of the Learning and Skills Act 2000
- on the list of employers, training organisations and subcontractors eligible to deliver the [traineeship programme](#))

## **Prince's Trust**

The Prince's Trust Team Programme is for 16 to 25 year olds. It is a 12 week course designed to improve confidence, motivation and skills. Each 'team' aims to recruit a mix of 16 to 25 year olds of different abilities and backgrounds, including employees sponsored by their employers. The 'teams' are funded by the EFA, but are run and managed locally by providers in partnership with the Prince's Trust.



Non-employed students aged 16 to 19 will be eligible to receive the bursary while participating in a Prince's Trust Team Programme in the same way as any other student participating in an eligible, publicly funded course. The bursary cannot be used to subsidise any delivery costs of the programme.

## **Young offenders**

Young offenders can apply for a bursary if:

- they are serving a non-custodial sentence
- they have been released early from a custodial sentence (except on Temporary Licence)
- they have been remanded to a non-secure institution

It is expected that a very small number of students will fall into the above category.

The young person cannot apply for a bursary if:

- they are serving a custodial sentence
- they have been released from a custodial sentence on temporary licence
- they have been remanded to a secure institution

Institutions should provide in-kind support to young offenders, rather than cash, wherever possible.

If you make payments through BACS, or even in cash, then they should ideally be on a weekly basis and dependent on the student meeting strict conditions. This is particularly the case if the student qualifies for a vulnerable bursary of £1,200.

## **Distance learning courses**

Distance students are not automatically excluded from applying for a bursary, however institutions should only award a bursary where there are specific financial barriers preventing the student from taking the course.

Most students on distance learning courses do not have the kinds of costs which the bursary fund is intended to cover, for example transport, equipment and uniforms. Therefore a bursary payment may not be appropriate. However, institutions can take into account the student's individual circumstances and the specific requirements of the course.

If a student on an eligible distance learning course is eligible for a vulnerable bursary, institutions should consider the duration of the course and how many hours per week the student is expected to study. These students should receive a reduced award based on their actual costs. The most appropriate way of helping these students is through in-kind support, such as providing or lending equipment, or funding a temporary travel pass to enable the student to attend exams or university interviews.

## Students who should not receive bursaries

### Students aged under 16

Institutions can generally only pay bursaries to students aged 16 or older. However in exceptional circumstances institutions may use their discretion to pay bursaries to younger students. For example, where a student is following an accelerated programme they may receive a bursary. This does not apply to 14- to 16-year-olds attending college as part of their Key Stage 4 programme.

### Students aged under 19, studying higher education qualifications

The bursary helps students with the costs of continuing in further education only. Separate student finance arrangements have been made to support students in higher education – young people can find out [more details](#) on GOV.UK.

### Students aged 19 and over at 31 August in the year they start their study programme

This includes students starting the second year of their course. Students who are 19 and over should contact their institution to see if they can access [Discretionary Learner Support](#).

### Students on waged apprenticeships

Students on waged apprenticeship programmes, or any waged learning or training, are not eligible to apply for a bursary.

Students on a traineeships programme are non-waged so may be eligible to apply for a bursary.

### Residents of Scotland

If a student lives in Scotland and travels to study at an English institution they should approach their home local authority in Scotland to make an application for [Scottish Education Maintenance Allowances \(EMA\)](#). These students are not eligible to apply for support from the English 16 to 19 Bursary Fund.

If a student lives in England and travels to study at a Scottish institution they should approach their home local authority in England to make an application for a discretionary or vulnerable bursary. These students are not eligible for Scottish EMA.

Students from England who live in Scotland on a temporary basis for the purposes of education, for example at a residential college, will be considered ordinarily resident in

Scotland and should apply to their host local authority in Scotland for Scottish EMA. These students are not eligible for support from the English 16 to 19 Bursary Fund.

These rules governing financial support for cross-border students were agreed with the Scottish Government and reflect the policy aim of both the 16 to 19 Bursary Fund and the Scottish EMA, which is to ensure that students are not deterred from studying post-16 by financial barriers. Neither scheme is intended to, or should be used to incentivise students to cross the border to participate at either Scottish or English institutions.

## Residents of Wales

If a student lives in Wales and travels to study at an English institution, they should approach their home local authority to make an application for [Welsh EMA](#).

They may also apply to their English institution for a discretionary bursary, but not a vulnerable student bursary, from the English 16 to 19 Bursary Fund. Consideration must be given to any support they are receiving from Wales before any bursary award is made.

If a student lives in England and travels to study in Wales, the source of financial support they should apply for depends on the type of institution they are attending which means:

- if they attend an FE college they should apply for discretionary student support from their college, via the Welsh institution's Financial Contingency Fund
- if they attend a special college or school sixth-form they should approach their home local authority in England to apply for a discretionary bursary from the 16 to 19 Bursary Fund

All students living in England and travelling to Wales to study, regardless of what type of institution they attend, who are in one of the defined vulnerable groups are eligible for a vulnerable student bursary and should approach their home local authority in England to make an application.

## Administering the bursary fund

When assessing and paying students, institutions need to be aware that they are subject to equality legislation, which means that they cannot discriminate against any student, directly or indirectly. They are also subject to the public sector equality duty in section 149(1) of the Equality Act 2010.

Institutions that offer standard academic year provision may want all applications for the bursary submitted by a certain date, so that they can assess the overall level of demand and make discretionary awards on a fair basis. But they need to take into account that there will be some needs that come up later in the year.

For institutions offering short-term foundation learning or roll-on roll-off provision, students should be able to apply at any point during the academic year.

This means that bursary payments should not be made too late in the year for students to use it to help them with costs to participate.

When assessing the need for support, institutions need to consider other exceptional circumstances, these could include:

- the student looking after a sick or disabled relative
- unearned income, such as shares or rental income etc. can be taken into account
- the number of dependent children can be taken into account

## Assessing eligibility

Bursaries should not be a substitute for other sources of financial support such as childcare payments made under the [Care to Learn](#) scheme, or payments to meet residential costs under a Residential Bursary. Bursaries should not be regular payments for living costs, which would then be subject to the Social Security Amendment (Students and Income-related Benefits) Regulations 2000.

Receipt of other financial support does not exclude a student from receiving a bursary, for example a student who is getting support from Care to Learn may also receive a bursary if they are experiencing financial difficulty with meeting costs associated with learning, other than childcare.

## Declaration

Institutions should make students and their families aware that if false or incomplete information is submitted, or if they do not tell institutions about any part of their income that is relevant, the matter may be referred to the Department for Education or the police. The student could face prosecution and institutions will seek to recover any payments the student is not eligible for.

As part of your assessment process you could sample applications and you could ask for further evidence to support your assessment. If that evidence is not provided, or results in a lower award being due, you may stop any future payments and seek repayment of anything paid.

## **Vulnerable bursary**

Institutions are responsible for identifying students who fall into the [vulnerable groups](#). When they are identifying these students they need to have evidence of what they have seen and they need to keep copies of the evidence for audit.

This evidence could include:

- a letter from DWP showing what benefits the student is receiving. It would be best if this showed that they were able to take part in education or training
- a document from the local authority showing the looked after status of the student.

So that institutions can proactively identify students eligible to receive the bursary, they could form partnerships with the local authority looked after children's education services and care leaver service

## **Discretionary bursary**

Institutions are also responsible for identifying students who are eligible to receive a [discretionary bursary](#). They should assess each student's needs before deciding if the student is eligible for help from the bursary fund. This usually means taking into account the household income of the student. To do this the institution could use:

- evidence of benefits
- P60
- tax credit award notice
- evidence of self-employment

The assessment should be recorded for audit purposes. As this is the case blanket or flat rate payments should not be made to all students.

The EFA encourage institutions to agree a consistent approach across the area taking into account the needs and circumstances of students locally.

### **Example of good practice**

“The college works very closely with the local agencies including social workers, foster carers, hoteliers and the local housing. The college ensure that agencies are up-dated of any changes to support students effectively particularly vulnerable students who are eligible for the guaranteed bursary. For example the college starts an early administration of the guaranteed bursary scheme in conjunction with social workers and carers to ensure that awards such as transport, meals, course equipment are all in place prior to the start of the course and tailored to the student’s needs.”

**Weymouth College**

Institutions need to manage their budget, but there is nothing to prevent them from topping up the bursary with other funding to support students who are in need.

## **Exclusions: what the bursary cannot pay for**

The bursary fund should not be used by institutions for any reason that would give them a competitive advantage over other institutions, such as:

- enrolment or administration fees imposed by the institution
- fees for access to facilities in the institution
- block subsidy of the canteen
- block subsidy of transport
- block provision of equipment, material or books
- paying bonus payments to reward attendance or achievement

Block payments to students for attendance irrespective of their actual financial need should not be paid. The bursary fund is for supporting students who have a genuine financial difficulty that might prevent them from continuing in education, rather than acting as an incentive for attendance.

## **How institutions can get a bursary allocation**

To be eligible for an allocation of the 16 to 19 Bursary Fund, the institution must be publicly funded and subject to inspection by a public body that assures quality, such as Ofsted.

The institution must also be either.

- funded by Education Funding Agency directly or via a local authority
- funded or co-financed by the European Social Fund
- publicly funded and lead to a qualification (up to level 3) that is accredited by Ofqual or is pursuant to Section 96 of the Learning and Skills Act 2000

Where institutions offer valid provision, and they would like to apply for an allocation of the 16 to 19 Bursary Fund to support their eligible students, they will need to request a new institutions form from [1619bursaryfund.EFA@education.gsi.gov.uk](mailto:1619bursaryfund.EFA@education.gsi.gov.uk) and return it to the same address.

EFA may need to undertake a financial health assessment of the institution before allocating funding, so they may request a copy of the institution's financial accounts.

## Administration fees

EFA expects institutions to spend no more than 5% of their total bursary allocation on administrative costs. As institutions no longer receive a vulnerable students' bursary allocation, costs for administering vulnerable bursaries have therefore reduced and can be covered by the 5% of their discretionary allocation should they wish to do so.

## Paying bursaries

The bursary was set up to remove specific barriers to participation, so it should be spent in a way that removes these barriers.

Institutions are free to decide the frequency that vulnerable and discretionary bursary payments are made, taking into account the purpose of the bursary, the student's circumstances and local arrangements.

It is good practice to pay in-kind bursaries rather than cash where possible. This helps to ensure that the bursary will help the students to participate. There are no restrictions on what in-kind payments can be made, they could include:

- travel passes
- meals
- course material

However, in the case of students in the vulnerable group, the value of in-kind payments and how the cost is deducted from the £1,200 should be made clear to the students.

Where cash payments are made, evidence from the independent evaluation of the bursary is that students prefer more frequent payments (weekly) as they find them easier to manage.

Where the bursary is paid directly to the student, it is good practice to pay by BACS transfer to their own account. It is not recommended that large or lump sum payments are made to students.

Students aged 16 can open a basic bank account. The basic account will allow BACS transfers and allow the student to withdraw money.

EFA would not expect the money to be paid into another person's account, except in exceptional circumstances where a student is unable to administer their own account. If

the student is in one of the vulnerable groups and cannot manage their own funds, the institution will need to consider who is going to manage the bursary on the student's behalf.

## Vulnerable bursary claims

The funding for vulnerable bursaries is held centrally by the Learner Support Service (LSS). Institutions need to draw down the vulnerable funding on demand, whenever new students are identified, throughout the academic year.

To draw the funding down, institutions need to complete a [funding claim form](#). This can be downloaded from GOV.UK. The form comes complete with guidance on how to complete it.

The completed form should be submitted to the LSS by email to [enquiries@efalearnersupport.co.uk](mailto:enquiries@efalearnersupport.co.uk). The LSS will process the form, send the institution remittance advice and issue payments, within 2 weeks of receiving the application.

## Discretionary bursaries

It is up to the institutions which students will receive a discretionary bursary and how much they will receive.

There are no limits set for the level of discretionary payments. Institutions can award students whatever they feel is needed to remove the financial barriers to learning. However institutions are expected to stay within their budget.

Students that apply should be assessed individually and awarded a bursary based on their actual financial need. This assessment should be documented and the evidence obtained to support the amounts being claimed should be retained for audit purposes. Institutions should not make blanket or flat rate payments to all students.

## Audit

16 to 19 Bursary Funds are subject to assurance as part of the normal assurance arrangements for 16 to 19 education and training. [Audit guidance](#) is available for institutions on GOV.UK. Institutions should have ways that record bursary applications and awards (including the number, value, purpose, whether awarded or not, and brief justification).

For audit purposes, institutions can either:

- record (for example, on an eligibility checklist)
- photocopy/scan the documentation presented to them to prove eligibility

Where documentation is recorded as having been seen, institutions need to be fully aware of the implications of the document they are approving.



Hard or scanned copies of all documentation for the 16 to 19 Bursary Fund should be kept for a period of 6 years. This documentation should include evidence of the application process, documents relating to how the student was assessed (including copies of any evidence presented for the purposes of determining eligibility) and the funds issued. Where institutions have undertaken to evidence a student's agreement to their conditions for payment, for example in a written agreement, copies of this agreement should be kept.

Institutions should keep records to show what payments they have made from the bursary fund.

For vulnerable bursaries, this should include:

- copy of the vulnerable claim form
- evidence showing that the student is eligible, for example, letter from the DWP or the local authority, evidence of income
- evidence of payment received from the Learner Support Service, for example bank statements and remittance advice
- evidence of payments made to the student

For discretionary bursaries, this should include:

- copies of evidence used to assess entitlement, such as, letter from the DWP, income evidence or a letter from the local authority
- receipts for purchases made, this could include things such as, bus pass, lunch receipts or book receipts

Records can be kept electronically.

In addition you must ensure you are applying the bursary fund eligibility criteria correctly to all students.

## **Error criteria**

If the criteria below are not met during an external assurance visit, EFA will recover funds. All individual students applying for a bursary (both a vulnerable student bursary and a discretionary bursary) must be assessed to determine their eligibility. Funds will be recovered if you are not able to demonstrate at audit how your students meet the eligibility criteria of the bursary fund. Institutions must be able to demonstrate that bursary payments have not been claimed for duplicate students.

## **Raising awareness of the 16 to 19 Bursary Fund**

Institutions should publish a statement setting out how they will use their bursary fund. This should be done early enough for students to be able to use this information when

deciding what institution they are going to attend. The arrangements must be clear and available to students and EFA.

Because of the discretionary nature of the bursary, students are most likely to hear about it directly from institutions. Institutions need to make sure that information both printed and on the website is kept up to date.

Institutions should work with local authorities to find ways to raise awareness of the bursary amongst young people, particularly those in the vulnerable groups. Institutions are also encouraged to work with their feeder schools to ensure young people are aware of the help available. This will mean young people can make better informed decisions about their education.

EFA asks that it should be clear to students that they are being supported by the 16 to 19 Bursary Fund and providers should be mindful of this when considering developing their own financial support branding.

## **Managing the process**

### **Conditions to receiving bursary funding**

Receipt of a vulnerable or discretionary bursary should be conditional on the student meeting some agreed standards. These standards are set by the institution and could relate to attendance and standards of behaviour. These standards need to be clear and the student needs to be aware of them. Evidence that the student has agreed to them should be kept.

Where there are concerns with attendance or behaviour, it is good practice to talk to the student about the issue. Because receipt of the bursary is conditional on meeting the agreed standards, institutions can withhold payments, but they should consider the individual circumstances of the student first. Evidence from the independent evaluation of the bursary indicates that some students have been sanctioned to the extent that their bursary funding for a whole term has been withheld. This is not recommended as it can stop students attending.

Institutions can take back money from students if they have not spent it for the agreed qualifying reason, but again institutions should consider the individual student's circumstances first.

Institutions need to make sure that their policies around payments are clear and available to all students.

### **Complaints**

If a student is unhappy with the way their request for a bursary was handled, they should follow the institution's complaints procedure.

Bursaries are administered by institutions and local authorities. EFA does not have a role in this, so they do not usually get involved with complaints and may only get involved if the allegation was that the guide was being seriously disregarded.

The escalation of complaints about the bursary should be handled the same as any other complaint to an institution. Institutions must have their own procedure, which must be exhausted before approaching EFA.

## **Misuse and fraud**

The DfE takes all concerns relating to financial irregularity or impropriety seriously and will instigate an investigation where it considers that concerns have been raised in good faith and there is sufficient evidence to warrant it. [Further guidance and contact details](#) are available on GOV.UK.

It is the responsibility of the institution to investigate instances of fraud when students are applying for a bursary. Where evidence is found that misleading or fraudulent information has been knowingly submitted, by a student or parent, resulting in the student receiving a bursary that they should not have, then the institution should attempt to recover the overpayment from the student.

If significant fraud is identified it should be reported to EFA. Significant fraud involves one or more of the following:

- the amount of money is over £1,200
- the particulars of the fraud are novel, unusual, systemic or complex
- there is likely to be great public interest because of the nature of the fraud or the people involved

Significant fraud should be notified to the EFA at [1619bursaryfund.efa@education.gsi.gov.uk](mailto:1619bursaryfund.efa@education.gsi.gov.uk).

Students and/or their families should sign a declaration when they apply for either a vulnerable or discretionary bursary. You should seek their confirmation that any evidence given in support of the application is correct and complete to the best of their knowledge and belief. Students and their families should be made aware that by signing the declaration they are agreeing to all the conditions and eligibility criteria of the scheme. Students and their families should be made aware that giving false or incomplete information which results in an overpayment will mean that you will stop any future payments, and seek repayment of anything paid so far. The matter may also be referred to the police with the possibility of the student and/or their family facing prosecution.

## **Management information and data returns**

### **Management information**

Institutions will need to submit an end of year management information (MI) return. Details of how institutions can submit this information will be provided separately.

Institutions will not be required to report on the total amount of funding (in £) paid to students who received a discretionary bursary.

The end year MI return will request data about discretionary bursaries only.

MI on vulnerable bursaries will be collected via the funding claim form submitted by institutions to request funding from the LSS for vulnerable students.

### **ILR or school census**

Data fields for the 16 to 19 Bursary Fund are included in the ILR and the school census. Completion of these fields is mandatory from the 2014 to 2015 academic year.

# The role of EFA

## Allocations to institutions

Institutions will continue to receive an allocation for the discretionary part of the bursary. The funding for vulnerable bursaries will still be held centrally by the Learner Support Service (LSS) and institutions will draw the funding as they need it.

To draw down vulnerable bursary funding, institutions should complete a [funding claim form](#). The form is available on GOV.UK.

All institutions were told of their discretionary allocation in March 2014.

The funding is for institutions to manage, but they need to make sure that they do it in line with the rules as highlighted in this document.

Where an institution operates out of more than one location, bursary payments will be made to one bank account. It is then the responsibility of the institution to distribute that funding to each site.

## How the allocations are calculated

For most institutions, the discretionary bursary allocation for the 2014 to 2015 academic year has been calculated based on:

- the number of students that received £30 a week EMA in the 2009 to 2010 academic year, as a percentage of the 2010 to 2011 funded student numbers
- this percentage has been applied to institutions 2014 to 2015 allocated student numbers and multiplied by the 2014 to 2015 standard funding rate of £292, to give the allocation

The discretionary bursary will be paid in 2 parts. Two-thirds will be paid in August 2014 and a third will be paid in April 2015. Following successful claims, payments in respect of the vulnerable bursaries will be paid weekly, by the Learner Support Service.

Institutions should manage the discretionary bursary to keep payments within their budget. They need to target it towards those facing the most significant financial barriers. A small emergency fund should be kept for exceptional circumstances.

## Recycling Vulnerable Bursary Payments

During the 2014 to 2015 academic year institutions may accrue some unused vulnerable bursary, for example:

- if a student leaves early after only receiving part of their bursary
- if the full amount is not paid to a student because they did not meet the agreed conditions

Up to 30 April 2015, institutions are expected to recycle this funding and use it to offset against claims to the Learner Support Service for other vulnerable students.

Where funds from a previous student are being recycled and institutions require less funding (or possibly no additional funding), vulnerable students should still be reported to the Learner Support Service to ensure EFA has accurate information on the numbers of vulnerable students.

From 1 May 2015, institutions can recycle any vulnerable bursary funding claimed, but no longer required, into their discretionary bursary funding.

## **Underspend**

Any underspends from the 2013 to 2014 academic year can be rolled forward into the 2014 to 2015 academic year and used with the discretionary allocation for the 2014 to 2015 academic year. Rolled forward funds must be spent before institutions start to use their allocated discretionary funds for the 2014 to 2015 academic year.

Any underspends rolled forward to the next academic year must only be spent on participation costs for students assessed as eligible for support from the Bursary Fund.

If an institution does have an underspend they should check that they are being proactive enough in identifying the students that are in need, or if they are giving them enough money to cover the needs that they have.

## **Variations of the allocations**

Further variations may be added as when policy changes affect bursary allocations.

## **Market entry**

Institutions that newly enter the EFA market in the 2014 to 2015 academic year, or will be continuing with their market entry programme (e.g. zero-funded provision) in the 2014 to 2015 academic year will be considered for a 2014 to 2015 16 to 19 Bursary Fund allocation - depending on the nature of the programme being delivered - at the point that an EFA contract is generated for 2014 to 2015.

## **Independent Specialist Providers**

ISPs should note that students aged 19 to 24 are only eligible for a discretionary bursary. ISPs should not claim vulnerable bursary from the Learner Support Service for these students.

For all other institutions, allocations for the bursary fund can only be used to support 16- to 19-year-olds as defined in the guide; funds cannot be used to support adult students. There is a separate Adult Discretionary Learner Support Fund operated by the Skills Funding Agency.

## Local authorities

Maintained schools' sixth-form allocations will continue to be made through local authorities, who are asked to pass the funding to the school. The school is then responsible for administering the funds.

Local authorities may also be allocated funds to cover students in other maintained institutions such as Pupil Referral Units and a small number of other institutions who EFA do not have a direct funding relationship with.

Where a student has been placed by a local authority in independent provision and where the local authority is funding that place, the institution should talk to the local authority to access the appropriate support from the bursary.

Local authorities will be responsible for drawing down the funding for vulnerable students placed by a local authority in independent provision from the Learner Support Service. By submitting a claim for funding for vulnerable students, the local authority is confirming that those students fulfil all the eligibility criteria for both vulnerable student bursary funding and the 16 to 19 Bursary Fund as a whole.

## Converter academies

EFA pays open academies directly, in August and April in a 67:33 split.

The process for making payments to converter academies is:

- where a school converts on the first of the month in which a bursary payment is due, the academy will receive that payment directly from EFA
- where a conversion occurs at any other time in the month that a bursary payment is due, payment will be/already have been made to the local authority, so the local authority will be responsible for passing it to the institution. Any payments after that will be made to the academy directly from EFA
- where a school converts to an academy in a month where no instalment is due, then any bursary payments after that will be made to the academy directly from EFA

## The role of the Learner Support Service

The Learner Support Service (LSS) is responsible for processing the 16 to 19 Bursary Fund Vulnerable Student claim forms, making payments to institutions and providing advice and support through the helpline.

### Eligible institutions

In order to submit a 2014 to 2015 academic year funding claim for defined vulnerable students, an institution must be in receipt of a 2014 to 2015 allocation of the discretionary bursary to support their eligible students and must have signed and returned their EFA funding contract.

Only funding claim forms submitted by eligible institutions will be processed by the LSS.

### Processing the claim forms

Eligible institutions must complete a 16 to 19 Bursary Fund vulnerable student claim form and email it to [enquiries@efalearnersupport.co.uk](mailto:enquiries@efalearnersupport.co.uk). An automated email will be sent to the institution to acknowledge receipt of the funding claim.

Full guidance notes are provided with the funding claim form. Institutions must read this guidance fully before completing the form. If the institution needs further help in completing the claim form, they should contact the LSS Provider helpline on 0300 303 8610.

Checks will be completed by the LSS to verify that institutions are eligible to claim and that the claim form has been completed correctly.

The LSS will normally reply within 2 weeks.

If the funding claim is successful, the institution will receive a 16 to 19 Bursary Fund statement. This provides details of the amount to be paid.

### Incomplete funding claims forms

If the claim form is incomplete, the LSS will usually contact the institution within 3 working days of receipt to request any missing information.

If the institution does not respond to queries raised within 3 working days, the LSS will follow up the enquiry to ask for clarification as soon as possible.

If no response is received within a further 3 working days, a further follow up e-mail will be sent.

If no response is received within 3 working days of the second contact, the funding claim will be timed out and the LSS will take no further action and no payment will be made against that claim.



## Payments

Payments for vulnerable student bursaries claimed by the institution will only be made to the institution's bank account as held by EFA. No other bank account or method of payment is acceptable.

## Notification of a change of bank account details

Any institution requesting that their bank account details be changed must contact the EFA Finance Team by e-mailing [FinSystemsHelp.EFA@education.gsi.gov.uk](mailto:FinSystemsHelp.EFA@education.gsi.gov.uk).

## Remittance advice

A remittance advice will be sent to the institution by the LSS for each successful funding claim.

The remittance advice provides a breakdown by student ID, (as shown on the claim form), and of the payments to be made. It also includes a payment reference number, which will be shown as the payment descriptor that institutions will see on their bank accounts. This will enable easy tracking of payments. The remittance advice will also confirm the total amount of funding to be paid.

## Frequency of payments

Payments will usually be made to the institution within 2 weeks of the funding claim form being received by the LSS. Payments are processed every Wednesday and are paid to institutions within 3 working days.

## BACS rejects

If this occurs, the LSS may need to contact an institution to check their bank details. Payments will be delayed until the bank account details have been verified.

## Complaints/appeals process

All complaints/appeals must be made in writing.

Complaints/appeals fall into 2 categories which are:

- if the complaint/appeal concerns operational processes or a complaint about customer service, the LSS will deal with the case in the first instance according to their own operational complaints/appeals procedure. If the case is not resolved following this, it will be passed to EFA
- if the complaint/appeal concerns 16 to 19 Bursary Fund policy, it must be referred to the EFA policy manager via [1619BursaryFund.EFA@education.gsi.gov.uk](mailto:1619BursaryFund.EFA@education.gsi.gov.uk)

## Queries

If you have a question that is not answered by this guidance, there are a number of ways that you can contact people who will be able to help.

If you are an academy you should email, [academy.QUESTIONS@education.gsi.gov.uk](mailto:academy.QUESTIONS@education.gsi.gov.uk).

Other institutions should contact, [1619BursaryFund.EFA@education.gsi.gov.uk](mailto:1619BursaryFund.EFA@education.gsi.gov.uk).

Institutions can also contact the Learner Support Service provider helpline on 0300 303 8610

## Vulnerable claim form

To draw down vulnerable bursary funding, institutions should complete a [funding claim form](#). The form is available on GOV.UK.

## Useful links

- [guidance for young people and their parents](#)
- new institutions form for the 16 to 19 Bursary Fund can be requested from [1619bursaryfund.EFA@education.gsi.gov.uk](mailto:1619bursaryfund.EFA@education.gsi.gov.uk)
- [information about Universal Credit](#)
- [information about Personal Independent Payments](#)
- [information about employment support allowance \(ESA\)](#)
- [information on Income Support](#)
- [information on the Equality Act 2010](#)
- the Ministry of Defence has a separate scheme to [support the children of servicemen and women killed on active service](#).
- [information on the residency criteria](#)
- [the Refugee Council](#)
- [student finance arrangements to support students in higher education](#)
- students who are 19 and over should contact their institution to see if they can access [Discretionary Learner Support](#)
- concerns relating to misuse of the bursary. [Further guidance and contact details](#) can be found on GOV.UK
- [audit guidance for institutions](#)
- [the National Care Advisory Service](#) (leaving care)
- [the Coram Children's Legal Centre](#) [the Who Cares? Trust](#)
- [Buttle UK](#) (quality mark for care leavers)
- LSS Provider helpline - 0300 303 8610



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