



Department  
for Education

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

## Research Report

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## Executive summary

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

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

## Key Findings

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

## Background

### The 16-19 Bursary Fund

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

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

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

## Methodology

This report draws on:

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

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

## Summary of Findings

### Characteristics of Bursary applicants and recipients

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

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

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

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

## Awarding Discretionary Bursaries

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

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

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

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

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

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

## Bursary Fund Spending

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

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

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

under-spending was students failing to meet the conditions attached to receipt of Bursaries.

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

## **Administering the Bursary Fund**

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

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

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

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

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

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

## Perceived impacts of the Bursary Fund

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

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

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

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

## Conclusions and recommendations

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

While providers valued the level of autonomy they had over the Bursary Fund, there were concerns that this could lead to unequal access to financial support for students at different providers. Potential ways of mitigating this for students who are not eligible for guaranteed Bursaries might be to encourage local agreement of common eligibility criteria for Discretionary Bursaries and to raise awareness of the Bursary Fund among young people so that they can take this into consideration when choosing where to study.

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

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

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

# 1. Introduction

This report presents findings of the first year of a three-year evaluation of the 16-19 Bursary Fund. In this section we describe how the 16-19 Bursary Fund works and provide an overview of the evaluation's aims and methods.

## 1.1 The 16-19 Bursary Fund

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

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

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

The 16-19 Bursary Fund was introduced in September 2011. Providers are responsible for administering applications, deciding award criteria for Discretionary Bursaries and distributing funds. The first year of the Bursary Fund was a 'transitional' year; most second year students who had previously received Education Maintenance Allowance (EMA) continued to receive transitional payments, but all students were eligible and able to apply for the Bursary Fund from September 2011. EMA payments for all students ended in August 2012.

## 1.2 Evaluation aims and methods

The Department for Education commissioned NatCen Social Research to conduct an evaluation of the 16-19 Bursary Fund. The aims of the evaluation are to:

1) Investigate the number and characteristics of young people who have applied for and/or received Defined Vulnerable Group and Discretionary Bursaries;

2) Evaluate the perceived impact of the policy and review decision-making processes that have been used by providers to allocate funds.

The evaluation will meet these aims using the following methods:

1) An initial scoping study was conducted to explore current practice and inform the main evaluation.

2) Surveys of providers. A survey took place in summer term 2012 to collect information about Defined Vulnerable Group and Discretionary Bursaries. Surveys to collect information about the Discretionary Bursaries will also be carried out in 2013 and 2014.

3) Provider case studies. Twenty-seven 'light-touch' case studies were carried out in summer term 2012 and autumn term 2012. Twelve of these providers will be followed up for in-depth case studies in 2013/14. The cases studies will provide a detailed understanding of decision-making processes and perceived impacts.

4) Research with young people. A survey of 16-19 year olds in education or training will be carried out in 2013 to collect information about their experience and perceptions of the Bursary Fund. Qualitative interviews will then be carried out in late 2013 with a sample of young people who took part in the survey to explore the issues in greater depth.

5) Analysis of Management Information. The evaluation includes analysis of information collected from providers by Department for Education (DfE) about the Bursary Fund and synthesises this analysis with the findings from the other strands of the evaluation.

This report presents findings of the Year 1 Management Information, provider survey and light-touch provider case studies. Details of the methods used for these research elements are provided in the following sections.

A separately-commissioned quantitative evaluation will analyse the impact of the 16-19 Bursary Fund on levels of participation and attainment in post-16 education. This strand is being undertaken by the Institute for Fiscal Studies and will report separately.

### **1.3 Management Information**

The Department for Education asked all providers who had received Bursary funding in 2011/12 to complete a short Management Information return in October 2012, relating to their Bursary Fund for the 2011/12 academic year. Providers were asked to complete this return electronically. The information included in this return and analysed for this report was:

- Numbers of young people receiving full and pro-rata Defined Vulnerable Group Bursaries;
- Numbers of young people in each of the Defined Vulnerable Groups receiving a Bursary;
- Numbers of young people awarded Discretionary Bursaries;
- Numbers of Discretionary Bursary awards made.

A total of 3,112 providers were asked to complete the MI return. DfE carried out initial checks of the data, removing inconsistencies that could not be resolved with the provider. Following this checking process, 2,204 provider records were included in the data for analysis. DfE then provided this data to NatCen for analysis.



Weights were applied to the MI data to correct for differences in likelihood of responding to the MI request and to scale up the responses to represent the whole population of providers receiving funding.

Analysis of the data was carried out using Statistical Package for the Social Sciences (SPSS), a software package for statistical analysis. Some further inconsistencies with the data were identified (for example, unfeasibly large values for some responses) and records were excluded from particular analyses accordingly.

More detail on the weighting of the MI data can be found in Appendix A.

## **1.4 The Year 1 provider survey**

This section describes the methods used for the Year 1 survey of providers.

### **1.4.1 Data collection**

The survey used postal and online data collection. Providers were posted a paper questionnaire and sent a link to the online version by email. There were two versions of the questionnaire:

- A longer version included questions about the Defined Vulnerable Group Bursaries and the Discretionary Bursaries.
- A shorter version did not include questions specifically about the Discretionary Bursaries.

Selected providers were sent the survey by post and email in the last week of June 2012 and asked to complete it by the end of term. As response rates were below target by the end of term, providers who had not responded were emailed again in September 2012 and asked to complete the survey by mid-October.

The main content of the questionnaires was:

- Spending on Defined Vulnerable Group Bursaries
- Numbers and characteristics of applicants and recipients of Defined Vulnerable Group Bursaries
- Spending and award criteria for Discretionary Bursaries (longer version only)
- Numbers and characteristics of applicants and recipients of defined vulnerable group Bursaries (longer version only)
- Administration of the Bursary Fund
- Perceived impacts of the Bursary Fund

More detail on the survey procedures can be found in Appendix A.

## 1.4.2 Sampling and response

The provider sample was drawn from a list of providers and their funding allocations provided to NatCen by the DfE. A sample of 1,700 providers was selected for the survey. More details on how the sample was selected can be found in Appendix A.

A sub-set of 600 providers was selected at random from the sample of 1,700 providers and received the longer questionnaire that also included questions about Discretionary Bursaries. The remaining 1,100 providers received the shorter version that only asked about the characteristics of young people receiving the Defined Vulnerable Group Bursaries.

Table 1.1 presents response rates to the provider survey by mode and questionnaire version.

| Table 1.1 Provider response   |               |     |              |     |
|-------------------------------|---------------|-----|--------------|-----|
| <i>Base: All issued cases</i> |               |     |              |     |
| Outcome                       | Short version |     | Long version |     |
|                               | N             | %   | N            | %   |
| Issued                        | 1097          | 100 | 605          | 100 |
| Completed - web               | 229           | 21  | 121          | 20  |
| Completed -post               | 269           | 25  | 134          | 22  |
| Total                         | 498           | 45  | 255          | 42  |

Many of the providers who completed the survey did not answer all the questions, presumably because they did not hold the information that was requested. This was a particular problem on the questions relating to characteristics of Bursary applicants and recipients. Analysis in this report is based on valid responses and base sizes are shown in charts and tables.

## 1.5 Light-touch case studies

Qualitative telephone interviews were conducted with 27 16-19 providers and ten Local Authority representatives to explore their experiences of administering the 16-19 Bursary Fund in its first year. The purpose of these interviews was to explore key issues in relation to how providers were implementing the fund including:

- Exploring the range of approaches adopted for administering the Bursary Fund
- Experiences of communicating and targeting Bursary Funds

- Decision making in relation to the eligibility criteria for Discretionary Bursaries
- Levels of Bursary payments and their formats
- Conditions set for the receipt of Bursaries
- Perceived impacts of the funds on young people and providers

Table 1.2 shows the composition of the achieved case study sample by provider type. Further details of the sample composition and the methods used for these case studies can be found in Appendix A.

| <b>Table1.2 Overview of case study provider sample</b> |           |
|--|-----------|
| <b>Type of provider</b>                                |           |
| School 6th form  | 5         |
| Academy 6th forms                                      | 5         |
| FE Colleges  | 9         |
| Private Companies                                      | 4         |
| Pupil Referral Unit                                    | 1         |
| Special schools / colleges                             | 3         |
| <i>Total</i>   | <i>27</i> |

From this sample twelve case study providers were purposively selected for the next stage of the evaluation, which will involve in-depth longitudinal case studies. These case studies will build on the findings presented here to explore in more detail the range of approaches taken in implementing the Bursary Fund, and to capture the views and experiences of staff, young people and their parents. To explore development and impacts over time, data will be collected at two time points – in the spring term of 2012/13 and in the autumn of 2013/14.

## 1.6 Report conventions

### 1.6.1 Table conventions

- Throughout the report, percentages based on fewer than 50 cases are enclosed in square brackets, and should be interpreted with caution.
- Figures have been weighted, and the unweighted base population is shown in each table.
- Percentages are rounded up or down to whole numbers and therefore may not always sum to 100.
- Where more than one answer could apply, this is indicated under the table.
- Percentages less than 0.5 (but greater than 0) are shown as ‘+’.

## 1.6.2 Analysis of Management Information

Results from the Management Information have been scaled-up to provide estimates for the whole population of 16-19 education and training providers. This has been done by applying a scaling weight to make the providers included in the analysis look like the whole population. Estimates have been rounded to the nearest hundred.

## 1.6.3 Analysis groupings

Providers have been grouped as follows for the analysis of Management Information and survey responses:

### Provider type

Further Education and Sixth Form colleges

Schools (includes maintained school and academy sixth forms)

Special schools (includes special schools and colleges)

Other providers (includes local authorities and private training providers)

### Funding allocation (information provided by DfE)

Up to £10,000

Between £10,000 and £100,000

More than £100,000

### Median

The median is the value at the mid-point of the distribution of a set of values.

In this report median figures are quoted for spending amounts and for numbers of students. The median is used instead of the mean

## 2. The Characteristics of Bursary Applicants and Recipients

In this chapter we examine the profiles of applicants and recipients of Defined Vulnerable Group Bursaries and Discretionary Bursaries, using findings from the Management Information returns and the provider survey.

### 2.1 Defined Vulnerable Group Bursaries

#### 2.1.1 Full and pro-rata Bursary recipients (MI returns)

Providers were asked to record in the Management Information returns the numbers of young people receiving full and pro-rata Defined Vulnerable Group (DVG) Bursaries.

Across all providers, the median number of students receiving a full bursary was 1. On average, numbers of recipients were much higher in FE and sixth form colleges (median of 12, compared to 1 in special schools and none in school sixth forms). Using this information, the total number of young people in England receiving a full DVG Bursary in 2011/12 is estimated to be 19,200.

The numbers of young people receiving a pro-rata DVG Bursary were much smaller. The average (median) number receiving a pro-rata bursary was 0. The median total number of students in FE and sixth form colleges receiving this type of DVG Bursary was one, compared to zero for the remaining provider types. The total number of young people in England receiving a pro-rata DVG Bursary in 2011/12 is estimated to be 8,100.

The average (median) number of students receiving any DVG Bursary (i.e. full or pro-rata) across all providers was one. The median total number of recipients in FE and sixth form colleges was 20, compared to one in school sixth forms and special schools. The total number of young people in England receiving any DVG Bursary in 2011/12 is estimated to be 27,400<sup>1</sup>.

#### 2.1.2 Recipients in Defined Vulnerable Groups (MI returns)

The Management Information returns asked providers to give the numbers of young people in each of the Defined Vulnerable Groups who were receiving a Bursary.

The largest group of DVG Bursary recipients was young people in receipt of Income Support. Based on the MI returns, an estimated 12,800 young people on Income Support in England received a DVG Bursary (Table 2.1). The estimated total number of young people in care receiving a DVG Bursary was 8,600 while for care leavers this was 3,600.

---

<sup>1</sup> The estimates for full and pro-rata Bursary recipient numbers do not sum exactly to the estimate for total recipient numbers because of rounding.

Disability Living Allowance (DLA) and Employment Support Allowance (ESA), with 2,300 of these young people estimated to be receiving a DVG Bursary.

| <b>Table 2.1 Estimated total numbers of Bursary recipients in each Defined Vulnerable Group</b> |             |
|---|-------------|
|   | <b>N</b>    |
| Income Support  | 12,800      |
| In care   | 8,600       |
| Care leavers  | 3,600       |
| DLA and ESA   | 2,300       |
| <i>Provider MI returns</i>  | <i>2002</i> |

The numbers of young people in each group in individual institutions tended to be small, with those on Income Support, in care and care leavers concentrated in FE and sixth form colleges.

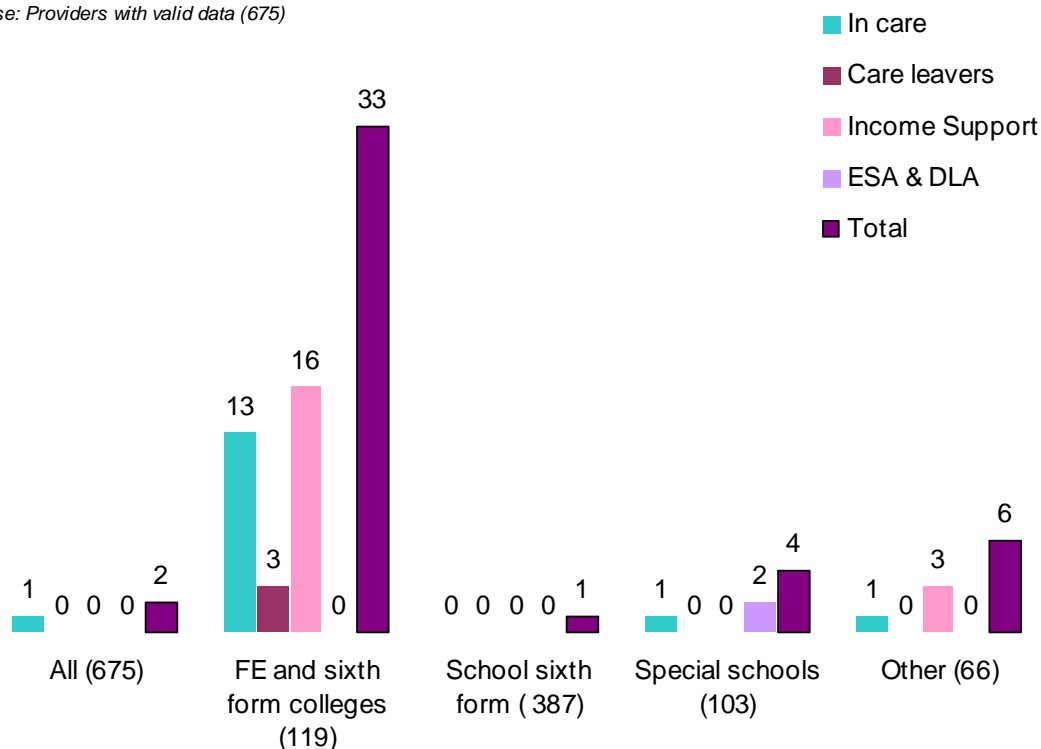
### **2.1.3 Provider Survey information on characteristics of Defined Vulnerable Group Bursary recipients**

Providers in the survey were asked to report the number of young people studying at the provider who belonged to each of the Defined Vulnerable Groups – those in care, care leavers, in receipt of Income Support and in receipt of both ESA and DLA.

As would be expected, given their relative size, Further Education and sixth-form colleges had on average much higher numbers of students in the Defined Vulnerable Groups (DVG) than other types of provider (Figure 2.1). The median total number of DVG students in FE and sixth-form colleges was 33, compared to just one in school sixth forms, four in special schools and six in other providers. These numbers were higher than in the MI data, again possibly indicating that providers with more eligible young people were more likely to respond to the survey.

**Figure 2.1 Provider Survey: Profile of learners belonging to vulnerable groups, by provider type (median numbers for each group)**

Base: Providers with valid data (675)



Note: Young people may belong to more than one group. Providers were asked for numbers of students in each group and the total number of DVG students (excluding overlaps). The median (value at the mid-point) has been individually calculated for each group so the medians in the individual groups will not necessarily sum to the median of the totals.

Providers were asked to give details of other characteristics of applicants and recipients of DVG Bursaries. There was a substantially higher amount of missing information in this section of the questionnaire compared to other sections, suggesting that providers found it difficult to obtain this information.

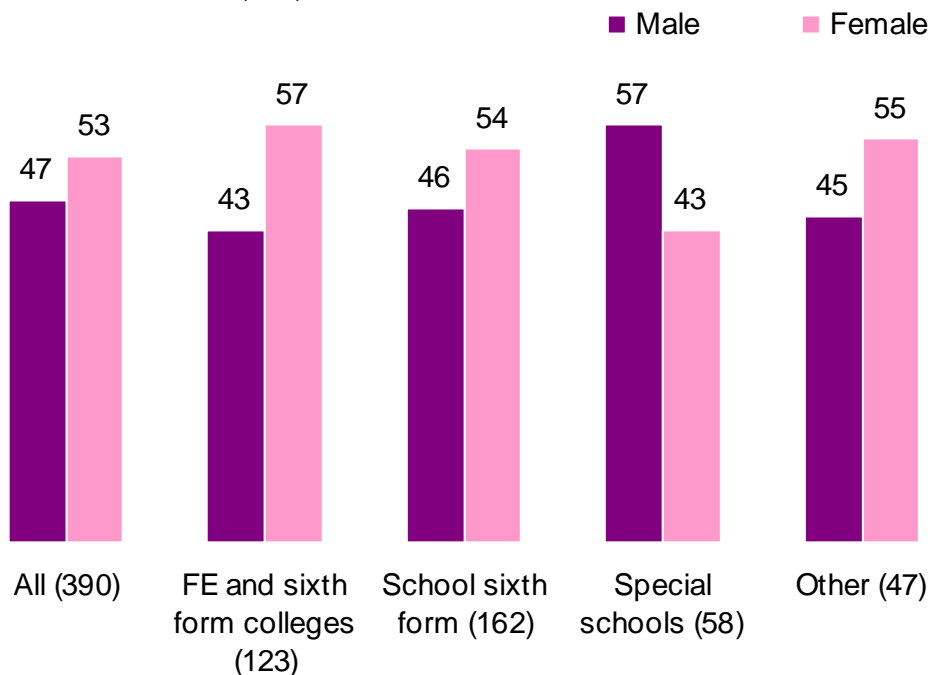
Looking at the profile of applicants and recipients by demographic characteristics, there was on average a higher proportion of female applicants for DVG Bursaries (54% female and 46% male). The profile of recipients by gender was very similar to the profile of applicants (53% female and 47% male) (Figure 2.2), indicating that neither gender was disproportionately likely to be unsuccessful in an application for a DVG Bursary.

The proportion of recipients of DVG Bursaries who were female was similar to the population in maintained schools<sup>2</sup>, where 52 per cent are female.

<sup>2</sup> Comparisons are made to the school population as information to the wider 16-19 population in education was not available.

**Figure 2.2 Average (mean) % of DVG Bursary recipients by gender across provider types**

Base: Providers with valid data (390 )



Looking at the profile of applicants and recipients for DVG Bursaries by ethnicity, across all providers, the majority of applicants on average were White (76%).

The profile of recipients was very similar in terms of ethnicity to that of applicants (76% of recipients were White), suggesting that neither White or non-White applicants were disproportionately likely to be successful or unsuccessful in a DVG Bursary application (Figure 2.3). The average profile of applicants and recipients did not vary significantly between FE/ sixth form colleges and schools, although special schools and other providers on average had higher proportions of White applicants (84% and 85% respectively).

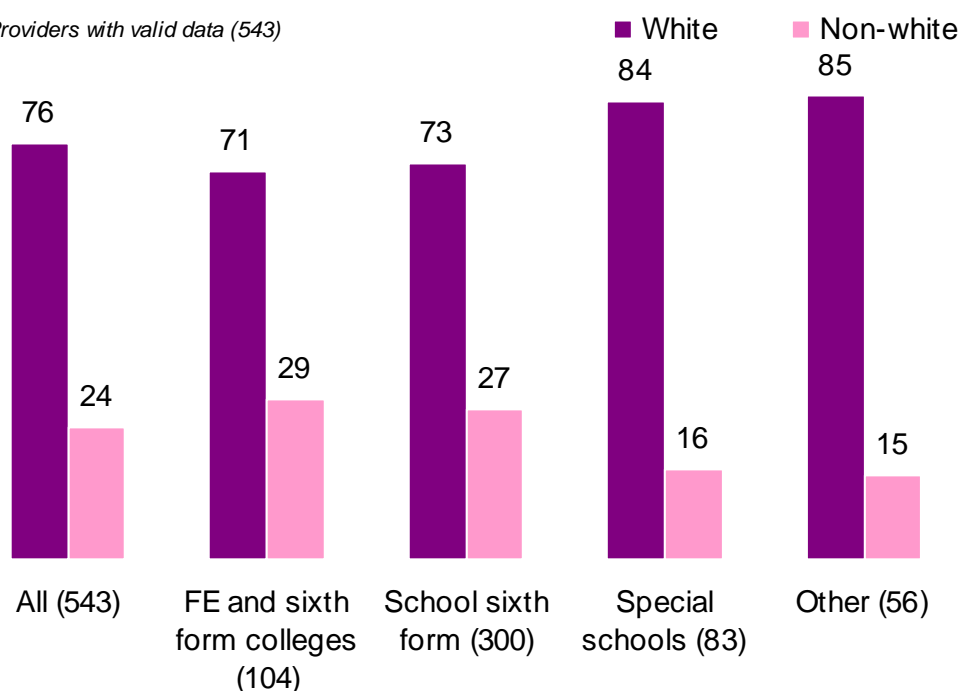
There was a wider range in the proportions of White applicants in schools than in colleges. A quarter (25%) of schools had 56 per cent or fewer applicants from a White ethnic background.

The ethnicity profile of DVG Bursary recipients was similar to that of the population in maintained schools, although the proportion of White pupils was slightly higher in the population (80%).



**Figure 2.3 Provider survey: Average (mean) % of DVG recipients by ethnicity across provider type**

Base: Providers with valid data (543)



Only a minority of providers (243) gave information on the disability status of applicants and recipients for DVG Bursaries, so figures should be treated with caution. Among these providers, more than a third (35%) of applicants on average had a disability and the average proportion of recipients with a disability was very similar (34%).

The number of providers who gave information on the full-time pro-rata status of DVG Bursary applicants and recipients was similarly low (235). On average 62 per cent of applicants and 60 per cent of recipients of DVG Bursaries at these providers were on full-time courses.

## 2.2 Characteristics of applicants and recipients of Discretionary Bursaries (provider survey)

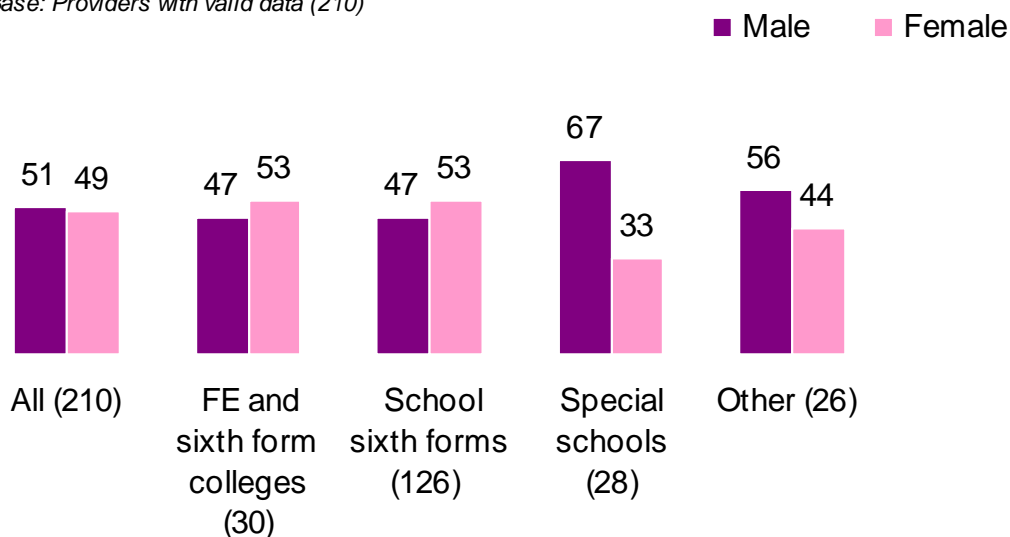
Information on the characteristics of applicants and recipients for Discretionary Bursaries was provided in the survey by the sub-sample of providers who completed the longer questionnaire.

Across all providers, the average percentage of female applicants for Discretionary Bursaries was only slightly higher than male applicants (51% and 49% respectively). The average profile of Discretionary Bursary recipients by gender was very similar to the profile of applicants (49% female and 51% male), indicating that male and female

applicants were equally likely to be successful (Figure 2.4). The proportion of female recipients was slightly lower than the general population of 16-19 year olds in maintained schools, where girls make up 52 per cent of the population (Note: we do not have a figure for the percentage of the general population of 16-19 year old females in Further Education as a whole.)

**Figure 2.4 Provider Survey: Mean percentage of Discretionary Bursary awards by gender**

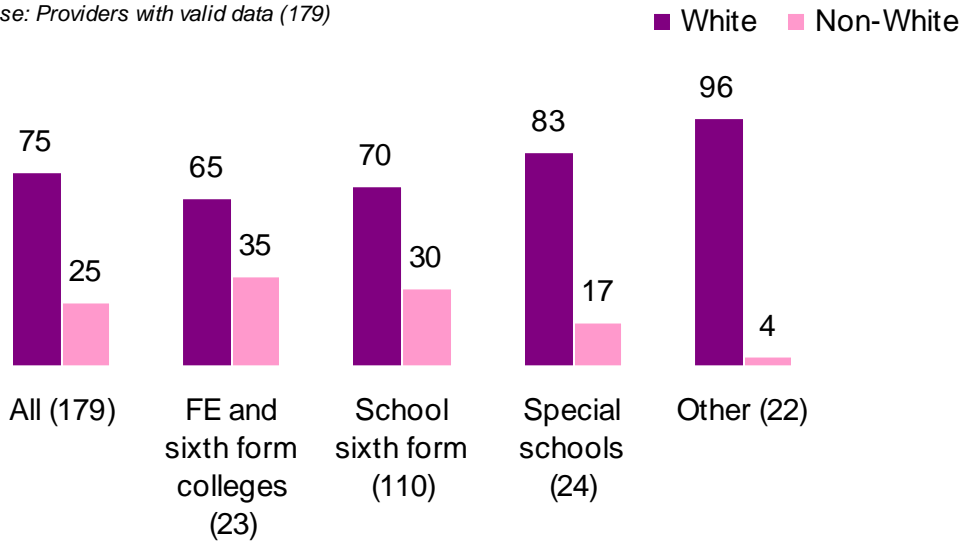
Base: Providers with valid data (210)



Looking at the profile of Discretionary Bursary applicants by ethnicity, on average 76 per cent of applicants were White, a very similar proportion to the DVG applicants. The profile of award recipients across all providers in the survey was also very similar, with 75 per cent of recipients on average being White (Figure 2.5). This was slightly lower than the percentage of all secondary school pupils in England who are White (80%).

**Figure 2.5 Provider Survey: Mean percentage of Discretionary Bursary awards by ethnicity and provider type**

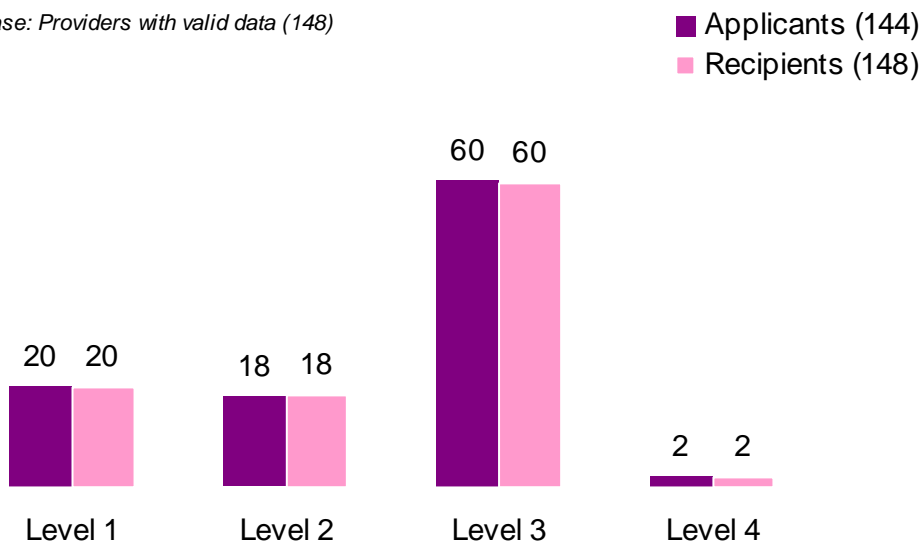
Base: Providers with valid data (179)



Examining the profile of applicants and recipients for Discretionary Bursaries by qualification level, the majority of applicants and recipients on average (60%) were studying for Level 3 qualifications (Figure 2.6). Around one in five (18%) applicants and recipients were studying for Level 1 and Level 2 qualifications.

**Figure 2.6 Provider Survey: Mean percentage of Discretionary Bursaries applied for and received by qualification level**

Base: Providers with valid data (148)



The number of providers giving information about Discretionary Bursary applicants and recipients by disability status and full-time/ pro-rata status was too small for robust analysis.

## 2.3 Take-up of Bursaries (case studies)

The case studies explored providers' views on facilitators and barriers to take-up of the Bursaries. Views on how successful the first year of the Bursary Fund had been in reaching the young people most in need of support varied. The following barriers and facilitators to take-up were identified:

### Barriers to take-up:

- **Implementation**

The late implementation of the fund in its first year was identified as a serious barrier to take-up as providers were unable to promote the fund and provide information to students until late in the summer of 2011. With many providers starting their enrolment process much earlier than this, the late implementation meant young people were left uncertain as to what support might be available.

The view was also held that it would take time for awareness levels to grow and it was anticipated that take-up would be higher in the second year of implementation.

- **Application process**

For some groups of young people, the application process was identified as a potential barrier to take-up, in particular for example, for those with English as a second language. There were also examples of young people who did not have bank accounts to enable them to receive Bursary Funds and in some instances, not being able to provide evidence of income was also identified as a barrier. This was particularly true in the case of asylum seekers with limited documentation.

Special schools also raised the concern that particularly vulnerable families, where both the parents and the young person had learning difficulties, needed additional support to ensure they were aware of Bursary Funding and were supported to apply for it. While in some cases efforts were made to ensure this was the case, providers did not always have the capacity to provide this level of support.

- **Stigma**

Long documented as a barrier to take-up of means tested benefits (Storey et al, 2001), the issue of stigma and the perception of Bursary Funding as charity was identified by providers as a barrier to take-up. Views were mixed on the extent to which stigma was felt to be an issue, with some providers feeling it was not a big issue while others felt it continued to be a barrier for some families. Concerns were raised that the process of applying for Bursary Funding was less anonymous than

under the previous Education Maintenance Allowance (EMA) and this might deter take-up.

- **Financial privacy and confidentiality**

Providers expressed concern that some families were reluctant to share private financial information with school / college staff for the purposes of Bursary administration and this was a barrier to take-up. In comparison to the national administration of EMA which was viewed as confidential and anonymous, sharing this type of information directly with providers was perceived by some to be an invasion of privacy:

*“I really think it’s a sensitive issue. Sifting through the parent’s annual income. I don’t think it’s appropriate for a teacher’s role. I think that information is quite sensitive. I certainly wouldn’t feel comfortable taking my payslips to my daughter’s school” (Head of 6th Form, maintained school)*

Interestingly, some providers held the opposite view and felt that families were more comfortable sharing this information with a local provider which was felt to be more informal than submitting evidence to a nationally administered fund.

The point was also made that some parents are reluctant to reveal details of their financial circumstances to their children and this could act as a further barrier to some young people taking up their entitlement. To tackle this some providers had put in place systems that allowed parents to provide evidence for Bursary eligibility in a confidential format that was not shared with the young person concerned.

- **Impact on other means-tested benefits**

How Bursary Funding might impact on other means tested benefits coming into the family was raised as a concern that might deter take-up.

## **Facilitators to take-up:**

- **Quick and responsive**

Local administration of Bursary Funding was felt to facilitate a quicker response to errors in administration or changes in circumstances that would encourage take-up. Providers spoke positively of being able to respond to the needs of young people more swiftly than was possible under the centralised system of EMA administration.

- **Informal**

Some held the view that the more informal nature of local provider based administration encouraged families to take up their entitlement. In particular, the fact that supporting documentation did not need to be sent in the post for central administration was felt to remove one barrier that might have deterred take-up in a more centralised system.

- **Pro-active targeting**

Where providers had the capacity, pro-actively targeting young people who were thought to be eligible was seen as a facilitator to take-up. This included identifying students thought to be eligible (for example, those already on FSM or those identified as looked after) and actively encouraging them to apply. In other cases using face-to-face meetings to raise awareness and support particularly vulnerable young people to apply was felt to facilitate take-up although providers did not always have the capacity to provide this level of support. Providers with pre-existing relationships with young people (school and academy sixth forms for example) generally found it easier to pro-actively target because of a greater awareness of their students' backgrounds and living circumstances. In contrast, FE providers with larger cohorts and limited information on their students found identifying and therefore targeting young people eligible for bursaries more challenging. Examples of measures taken to address this included providers working with social services departments to raise awareness of DVG Bursaries for looked after young people, and including questions on enrolment forms to identify students eligible for DVG Bursaries.

### 3. Awarding Discretionary Bursaries

Providers have the freedom to establish their own criteria for awarding Discretionary Bursaries, the forms these awards take and the size of awards. In this chapter we look at how providers award Discretionary Bursaries and the rationale behind their decisions.

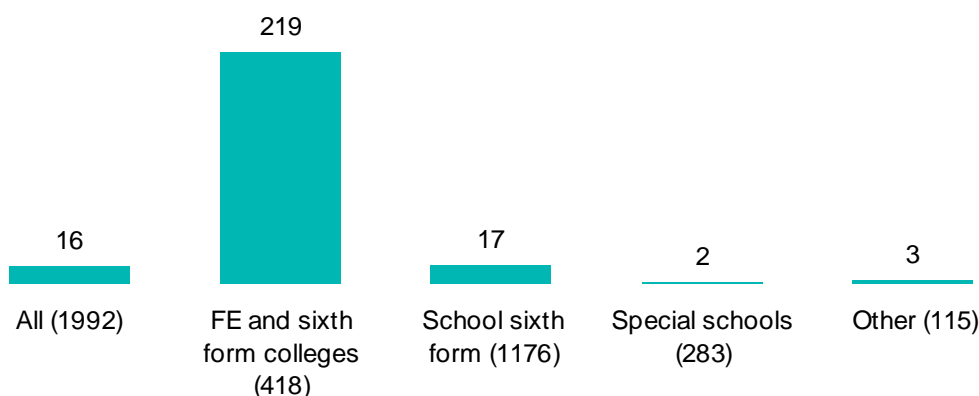
#### 3.1 Numbers of young people awarded Discretionary Bursaries (MI returns)

The Management Information returns asked providers for the numbers of young people who had been awarded a Discretionary Bursary in 2011/12.

Across all providers, the median number of students awarded a Discretionary Bursary was 16 (Figure 3.1). The median number of Discretionary Bursary awards was much higher at FE colleges and sixth form colleges (219) compared to school sixth forms (17) and special schools (2).

**Figure 3.1 MI returns: Median number of students awarded a Discretionary Bursary in 2011/12 by provider type**

Base: All providers responding to MI data with valid data (1,992)



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

Across all providers, the median proportion of students awarded a Discretionary Bursary was 10 per cent. This was slightly higher at FE colleges and sixth form colleges with a median of 14 per cent of students, compared to nine per cent at schools and seven per cent at special schools.

### **3.2 Numbers of Discretionary Bursary awards (MI returns)**

On average, providers awarded a median of 20 Discretionary Bursaries. FE colleges and sixth form colleges awarded a much higher median of 351 awards compared to schools (22).

The total number of Discretionary Bursary awards made by providers in England in 2011/2012 was estimated to be 541,800 (approximately double the number of Bursary recipients). This suggests that where providers are awarding Bursaries for more than one purpose e.g. to cover transport costs and equipment costs, these are being counted on the MI return as two Bursaries.

### **3.3 Numbers of applications and awards (provider survey)**

The sub-sample of providers who completed the longer questionnaire was asked to give details of the numbers of applications and awards for Discretionary Bursaries. There was a wide variation in the numbers of applications providers handled, reflecting the diversity in the size of student populations. Across all providers, the median number of applications for Discretionary Bursaries was 18. A quarter of providers had received seven or fewer applications while 14 per cent had received 100 or more. The numbers of providers in this sub-sample were not large enough for analysis of sub-groups.

For most providers, the proportion of applications for Discretionary Bursaries that were successful was very high, with half (50%) reporting that all applications resulted in an award. In a very small minority of providers (2%) a quarter or more of applications were unsuccessful. The median number of Discretionary Bursary awards made was 17, very similar to the median number of applications (18) and similar to the median number of awards recorded in the MI returns (20).

### **3.4 Criteria for awarding Discretionary Bursaries (provider survey and case studies)**

Providers completing the longer questionnaire were asked to indicate the eligibility criteria they used to award Discretionary Bursaries. The most common criteria were related to financial circumstances. The most frequently mentioned were current/prior entitlement to Free School Meals, and household income, mentioned by around three-fifths of providers (63% and 60%, respectively; Figure 3.2).

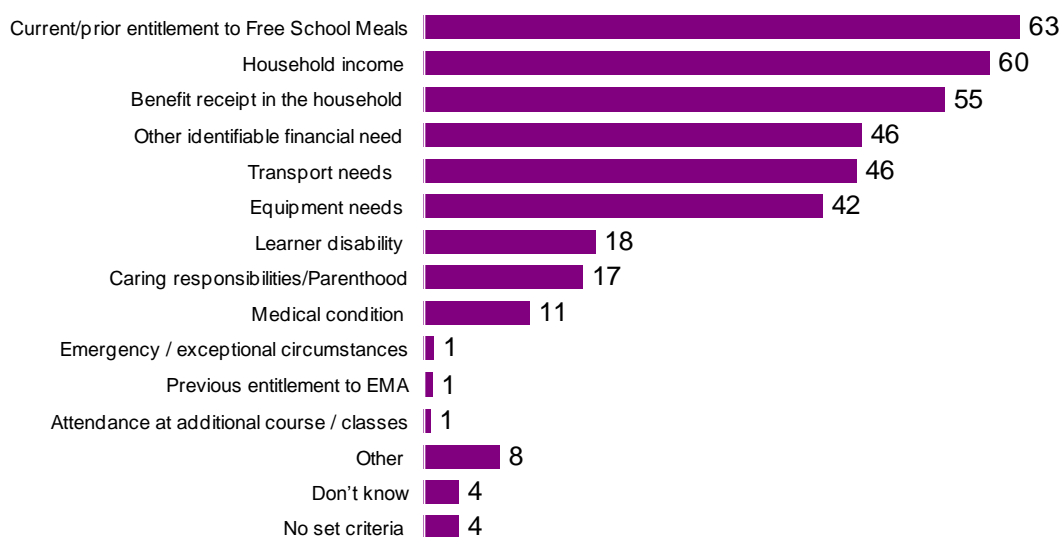


Over half (55%) of providers mentioned benefit receipt in the household as a criterion used in awarding Discretionary Bursaries while ‘other identifiable financial need’, was mentioned by 46 per cent of providers. The approach that some providers took to identifying other financial needs is discussed below.

Transport needs were mentioned by 46 per cent of providers and equipment needs by 42 per cent. All other criteria were mentioned by less than a quarter of providers.

**Figure 3.2 Provider Survey: Criteria used by providers to award Discretionary Bursaries**

Base: All providers completing long questionnaire with valid data (249)



Note: Providers could mention more than one criterion

Criteria for Discretionary Bursary awards and the decision-making processes behind these were discussed with case study providers. Providers adopted a range of approaches to setting criteria for Discretionary Bursaries:

- **Income thresholds**

Adopting a fixed income threshold was a common approach adopted across a wide range of providers. In deciding on the level of the income threshold, providers drew on their existing knowledge of income thresholds for means tested benefits:

- **Free school meals (FSM) eligibility**

Providers who chose the income threshold for FSM eligibility (approximately £16,000) as the threshold for their Discretionary Bursary Fund chose this because it was easy to administer. Receipt of FSM was viewed as sufficient evidence for eligibility for Bursary funding, reducing the need to gather additional evidence on family income. In some cases, receipt of FSM was a necessary prerequisite for Bursary eligibility, while others used the income threshold as a cut-off but young

people did not need to have applied for FSM to be eligible for a Bursary if they could evidence their family income was lower than £16,000.

- **Educational Maintenance Allowance (EMA) eligibility**

The income threshold for eligibility for the full EMA award (approximately £20,800) was also commonly used as the income threshold, with the reasoning that thought had already gone into defining this threshold, and it provided consistency with those on transitional EMA payments.

There was also some evidence of providers creating tiers of income thresholds, with different levels of support available for different tiers. The following two case examples illustrate different approaches to setting income thresholds:

**Case example 1: Eligibility criteria for Discretionary awards.**

This large Further Education college set two income thresholds for its Discretionary Bursary – those who would have been eligible for FSM in year 11 (approximately £16,000) and then a higher tier of up to £21,000. All Discretionary Bursary recipients received a travel pass, and uniform and equipment costs were paid for (these costs varied depending on the course studied). Those who were previously eligible for FSM also received £2 per day in cash towards food costs.

**Case example 2: Eligibility criteria for Discretionary awards**

This Academy 6<sup>th</sup> form set a threshold of £20,800 in line with previous eligibility for a full EMA award. Those who were eligible received £15 a week, paid direct to bank accounts on a monthly basis.

Particularly in the first year of implementation, providers were cautious in setting income thresholds as it was difficult to judge demand and providers were anxious not to overspend their budgets. In some instances, providers broadened their eligibility criteria throughout the year as it became clear that demand was not as high as anticipated. In one case for example, an initial threshold of £16,000 was gradually increased to £20,000, then to £25,000 and finally to £28,000 as it became clear funds were still available. Some providers were also planning to revisit their thresholds for next year in light of take-up this year, increasing the threshold or adding a further tier of support.

- Individually assessed hardship

An alternate approach to a set income threshold was individual assessment of learner hardship. In these cases, evidence was sought on a range of criteria including receipt of means-tested benefits, number of dependents in the household, travel requirements and learner statements of need, and each case was individually assessed on its merits. This approach was preferred by providers who did not believe it was appropriate to be asking for evidence of income and/or did not have the administrative capacity to process evidence of this kind. Instead, each case was assessed on its merits (based on the information provided on the application form) and the level of support provided tailored to the individual. This

approach tended to lead to Bursary funds being spread widely across the cohort of young people, although the levels of support might vary.

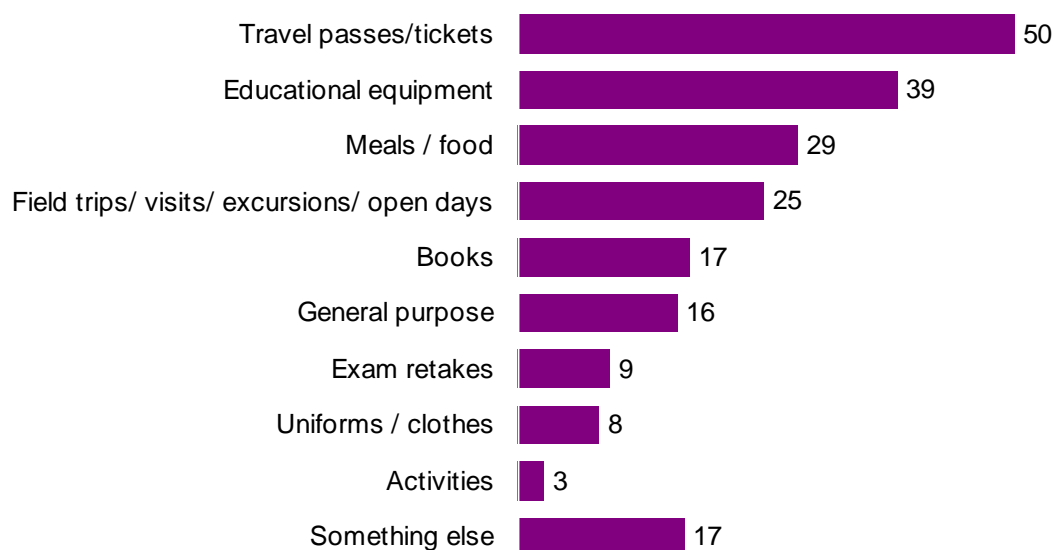
## 3.5 The purposes of Discretionary Bursary awards

### 3.5.1 Provider survey information

Providers in the survey were more likely to offer Discretionary Bursaries for travel costs than for other purposes with half (50%) of providers offering Bursaries for travel (Figure 3.3). Bursaries to cover costs directly related to study were also common, with 39 per cent of providers offering Bursaries for educational equipment and 17 per cent to cover the costs of purchasing books. Just under three in ten providers (29%) offered Bursaries for meal costs. Bursaries without a specific purpose were offered by 16 per cent of providers.

**Figure 3.3 Provider Survey: Purposes of Discretionary Bursary awards**

*Base: All providers completing "long questionnaire" with valid data (256)*



The number of purposes that individual providers had made Discretionary Bursaries available for ranged from one to ten different purposes. A quarter of all providers had offered awards for one purpose only and the median value was two, which means that half of all providers had offered awards for up to two specific purposes (Table 3.1 Provider survey: Number of purposes providers offer Discretionary Bursaries for). However, a further quarter of providers had offered Discretionary Bursaries for four or more specific purposes.

| Table 3.1 Provider survey: Number of purposes providers offer Discretionary Bursaries for |                    |
|---|--------------------|
|   | Number of purposes |
| 25 <sup>th</sup> percentile (25% of values below this)                                    | 1                  |
| Median (Half of values below this and half above)   | 2                  |
| 75 <sup>th</sup> percentile (25% of values above this)                                    | 4                  |
| <i>Unweighted base (providers)</i>  | 194                |

### 3.6 Determining the size of Discretionary Bursary awards (provider survey)

Providers can set the level of Discretionary Bursary awards as they wish. As discussed in Chapter 2, the median for a provider's mean spend per recipient on Discretionary Bursaries (dividing the provider's total spend on Discretionary Bursaries by the number of recipients) was just under £400. However, the size of Bursaries offered by providers varied considerably - from under £10 to over £2,000 at the extreme ends. The distribution of bursary sizes is skewed, with a minority of bursaries representing a large proportion of spending: the median size of a Discretionary Bursary<sup>[1]</sup> was £240, but a quarter of Bursaries were more than double this amount, which explains why the typical provider had a higher mean spend per recipient, of £400 (Table 3.2).

| Table 3.2 Provider survey: Value of Discretionary Bursaries |     |
|---|-----|
|   | £   |
| 25 <sup>th</sup> percentile (25% of values below this)      | 100 |
| Median (Half of values below this and half above)           | 240 |
| 75 <sup>th</sup> percentile (25% of values above this)      | 491 |
| <i>Unweighted base (all Bursaries offered)</i>              | 932 |

The size of Discretionary Bursary awards was highest when the purpose of the awards included travel costs or meals with a median of £300 each (Table 3.3). The size of Bursaries was lower for field trips or excursions, and books, with a median of around £140 each, and lowest for clothes and uniforms (median of £110). The table also shows the wide range in the size of Bursaries. For example, a quarter of Bursaries that included educational equipment was £100 or less but a further quarter was £500 or more.

<sup>[1]</sup> Analysis in this section is based on all the different types of Discretionary Bursary that providers reported offering, not the number of awards made to students.

**Table 3.3 Provider survey: The values of Discretionary Bursary awards, by their purpose**

|   | 25 <sup>th</sup> percentile<br>(25% of values below this) | Median<br>(Half of values below this and half above) | 75 <sup>th</sup> percentile<br>(25% of values above this) | <i>Unweighted bases<br/>(all Bursaries of that purpose)</i> |
|---|---|--|---|---|
|   | £   | £  | £   |   |
| Travel passes/tickets                   | 150   | 300  | 508   | 239   |
| Educational equipment                   | 100   | 262  | 500   | 205   |
| Meals/food                              | 131   | 300  | 604   | 112   |
| Field trips/visits/excursions/open days | 64  | 142  | 250   | 127   |
| Books                                   | 39  | 141  | 329   | 76  |
| Uniforms/clothes                        | 50  | 110  | 468   | 47  |

The rationale for setting the amounts for awards was explored with case study providers. In determining the value of Discretionary Bursary awards, case study providers took into consideration a range of factors including the size of their fund; the level of expected demand; their capacity to ‘top-up’ the fund if necessary; and the types of costs that young people might be facing as a barrier to participation. Approaches adopted included:

- **Fixed award sizes**

Under this approach, those eligible for a Discretionary Bursary were eligible to receive a set Bursary award, provided they met the conditions set. Examples from the case studies of this form of award included a school sixth form that paid a set £330 a year, in three termly instalments, and an FE College that opted for £20 a week paid fortnightly. Some providers in this category had set aside additional funds with which they could ‘top-up’ their Bursary if necessary, while others judged the level of the award based on the number of applicants they received at the start of the academic year to minimise the risk of overspend.

- **Unfixed award size based on demand and funding**

Under this approach young people eligible for a Discretionary award were told that the exact amount they received would depend on the size of the fund and the level of demand received. In one case for example, a 6th Form College, paid termly instalments of £150 in the autumn and spring, and then a smaller award of £100 in the summer based on what was left in the Bursary budget. This approach had the

benefit of ensuring the Bursary funds were not overspent, but also introduced an element of uncertainty for young people in terms of the financial support available.

- **Variable based on personal circumstances**

This final approach involved a more 'ad hoc' process of awards, with one-off payments being made for specific needs or learner circumstances. Requests could be made for support for specific needs throughout the year, and amounts would vary depending on the need and the circumstances of the individual concerned.

## 4. Bursary Fund spending

In this chapter we examine the amounts of money that providers reported awarding through the 16-19 Bursary Fund. We look separately at spending on Defined Vulnerable Group Bursaries, and Discretionary Bursaries; then examine total spending and reasons reported for over and under spending compared to funding allocations. Finally we report on additional funding from other sources and financial support for young people in the previous academic year.

### 4.1 Spending on Defined Vulnerable Group Bursaries

#### 4.1.1 Management Information

The Management Information return (see section 1.3) asked providers to report the total amount they had awarded to young people in receipt of Defined Vulnerable Group Bursaries (DVG) Bursaries. The amount awarded ranged from a minimum of 0 (724 providers) to £179,520. The overall median<sup>3</sup> total amount awarded was £1,200.

FE and sixth form colleges had a higher median spend on DVG bursaries (reflecting larger numbers of eligible young people), at £14,845, compared with schools, where median spending was £440. In special schools, median spending was £1,200 which is equivalent to one full Bursary.

Figure 4.1 shows the distribution of spending on DVG Bursaries among all providers.

**Figure 4.1 MI returns: Distribution of provider spending on Vulnerable Group Bursaries 2011/12**

Base: All providers responding to MI data with valid total spend (2,001)



<sup>3</sup> The mid-point of the distribution

### **4.1.2 Provider survey**

Among providers completing the survey, the median total amount awarded in DVG Bursaries was £1,754, the equivalent of around one and a half full DVG Bursaries. There was a considerable range in the amounts reported, from a minimum of 0 (93 providers) to a maximum of £365,920.

For the majority (67%) of providers in the survey, total spending on DVG Bursaries was not a multiple of £1,200, either because of pro-rata Bursaries or young people leaving their courses early.

## **4.2 Spending on Discretionary Bursaries (provider survey)**

Information about spending on Discretionary Bursaries was given only by the sub-sample of providers completing the longer version of the questionnaire. The Management Information return did not include spending on Discretionary Bursaries.

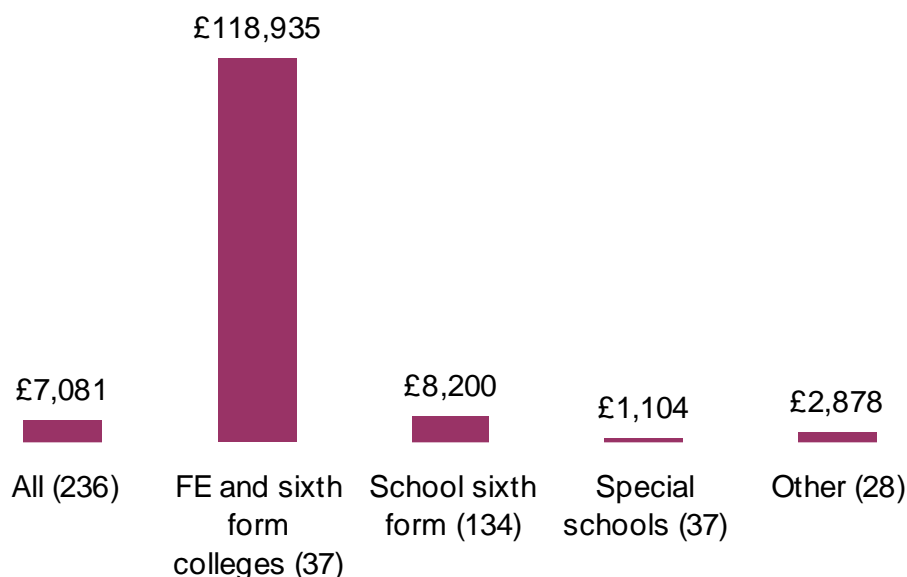
Total Discretionary Bursary amounts reported by providers ranged from a minimum of 0 (16 providers) to a maximum of £498,000. The overall median across provider types was £7,081 (Figure 4.2). The majority of Bursary Funding was spent on Discretionary Bursaries.

FE and sixth form colleges again had significantly higher spending than other types of provider, with median spending of £119,000 on Discretionary Bursaries among this group, compared with £8,200 in schools.



**Figure 4.2 Median total amount awarded in Discretionary Bursaries in the 2011-12 academic year, by provider type (£)**

Base: Providers with valid data (236)



While DVG Bursaries had a prescribed amount for individual awards of £1,200 or pro-rated amounts, the amounts for individual Discretionary Bursary awards were set by providers. Dividing total spend on Discretionary Bursaries by the number of awards gives a “per award” amount spent on Discretionary Bursaries. Across all providers, the median per award spend on Discretionary Bursaries was £395, with a range from £50 to £7,660.<sup>4</sup> This indicates that while total spending on Discretionary Bursaries tended to be higher than for DVG Bursaries, individual Discretionary Bursary amounts were on average smaller than the guaranteed DVG Bursaries. The numbers of providers in individual provider types for this analysis were too small for sub-group analysis.

### 4.3 Providers overall spending on Bursaries (provider survey)

For the sub-sample of providers in the survey who were asked about Discretionary Bursaries, it is possible to calculate their overall spending on Bursaries (by adding the amount spent on DVG and Discretionary Bursaries) and compare this to their funding allocation.

The median overall amount providers spent on all Bursaries was £9,402 (Table 4.1) There was a wide range in the level of spending with a quarter of providers spending £4,100 or less and a quarter spending £19,400 or more. The numbers of providers giving

<sup>4</sup> This analysis included only those cases with a valid total spend, and valid data on the number of Discretionary Bursaries awarded (i.e. cases with 0 on either variable were excluded from the analysis).

this information was too small for robust analysis by provider type, but indicated that overall spending tended to be higher in FE and sixth-form colleges than in schools and other types of provider.

| <b>Table 4.1 Provider survey: Overall amount spent on Bursaries (DVG and Discretionary)</b> |        |
|---|--------|
| <i>Year 1 Provider Survey</i>   |        |
|   | £      |
| 25th centile (25% of providers spending less than this)                                     | 4,100  |
| 50th centile (50% of providers spending less than this)                                     | 9,402  |
| 75th centile (25% of providers spending more than this)                                     | 19,400 |
| <i>Base: all providers completing long questionnaire and with valid data</i>                | 220    |

Comparing the overall amount spent by providers to their funding allocations reveals that in the first year of the Bursary Fund, the majority of providers did not appear to have spent their entire allocation of funding. Four fifths (81%) of providers had under spent, with three fifths (60%) having spent less than 90 per cent of their funding. Over-spending was less common, with less than one fifth (17%) spending more than their allocation and eight per cent spending 110 per cent or more of their allocation. The next section discusses reasons for under and over-spending explored in the case studies.

### **4.3.1 Reasons for under/over spend (case studies)**

#### **Under spend**

In instances when case study sites reported an under-spend on their Bursary Fund in the first year, two reasons were identified:

- **Minimising risk of over-spend**

In some instances a conservative approach to the Discretionary Bursary Fund was adopted, in order to minimise the risk of an over-spend the provider could not afford. In practice, this meant offering smaller Bursaries or setting a lower income threshold for eligibility to ensure that the fund was not over-committed. There was some feedback that this cautious approach was adopted particularly in the first year of the fund, as providers were unclear what level of take-up their Bursary Fund would receive. It was anticipated that in subsequent years it would become easier to judge demand and therefore set eligibility criteria accordingly. In some instances, eligibility criteria were loosened during the year as it became clear that take-up would be below the anticipated levels and the fund could afford to be more generous.

- **Bursary conditions not met**

In setting Discretionary Bursary levels, some providers had based their figures on the assumption that they would be paying the full Bursary to every eligible student. However, in practice because of conditions set for receipt of Bursaries (including attendance levels, behaviour, punctuality and completion of assignments), the level of Bursary funds paid out was lower than had been anticipated, resulting in an under-spend in the fund.

Where there was an under-spend, providers welcomed the facility to be able to carry funds forward to the next academic year.

## **Over spend**

In instances when case study sites reported an over-spend on their Bursary Fund in the first year, two reasons were identified:

- **Higher numbers of defined vulnerable group Bursaries than expected**

In some instances providers had higher numbers of students eligible for defined vulnerable group Bursaries than their original funding allocation had allowed for. In these cases, providers had received additional funding or were in the process of requesting additional funding to cover these costs.

- **Provider top-up**

Some providers were in a position to top-up their fund to increase the levels of individual Bursaries or set higher income thresholds for eligibility. In some cases this meant significant amounts of additional funding were provided to top-up the fund. Survey findings related to top-ups are discussed in the next section.

## **4.4 Additional funds from other sources (provider survey)**

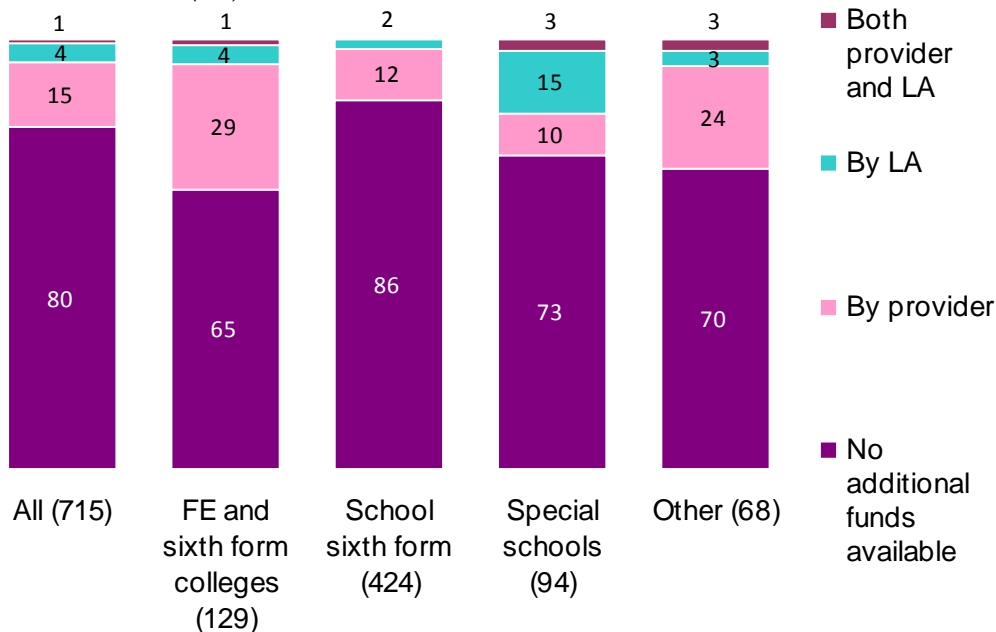
All providers in the survey were asked if they had access to additional funds for Bursaries and the source of those funds. It can be seen from Figure 4.3 that the majority of providers (80%) did not receive additional funding for Bursaries from their local authorities, or provide their own top-up funding. Where additional funds were available, they were most commonly from the provider's own funds (15% of providers).

The overall figure masks some variation across the different provider types with schools less likely to report access to additional monies (86% had no additional funding available). FE/sixth form colleges and 'other' providers were the most likely to only use their own capital to supplement Bursary Funding (29% and 24% respectively), while special schools were more likely than other types of provider to receive additional funds from their local authority (15%).

Among providers who had access to additional funds, there was a wide range in the amount of additional funding that providers had spent. The median amount was just under £2,100 although a quarter of providers with additional funds had spent more than £15,600.

**Figure 4.3 Provider survey: Funds from other sources, by provider type**

Base: Providers with valid data (715)



funding. However, there were some instances where providers were in a position to add additional funds to their Bursaries. Where this happened, it was because they were a large provider and were able to cross-subsidise the Bursary Fund from other elements of their budget, or because they were a private provider that could draw on funds from profit-making parts of their business.

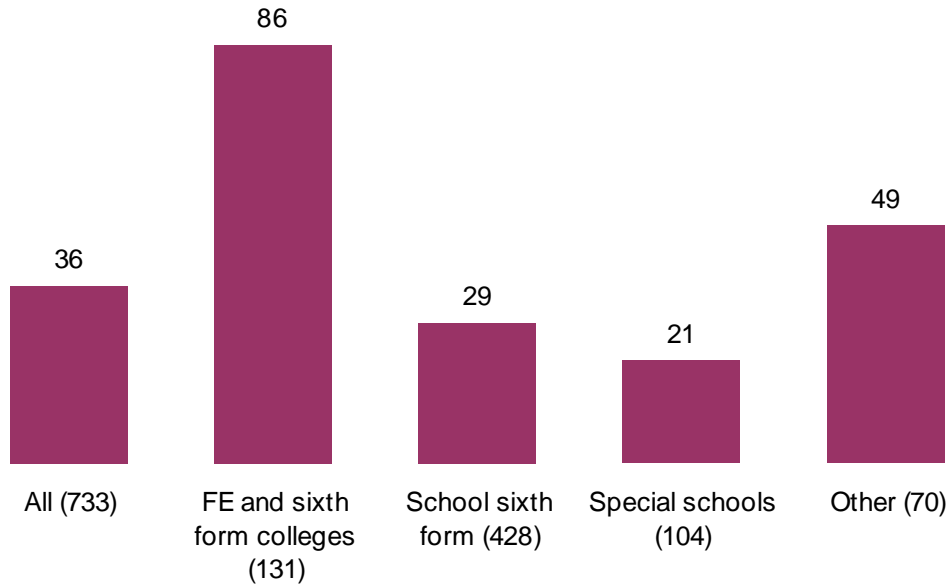
In some instances, providers had ‘topped-up’ their Bursary Fund with additional funding to increase flexibility. For example, one provider used its Bursary funding to provide travel, meal and equipment subsidies, and then used its own funds to offer weekly attendance bonuses on a universal basis.

#### 4.4.1 Financial support for young people in previous academic year (provider survey)

Thirty-six per cent of providers reported that they had offered financial support to young people aged 16-19 in the 2010-11 academic year, either through discretionary learner support funds or their own funding (Figure 4.4). Most (86%) FE and sixth form colleges had offered financial support of this kind, but only 29 per cent of schools and 21 per cent of special schools/ colleges had done so.

**Figure 4.4 Percentage of providers who offered financial support in 2010-11 academic year, by provider type (%)**

*Base: Providers with valid data (733)*



Among providers who were able to give the amount of funding that they had spent in the 2010-11 academic year, the median amount was just over £3,400. FE and sixth-form colleges tended to have spent substantially higher amounts (£50,235 median) than schools (£1,590 median).

These findings suggest that colleges were more likely to have already been distributing significant amounts of funding to young people and may therefore have been better-prepared to administer the Bursary Fund than schools were (see chapter 5).

## 5. Administering the Bursary Fund

This chapter examines findings from the provider survey and case studies related to the administration of the Bursary Fund. Providers are given considerable freedom to determine how Bursaries are paid, the timings of payments and the conditions attached to receipt. In this chapter we explore how providers approached the administration of the Bursary Fund and the range of practices that emerged.

### 5.1 Models of administration (case studies)

This section discusses the approaches to administering the Bursary Fund that were apparent in the case studies. Two broad models of Bursary administration were adopted by case study providers – the individual provider model and the local authority administered model. The strengths and weaknesses of these models are explored in turn here:

- **Individual provider administered model**

In this approach, individual providers took full responsibility for the design and administration of their Bursary Funds. Eligibility criteria for Discretionary Bursaries, the frequency of payments, the format of Bursary awards (whether in-kind or cash) and the conditions attached to awards were all defined and set by the individual provider. The strengths of this approach were felt to be in its flexibility and responsiveness:

- **Responsive to provider context**

By giving individual providers autonomy over all elements of their Bursary Funds, it was possible for providers to tailor their Funds to their exact needs and circumstances. For example, an FE college in an area where the Local Authority already subsidised travel costs, could focus its Bursary on equipment and meal costs, while in another area where travel costs were not subsidised travel passes were prioritised. As discussed later in section 5.2.3 more frequent payments were adopted by providers who felt their young people were motivated to attend by being paid weekly, while other providers with less concerns about attendance did not do this.

- **Responsive to learner needs**

The local administration of the Bursary Funds was felt to foster a more responsive approach to learner needs by giving providers the flexibility to respond to issues as and when they arose. Being able to meet immediate needs quickly and responsively was identified as a positive feature of local administration.

The limitations of this model of Bursary administration fell into three categories:

- **Inequality**

Concerns were raised that provider level administration of Bursary funding created a fragmented system with different levels of Bursary payments and eligibility criteria, from one provider to the next. Local administration of Bursary funding was criticised because of the potential for two young people in the same area with the same needs, to receive widely varying support from the Bursary Fund depending on the provider they attended.

- **Administrative burden**

The administrative burden of local administration was raised as a concern, and the five per cent administration budget was not always felt to be adequate to cover the costs of the Funds. These issues were less of a concern where providers already had experience of providing financial support, for example in the case of large FE Colleges and some private providers.

- **Provider expertise**

The expertise of education providers to set eligibility criteria and collect evidence of income was questioned by some providers who felt this role was inappropriate and outside their area of knowledge and expertise. Some expressed unease at being asked to judge economic hardship and felt ill equipped for the role.

- **Local Authority administered model**

An alternative model adopted in two of the case study areas involved the Local Authority administering the Bursary Fund on behalf of school and academy 6th forms. Under these Funds, schools opted into the centralised Fund and a common set of eligibility criteria were agreed along with an agreed Bursary award size common to all providers. However, the conditions attached (for example, in relation to attendance or punctuality) were set locally by each school to reflect each school's individual preferences. These Funds did not include local FE Colleges or private providers, reflecting the fact that Local Authorities have traditionally played a bigger role in supporting schools.

The strengths of a common centrally administered Fund were felt to be:

- **Equality and consistency**

The primary driver for centrally administered Funds was a concern that local administration would create a fragmented system with young people receiving different levels of support based on where they studied rather than on their need. Closely related to this was the concern that Bursary Funds would be used to attract young people in a competitive market place and young people would make decisions on what and where to study based on the Bursaries available rather than on the quality of the education or the appropriateness of the courses offered. A centralised Fund with common eligibility criteria was felt to create a fairer Fund:

*“You shouldn't be able to financially get a better deal from government funding, I don't believe, because you go to one school rather*

*than another school - it should be a level playing field.” (Head of 6th Form, Academy)*

A single Fund was also felt to send out a clear and consistent message, making it easier to promote and less confusing for young people.

- **Separation of education and financial support**

Providers who had opted into centrally administered Funds highly valued the separation of the administration of the Bursary Fund from their main role as education providers. Schools expressed concerns that responsibility for setting eligibility criteria for Bursary funding could lead to disputes with parents which were detrimental to positive home/school relationships, and time consuming to resolve. By having the Local Authority administer the Fund on their behalf, the LA acted as an intermediary in disputes of this kind. By signing up to consistent eligibility criteria across a number of providers, schools felt less exposed to criticism and pressure to change their criteria in the event of disputes with parents. In one case study area where the Local Authority took all responsibility for checking evidence, schools valued the anonymity of the process and the fact that parents did not need to reveal details of their financial circumstances to school staff.

- **Efficiencies in administration**

Centralised administration was felt to create economies of scale and remove the burden of administration from schools that did not have the resources or infrastructure to facilitate the administration of the Funds. Similar to the model that existed under the EMA, schools were responsible for authorising who was eligible to receive their award, while the responsibility for payment administration lay with the Local Authority.

The weaknesses of this model of administration were:

- **Less flexible**

There was some evidence to suggest that centralising the administration meant providers had less flexibility over how the Bursaries were awarded. For example, in one Fund, the frequency of payments was set at the Local Authority level, and there was no scope to reduce payments for non-compliance. To minimise administration it was an ‘all or nothing’ approach which was felt to be inflexible.

- **Less responsive to individual provider circumstances**

Characterised by common eligibility criteria and award size across a number of providers, centrally administered Funds provided less scope to respond to individual provider circumstances. Some case study providers that had explored developing a common set of criteria across a range of providers decided against this option because the contexts in which providers operated were too diverse.



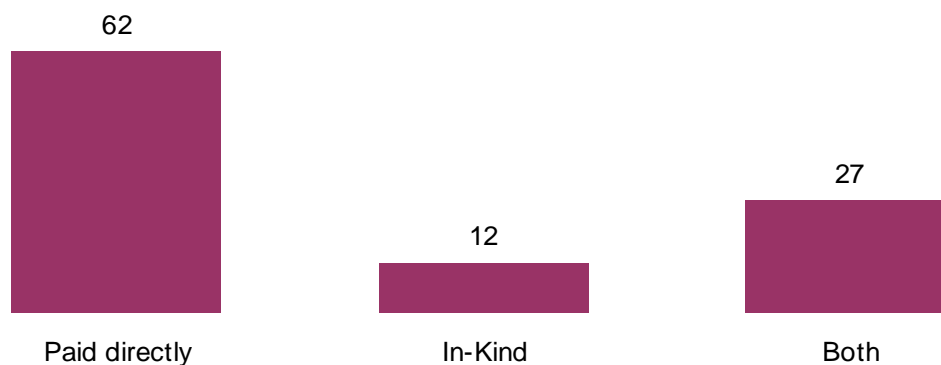
## 5.2 How Bursary awards were made (provider survey and case studies)

### 5.2.1 Payment of 'in-kind' Bursaries

All providers in the survey were asked whether Bursaries were awarded as cash payments, paid "in-kind" (for example as travel passes or meal vouchers), or both (Figure 5.1). The majority (62%) of providers said they had paid young people directly in cash, just over a quarter (27%) said they had awarded Bursaries in-kind as well as cash, while just over one in ten (12%) providers only awarded in-kind Bursaries.

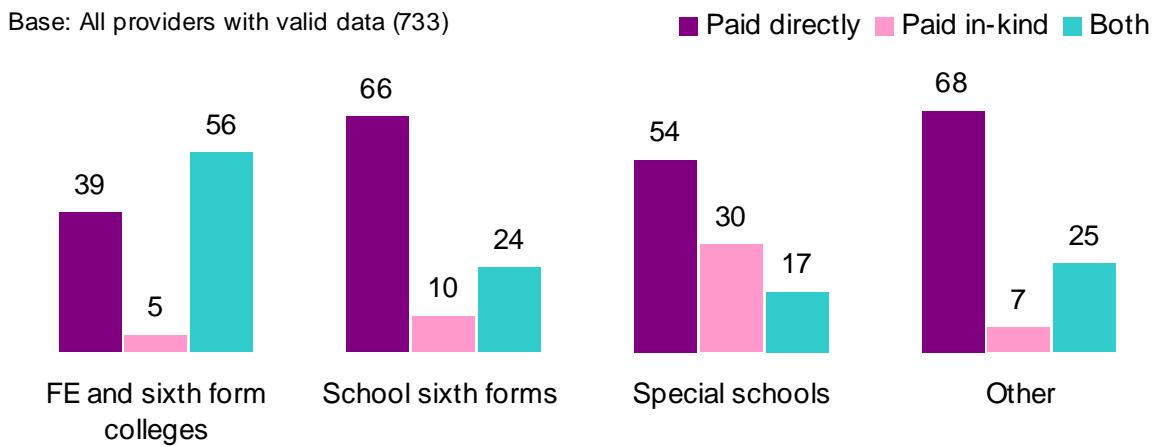
**Figure 5.1 Provider survey: Providers who awarded Bursaries in kind, directly to young people or both (%)**

Base: All providers with valid data (733)



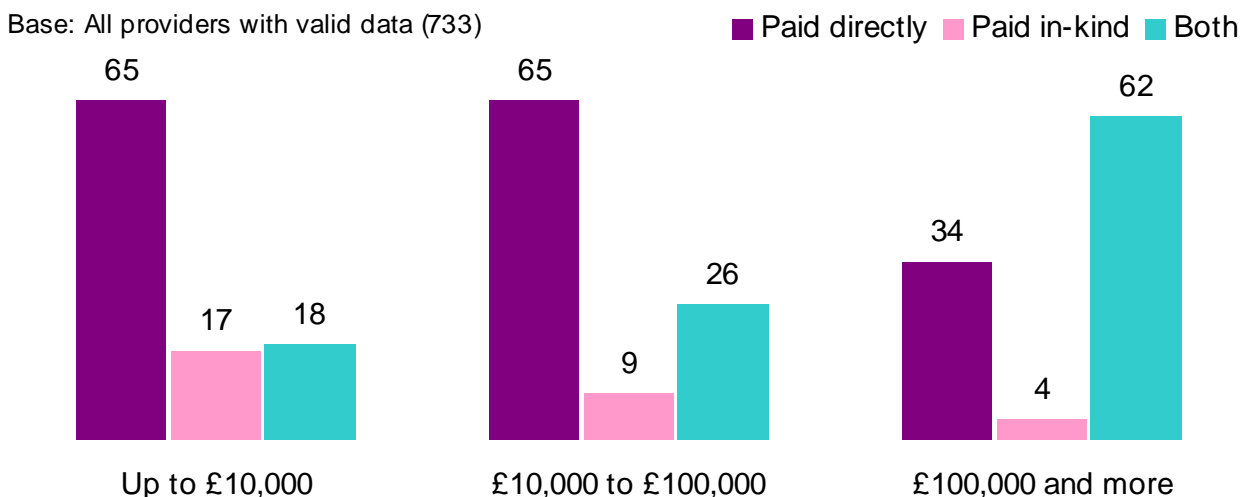
Special schools were the most likely provider type to have awarded Bursaries in-kind only, with almost one third (30%) doing this compared to ten per cent or less of FE and sixth form colleges (5%), schools (10%) and other providers (7%; Figure 5.2). School sixth forms had predominantly paid Bursaries directly in cash only (two-thirds had done this), while the majority (56%) of FE and sixth form colleges had awarded both cash and in-kind Bursaries. This might suggest that colleges have set up more refined systems allowing for Bursaries to be awarded in different combinations to meet needs.

**Figure 5.2 Provider survey: Providers who awarded Bursaries in kind, directly to young people or both, by provider type (%)**



Providers with the largest funding allocations were more likely to award both cash and in-kind Bursaries. Sixty-two per cent of providers with allocations of more than £100,000 used both methods compared to just over a quarter (26%) of those with funding between £10,000 and £100,000 (Figure 5.3). This again suggests that those providers with substantial funds available for Bursaries have developed more sophisticated systems for providing awards.

**Figure 5.3 Provider survey: Providers who awarded Bursaries in kind, directly to young people or both, by funding allocation**



Those providers who had provided both cash and in-kind Bursaries were asked to indicate the approximate proportion of in-kind awards compared to cash awards. The median proportion of in-kind awards was 25 per cent (Table 5.1), so for half of all providers the proportion paid in-kind was 25 per cent or below. A quarter of providers who used a combination of in-kind and cash awards had paid half or more of their Bursaries as in-kind awards.

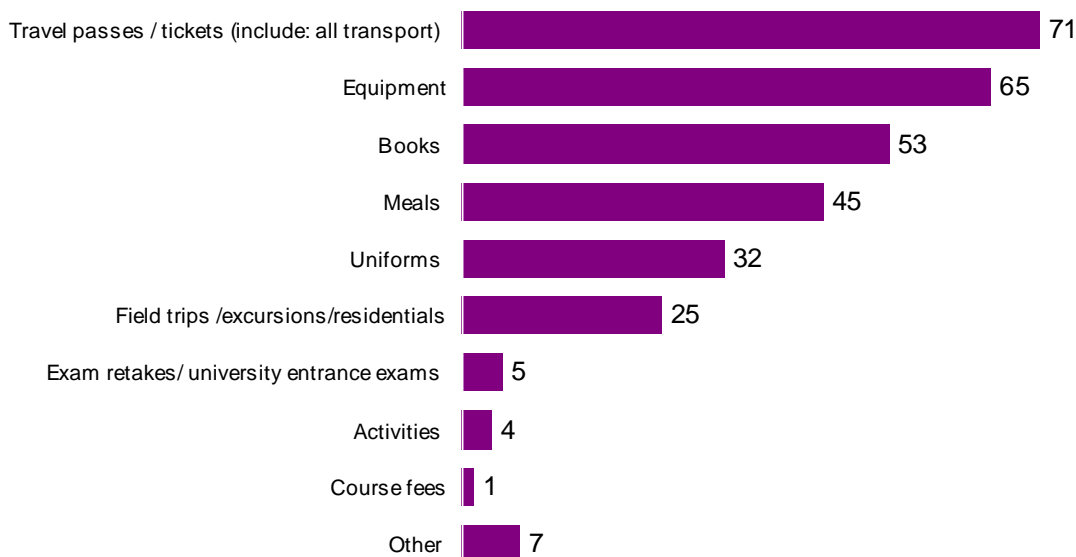
**Table 5.1 Provider Survey: Proportion of in-kind versus cash payment of awards**

|  | %          |
|--|------------|
| 25 <sup>th</sup> percentile (25% of values below this)                     | 10         |
| Median (Half of values below this and half above)                          | 25         |
| 75 <sup>th</sup> percentile (25% of values above this)                     | 50         |
| <i>Unweighted base (providers offering both cash and in-kind payments)</i> | <i>200</i> |

The providers who paid Bursaries in-kind were asked what form the payments had taken (Figure 54). The most common types of in-kind award were travel passes, mentioned by 71 per cent of providers awarding in-kind Bursaries and equipment (65%). Over half (53%) had awarded Bursary funds in the form of books, and nearly half in the form of meals (45%) whilst a third (32%) had provided uniforms. FE and sixth form colleges made awards in the form of equipment and uniforms more frequently than school sixth forms. Schools were more likely than colleges to have made awards in the form of books, and payments for activities such as field trips (table not shown).

**Figure 5.4 Provider Survey: Forms of in-kind awards (% mentioned)**

*Base: All providers offering bursaries in-kind (299)*



*Note: Providers could mention more than one type of award*

## 5.2.2 Reasons for using in-kind and cash awards

The reasons for using in-kind Bursaries and cash Bursaries were discussed with case study providers.

### In-kind Bursaries

Case study providers used in-kind Bursaries to provide a range of support, including travel passes, equipment, uniforms, food vouchers, and Criminal Record Bureau (CRB) checks. One off reimbursements were also made to cover the costs of trips, university visits, work placements and auditions.

Two reasons were given for offering Bursaries 'in-kind' rather than in cash:

1. By offering in-kind Bursaries, providers felt confident that Bursary funds were being used for the purposes they were intended. They therefore afforded providers greater control over how funds were used and ensured that potential barriers to participation (including for example, the costs of equipment, or the costs of travel) were taken away.
2. By providing in-kind Bursaries, providers were able to make economies of scale and bulk purchase items at a discount increasing cost efficiencies.

One possible reason why the survey showed that FE Colleges were more likely to provide "in-kind" or a combination of 'in-kind' and cash Bursaries than schools may relate to the fact that they offer more vocational training courses with higher equipment costs, which were provided for in in-kind Bursaries. Similarly, they may be more likely to offer food vouchers as part of their Bursary provision while young people in school sixth forms are already eligible to receive free school meals.

### Cash Bursaries

The survey shows that the majority of Bursaries were paid in cash. Case study providers gave three reasons for choosing cash payments:

1. Cash payments were felt to offer greater flexibility in how funds were spent, and were therefore more likely to meet the individual needs of the recipient. It was felt that 'in-kind' payments were not always flexible enough and that a more individualised response was needed. For example, a travel pass might meet the needs of one young person travelling a long distance, while it would be far less useful to another who lived closer or who already received subsidised travel from their local authority.
2. Cash Bursaries offered providers greater scope to incentivise attendance, punctuality and achievement. Cash payments could be withdrawn or reduced if conditions attached to Bursaries were not met, while 'in-kind' provision of travel passes or equipment could not be used in this way.

3. By the age of 16-17, providers felt it was important that young people were given greater independence, and providing cash Bursaries was felt to promote and teach financial independence.

### **5.2.3 Conditions attached to the receipt of Bursary awards (provider survey and case studies)**

Attendance was the most frequently mentioned condition linked to the receipt of Bursaries, mentioned by the vast majority of providers (96%) (Table 5-2). The proportions were about the same for colleges, schools and the 'other' provider type, with only special schools being slightly less likely to report attendance as a condition for the receipt of Bursaries (85 per cent compared to 97 to 99 per cent for the other provider types).

More than three-fifths of providers (63%) reported that receipt of Bursaries was conditional upon behaviour or compliance with rules such as punctuality, with special schools again less likely to have made this a condition (41%). Nearly half (48%) of providers reported that completion of coursework or assignments was a condition for receiving Bursary awards. School sixth forms were more likely to have made the completion of coursework or assignments a condition (58%), compared to FE and sixth form colleges (37%) and special schools (19%).

A very small proportion of providers only (three per cent) reported no conditions to be attached to the receipt of Bursary funds – two per cent of schools and one per cent of the 'other' providers, but twelve per cent of special schools. All colleges reported there were at least some conditions.

**Table 5.2 Provider survey: Conditions attached to Bursary receipt, by provider type**

|  | FE colleges and sixth form colleges | School sixth forms inc academies | Special schools | Other     | All        |
|--|-------------------------------------|----------------------------------|-----------------|-----------|------------|
|  | %                                   | %                                | %               | %         | %          |
| Attendance                                 | 99                                  | 97                               | 85              | 97        | 96         |
| Behaviour/compliance with rules            | 65                                  | 65                               | 41              | 76        | 63         |
| Completion of coursework/assignment        | 37                                  | 58                               | 19              | 34        | 48         |
| Grades achieved                            | 2                                   | 11                               | 7               | 7         | 9          |
| Continuing to meet eligibility of criteria | -                                   | 1                                | 1               | 5         | 1          |
| On individual case by case basis           | 1                                   | +                                | 1               | 1         | +          |
| Attitude                                   | 3                                   | 1                                | -               | 1         | 1          |
| Effort                                     | 2                                   | 1                                | -               | -         | +          |
| Improvement                                | -                                   | 1                                | -               | -         | -          |
| Other                                      | 1                                   | 3                                | 2               | 9         | 9          |
| None                                       | -                                   | 2                                | 12              | 1         | 3          |
| <i>Base - All providers (unweighted)</i>   | <i>132</i>                          | <i>430</i>                       | <i>93</i>       | <i>66</i> | <i>721</i> |

Note: providers could mention more than one condition

Conditions for receipt of Bursary awards were also explored in the case studies with providers. The case studies found that the conditions attached to Bursaries were largely a continuation of conditions attached to EMA awards, possibly reflecting a desire from providers to keep conditions consistent between those receiving the transitional EMA payments and those in receipt of Bursaries. Providers varied in the extent to which they set conditions, what level they were set at, how strictly they were enforced and what consequences there were when conditions were not met. Providers fed back that they felt it was important that conditions were set independently by each provider to reflect the needs and circumstances of their students. Where conditions were set they tended to fall within three categories:

- **Attendance**

Conditions were set in relation to attendance, but the thresholds varied. In one 6th Form for example, attendance was expected to be 94% or higher each term to receive a Bursary award, while another FE College had set an 85% attendance threshold. There was also variation in how providers responded to failure to meet these conditions. In some cases, warning letters were issued and payments

postponed until attendance had improved, while in other cases providers chose to reduce the payment by a certain amount, or withhold it entirely. Special schools showed some flexibility in relation to attendance criteria in recognition that their students may be more likely to have sickness absence or absence related to health appointments. Some providers also operated more lenient policies in relation to those on defined vulnerable group Bursaries, arguing that they had greater barriers to participation and should therefore be treated more flexibly. Providers who were working with vulnerable populations, particularly those considered to be at risk of being NEET, incentivised attendance by awarding Bursaries based on each day of attendance.

There were also some instances of providers using bonus payments to further incentivise attendance. In one case for example, a bonus payment of £110 was paid at the end of the year to those who met attendance targets across all three terms. In other cases, an attendance bonus was paid on a weekly basis.

- **Punctuality**

As with attendance, the extent to which punctuality was set as a condition for Bursary payment varied. Providers who chose not to set punctuality conditions did so either because it was not felt to be a problem within their cohort of young people or because they felt there would be too much variation between staff in how lateness was defined, leading to inconsistencies in how the condition was enforced. In contrast, other providers set strict punctuality criteria.

- **Academic engagement**

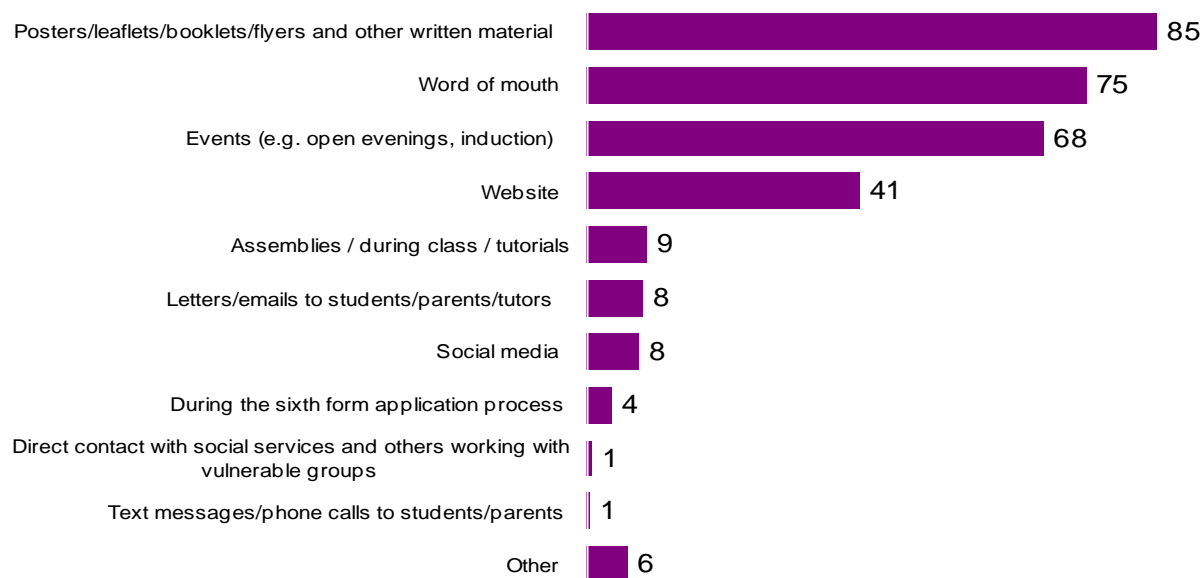
Within this category providers set a range of conditions including meeting coursework deadlines and sitting exams, reaching academic potential and maintaining behaviour standards. Adherence to these conditions was tracked through existing systems for monitoring performance.

## **5.2.4 How the Bursary Fund was publicised (provider survey and case studies)**

Providers are responsible for making their young people aware of the Bursary Fund. The most frequently cited method of publicising the availability of 16-19 Bursaries by all providers (Figure 5.5) was through the distribution of written materials such as posters, leaflets, booklets or flyers \*85 per cent of providers). Three quarters (75 %) of providers had used 'word of mouth' to publicise the Bursary Fund, and more than two-thirds (68 %) had used events such as open evening or induction days. Less than half of providers had put information about the Bursary Fund on their websites (41%).

**Figure 5.5 Provider survey: How the Bursary Fund was publicised (% mentioned)**

*Base: All providers with valid data (738)*



Note: Providers could mention more than one method

FE and sixth form colleges tended to have been more active overall in publicising the availability of Bursaries than the other provider types (Table 5.3). The use of internet-based communication such as website and social media is where the differences between colleges and schools are most pronounced. Most (90%) of FE and sixth form colleges had publicised the Bursary Fund on their website compared with two fifths (40%) of school sixth forms. More than a third (36%) of colleges reported using social media to publicise the Bursary Fund but just four per cent of schools had done this.



**Table 5.3 Provider survey: Method of advertising the Bursary Fund, by provider type**

|  | FE and sixth form colleges | School sixth forms inc academies | Special Schools | Other | All |
|--|----------------------------|----------------------------------|-----------------|-------|-----|
|  | %                          | %                                | %               | %     | %   |
| Posters, leaflets, booklets, flyers and other written material                         | 97                         | 87                               | 62              | 93    | 85  |
| Word of mouth  | 92                         | 76                               | 52              | 82    | 75  |
| Events, e.g. Open Evenings   | 94                         | 75                               | 37              | 49    | 68  |
| Website  | 90                         | 40                               | 9               | 40    | 41  |
| Assemblies / during class tutorials  | 10                         | 12                               | -               | 3     | 9   |
| Social media   | 36                         | 4                                | 1               | 10    | 8   |
| Letters/ Emails to students/teachers/parents   | 6                          | 9                                | 11              | 2     | 8   |
| During the application process (includes: interviews, application forms, prospectuses) | 13                         | 2                                | 1               | 8     | 4   |
| Direct contact with social services and others working with vulnerable groups          | 3                          | 1                                | 1               | -     | 1   |
| Text messages / phone calls to students / parents                                      | 1                          | 1                                | 1               | -     | 1   |
| Other  | 6                          | 3                                | 14              | 11    | 6   |
| Base (unweighted)  | 134                        | 434                              | 101             | 69    | 738 |

Note: Providers could mention more than one method

The case studies found that providers adopted a wide range of formats for promoting and raising awareness of the Bursary Fund. Promotional activities included advertising the fund in leaflets and posters and on provider websites, as well as raising awareness in assemblies, during induction and enrolment and at open-days and parents evenings. More pro-active promotion including sending letters and application forms to all new students and actively targeting those that were thought to be eligible – for example, those who had been identified as ‘looked after’ or identified as eligible for Discretionary Bursary because of free school meal (FSM) eligibility.

Providers’ views on how well the Bursary Fund had been promoted varied, with smaller providers feeling more confident that they had successfully communicated the fund to those that were eligible. In the case of small school sixth forms for example, a pre-

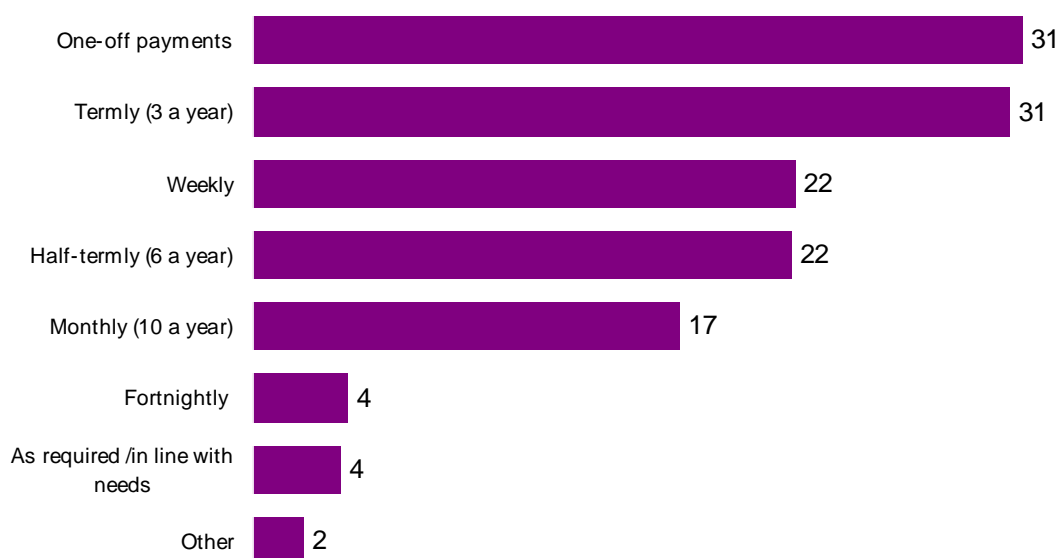
existing relationship with many of their students meant they were aware of their personal circumstances and could target accordingly. This was felt to be more challenging for large Further Education Colleges with a much larger student body and limited information on the backgrounds and circumstances of their students.

### 5.2.5 Timing of Bursary payments (provider survey and case studies)

There was considerable diversity in the frequency with which Bursary payments were made. This was a notable change from the EMA system, where payments were made weekly. Just under a third (31%) of all providers made one-off Bursary payments and a similar proportion (31%) made payments once a term (Figure 5.6). Weekly, half-termly, and monthly payments were all made by around one in five providers. It was common for providers to choose more than one response to this question, suggesting that different payment schedules were adopted for different types of Bursary award.

**Figure 5.6 Provider survey: How frequently Bursary payments were made to young people (% mentioned)**

Base: All providers with valid data (722)



Note: Providers could mention more than one payment frequency

Across the different types of providers, one-off payments were least likely to have been made by school sixth forms compared to the other types of providers (Table 5.4). Special schools were the most likely to have awarded Bursaries as one-off payments. Weekly payments were strikingly more common for the 'other' provider type (68 per cent) than for colleges and schools. Evidence from the case studies to explain this is discussed below.

Monthly payments were more common for colleges and school sixth forms compared to special schools and the 'other' providers.

**Table 5.4 Provider survey: Frequency of Bursary payments (% mentioned)**

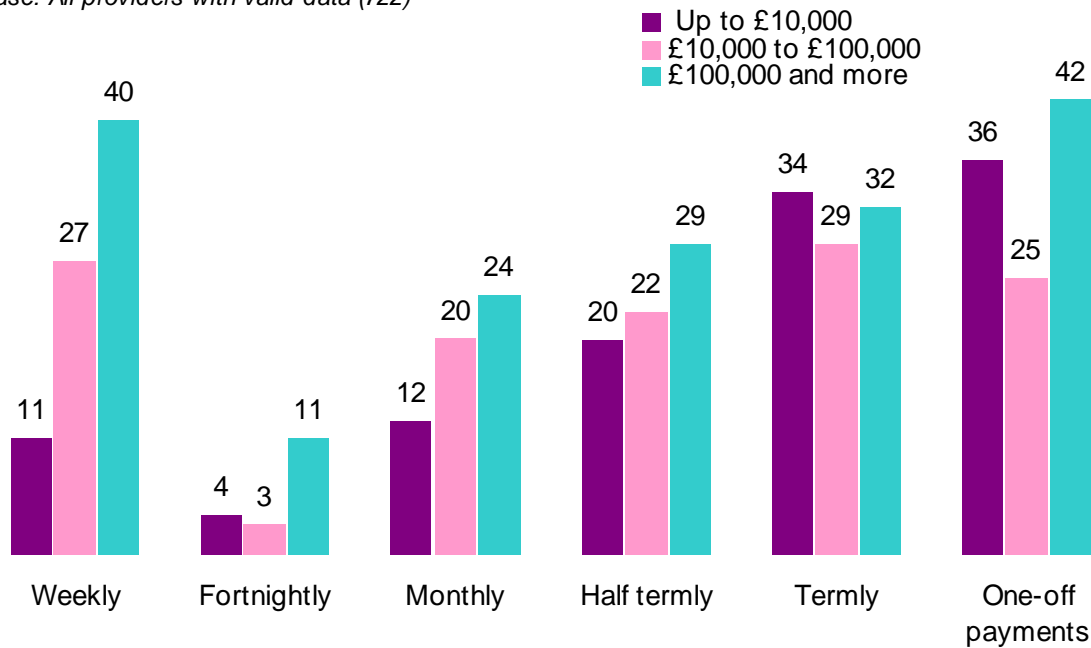
|   | FE colleges and sixth forms | School sixth forms inc academies | Special schools | Other | All |
|---|-----------------------------|----------------------------------|-----------------|-------|-----|
|   | %                           | %                                | %               | %     | %   |
| Termly (3 per year)                                     | 32                          | 35                               | 31              | 7     | 31  |
| One-off payments  | 39                          | 26                               | 46              | 34    | 31  |
| Weekly  | 36                          | 15                               | 4               | 68    | 22  |
| Half termly (6 per year)                                | 27                          | 27                               | 8               | 6     | 22  |
| Monthly   | 26                          | 20                               | 9               | 6     | 17  |
| Fortnightly   | 11                          | 3                                | 1               | 4     | 4   |
| <i>Base: all providers with valid data (unweighted)</i> | 132                         | 427                              | 96              | 67    | 722 |

Note: Providers could mention more than one payment frequency

Providers with higher allocations of funding for the Bursary Fund were significantly more likely to have made payments in smaller intervals compared to those with smaller allocations, i.e. awarded Bursaries as weekly, fortnightly and monthly payments (Figure 5.7). However, providers with the largest allocations were also most likely to have awarded Bursaries as one-off payments, which might indicate that providers with the largest amounts of funding have used more flexibility in operating the Bursary Fund than providers with small allocations.

**Figure 5.7 Provider survey: Frequency of Bursary payments, by funding allocation (%)**

Base: All providers with valid data (722)



Note: Providers could mention more than one payment frequency

Looking at frequency of payments by whether cash or in-kind Bursary awards were made, Table 5.5 shows that providers who paid Bursaries in-kind were more likely than those who paid in cash to make one-off payments or pay when needed.

| Table 5.5 Provider survey: Frequency of payments by type of bursary |           |               |            |
|---|-----------|---------------|------------|
|   | In-kind   | Paid directly | Both       |
|   | %         | %             | %          |
| One-off payments  | 58        | 20            | 48         |
| Termly (3 per year)   | 21        | 31            | 35         |
| Weekly  | 21        | 20            | 29         |
| Half termly (6 per year)  | 10        | 24            | 21         |
| Monthly (10 per year)   | 10        | 15            | 25         |
| Fortnightly   | 3         | 4             | 4          |
| As required / on a one-to-one basis (in line with needs)            | 16        | 1             | 5          |
| <i>Unweighted base: all providers with valid data (722)</i>         | <i>57</i> | <i>430</i>    | <i>231</i> |

The case studies also found that providers varied widely in the frequency with which payments were made:

- **One-off payments**

One-off payments tended to be made to meet one-off expenses, for example equipment costs, field trip expenses, travel passes. In some cases, single one-off cash payments were made if there was a late application or if a delay in administration meant a payment was backdated to cover a long period. In one case, defined vulnerable group Bursaries were paid in a single instalment partly due to delays in administration. In this case the intention was to move to termly payments in future.

- **Termly / half-termly payments**

Keeping administration to a minimum was the primary reason given by providers making Bursary payments on a termly or half-termly basis. Staff time to check that Bursary conditions had been met and costs associated with payment administration were reasons why providers opted for less frequent payments. In the case of some Discretionary Bursaries, the amounts were also felt to be too small to be worth paying on a more frequent basis. The main drawback to less frequent payments was they were viewed as less motivational and incentivising than more regular payments. This was felt to be particularly true where the Bursary Fund was operated using an 'all or nothing' approach. In these cases failure to meet Bursary conditions meant the young person lost their entire Bursary

payment for the term. If this occurred early in the term, the potential motivating effect of working towards achieving a Bursary award was lost.

- **Weekly / fortnightly payments**

Regular weekly or fortnightly payments were viewed as more motivational and were felt to incentivise and reward good attendance and engagement. It was also felt that smaller regular payments were better for young people who might not have the financial management skills to manage large less regular payments. The main barrier to this frequency of payments was the administrative burden it placed on providers. Some also felt that monthly or less frequent payments were a more accurate reflection of how employers pay salaries and that budgeting was an important skill to learn.

The survey found that the 'other' category of providers which included private providers were more likely to make weekly payments. The case study evidence suggests that this group of providers, particularly those specialising in Foundation Learning, were working with a particularly vulnerable group of young people who they described as 'hard to reach'. Providers described this group as at risk of being 'NEET', some of whom had a history of school exclusions and youth offending. For this group in particular, regular weekly payments were felt to be important as a motivational tool. This group of providers were the only group among the case studies who awarded Bursary payments based on each day of attendance:

#### **Case example 1: Foundation Learning provider**

Setting their eligibility criteria for a Discretionary Bursary at a family income of £20,000, this provider paid £30 per week with 60% of their cohort currently taking up the Bursary. With Foundation Learning courses running four days a week, attendance was the main condition attached to Bursary awards. £5 was paid for each day of attendance and a bonus of £10 at the end of the week for full attendance. This approach was taken to incentivise full attendance, and to ensure that non-attendance on one day did not disincentivise attendance for the rest of the week.

### **5.2.6 Timing of Bursary applications (provider survey and case studies)**

Providers were asked in the survey at what point in the academic year Bursary Fund applications could be made. Three quarters (76%) of providers reported that applications for Bursaries could be made throughout the year (Table 5.6). A smaller proportion (17%) of providers said that applications had to be made by a certain date, or within a certain time window, and nine per cent of providers said applications for Bursaries could be made in the autumn term only. The vast majority of FE and sixth form colleges allowed applications throughout the year (93%) and while the majority of schools and special schools also allowed this, they were more likely than colleges to place restrictions on the timing of applications.

| Table 5.6 Timing of Bursary applications, by provider type |                            |                                  |                 |       |     |
|--|----------------------------|----------------------------------|-----------------|-------|-----|
|  | FE and sixth form colleges | School sixth forms inc academies | Special Schools | Other | All |
|  | %                          | %                                | %               | %     | %   |
| Throughout the year  | 93                         | 73                               | 63              | 93    | 76  |
| Autumn term only   | 2                          | 10                               | 15              | -     | 9   |
| By a certain date  | 7                          | 20                               | 21              | 7     | 17  |
| Autumn and Spring term                                     | -                          | 1                                | -               | -     | 0   |
| Other combination of specific dates                        | 1                          | 2                                | -               | -     | 1   |
| Other  | 3                          | 3                                | 1               | 1     | 2   |
| <i>Base: all providers</i>                                 | 133                        | 436                              | 98              | 69    | 736 |

Note: Providers could choose more than one answer

Reflecting the findings from the survey, case study providers generally accepted applications for Bursary awards throughout the year, accommodating new students joining and changes in circumstances in the case of existing students. In general it was easier for providers following an academic calendar year (September to July) to judge the level of demand for their Bursary after an initial application period at the beginning of the autumn term. For providers offering ‘roll-on-roll-off’ provision, with start dates throughout the year, judging the level of demand for Bursaries and ensuring money was available was more challenging.

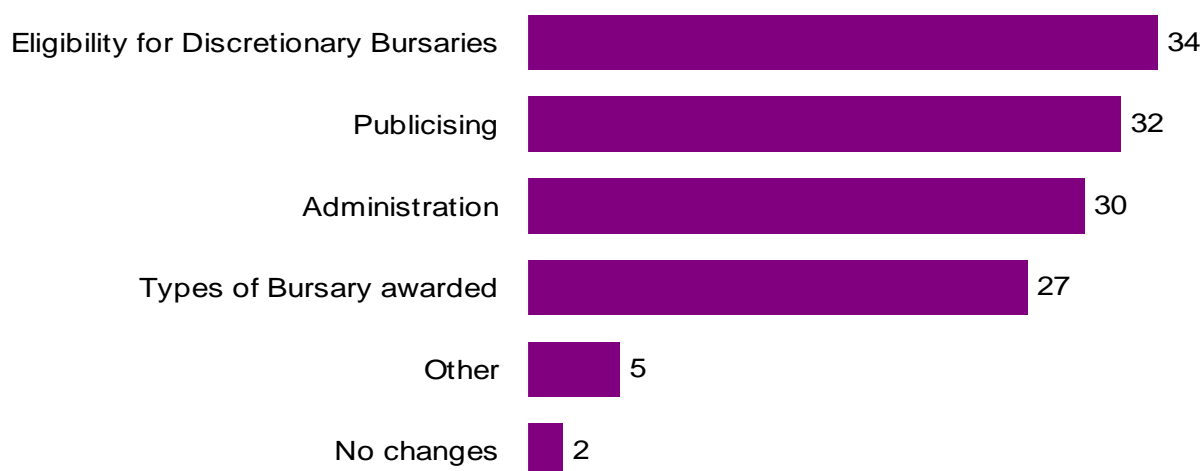
### 5.2.7 Changes planned for 2012/13 (provider survey and case studies)

Providers were asked whether they planned to make any changes to the Bursary Fund in the next academic year (2012/13). A third of providers said they planned to make changes to the eligibility criteria for Discretionary Bursaries (34%) and similar proportions were planning changes to how Bursaries are administered (32%) and the ways in which they were publicised (30%) (Figure 5.8). Around a quarter of providers (27%) were planning to make changes to the types of Discretionary Bursary that they offered. Just two per cent of providers said that they were not planning to make any changes.

Colleges were more likely to have planned changes to the eligibility for Discretionary Bursaries (45 per cent) than the other provider groups (table not shown).

**Figure 5.8 Provider survey: Changes planned for 2012-13 academic year (% mentioned)**

Base: All providers with valid data (602)



Note: Providers could choose more than one answer

The case studies explored in more detail changes that were planned and the reasons for these changes:

### Eligibility for Discretionary awards

After the first year of administration, providers were better equipped to judge the level of demand and take-up amongst their students. Consequently some were reviewing their eligibility thresholds for Discretionary awards. In one case for example, they were increasing the threshold from £16,000 to £25,000, while in another case, a second tier of eligibility was being introduced to provide a lower level of support to families with an income of between £20,000 and £25,000.

### Level of payment

Where there were concerns that funds for next year would not be sufficient to meet the increased demand placed on funds by the ending of the transitional EMA funding, some providers were considering reducing the size of awards in the academic year 2012/2013. Similarly, where providers had topped up their fund this year, some questioned the sustainability of this additional funding in the longer term, and anticipated reducing their awards next year.

### In-kind and cash payments

Providers were also exploring making changes in the format of their Bursary awards, both by introducing 'in-kind' and 'cash' payments. The introduction of cashless payment systems in cafeterias, and the possibility of changing from cash payments to credit pre-loaded on a card was one example. In another college that had predominantly offered 'in-



kind' payments in the first year of implementation, there were plans to bring in some form of cash payments to increase the flexibility of the Bursary Fund.

### **Payment administration**

Providers were exploring possible changes in payment administration both in the frequency of payments and in the format payments were made. To reduce time spent on administration for example, one provider was exploring the possibility of making defined vulnerable group payments less frequently, while others were considering increasing the frequency of payments to incentivise attendance and achievement.

In terms of payment formats, providers who had made payments by cheques were exploring setting up BACS payments to streamline the process of payments.

### **Advertising / promotion**

Providers were conscious that different Bursary Funds would be viewed as more or less attractive by young people and in a competitive environment some providers were planning changes in how they marketed their Bursaries to attract students. In one case for example, an FE College planned to promote its travel pass to encourage enrolment. Other providers were exploring ways to capture information relating to Bursaries on their application forms to ensure that eligible learners were identified at an early stage.

## 6. Perceived impacts of the Bursary Fund

This chapter reports on providers' perceptions of the impact of the 16-19 Bursary Fund. We discuss the impacts providers perceived the Bursary Fund to be having on young people and on providers themselves.

### 6.1 Provider perceptions of impacts on young people (provider survey and case studies)

The survey asked providers for their opinions on how well the Bursaries were meeting their intended aims. Three questions were included in the survey:

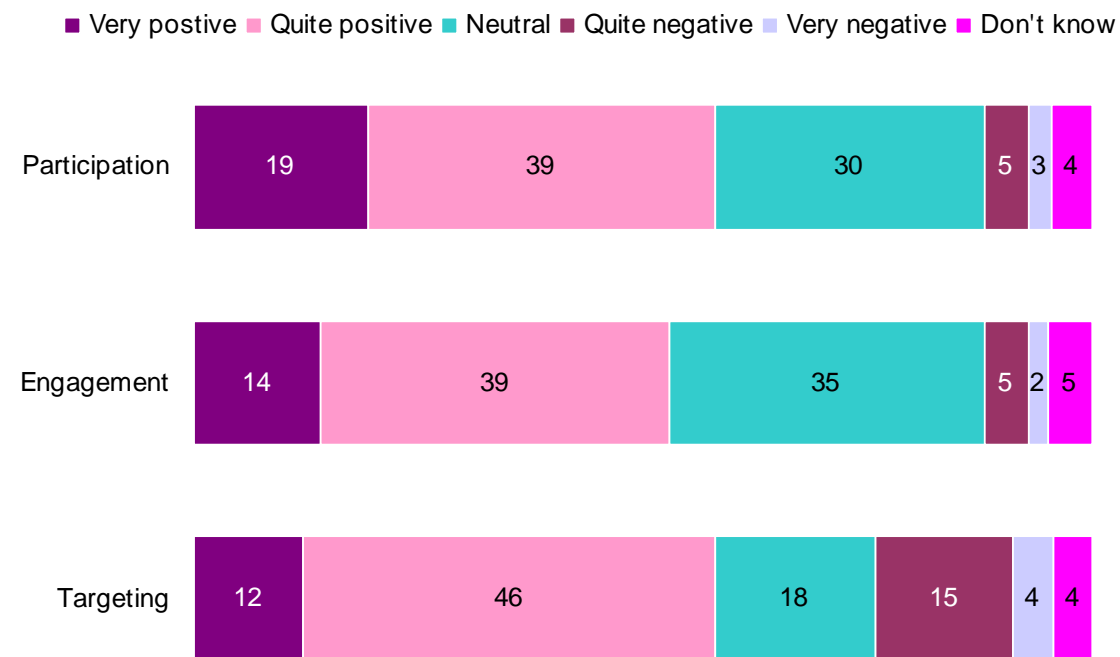
- 1) To what extent do you think the 16-19 Bursary Fund is having a positive or negative effect on participation in education among those 16 to 19 year olds who face the greatest financial disadvantages
- 2) To what extent do you think the 16-19 Bursary Fund is having a positive or negative effect on engagement in education among those 16 to 19 year olds who face the greatest financial disadvantages?
- 3) How effective do you think the Bursary Fund is at targeting those learners who face the greatest financial disadvantages?

All three questions had a five point answer scale, from 'very positive' to 'very negative' for the first two questions and from 'very effective' to 'not at all effective' for the third question.

We can see from Figure 6.1 that the majority of providers thought that the Bursary Fund was having positive effects on participation (58%) and engagement (54%) and that it was effective in targeting learners facing the greatest financial disadvantages (68%). However, the proportion of providers giving neutral responses to the participation and engagement questions was fairly substantial at 30 and 35 per cent respectively. One in five providers (19%) thought that the Bursary Fund was not very or not at all effective in targeting young people.

**Figure 6.1 Provider survey: Perceived impact on participation and engagement, and effectiveness of targeting- all providers (percentages)**

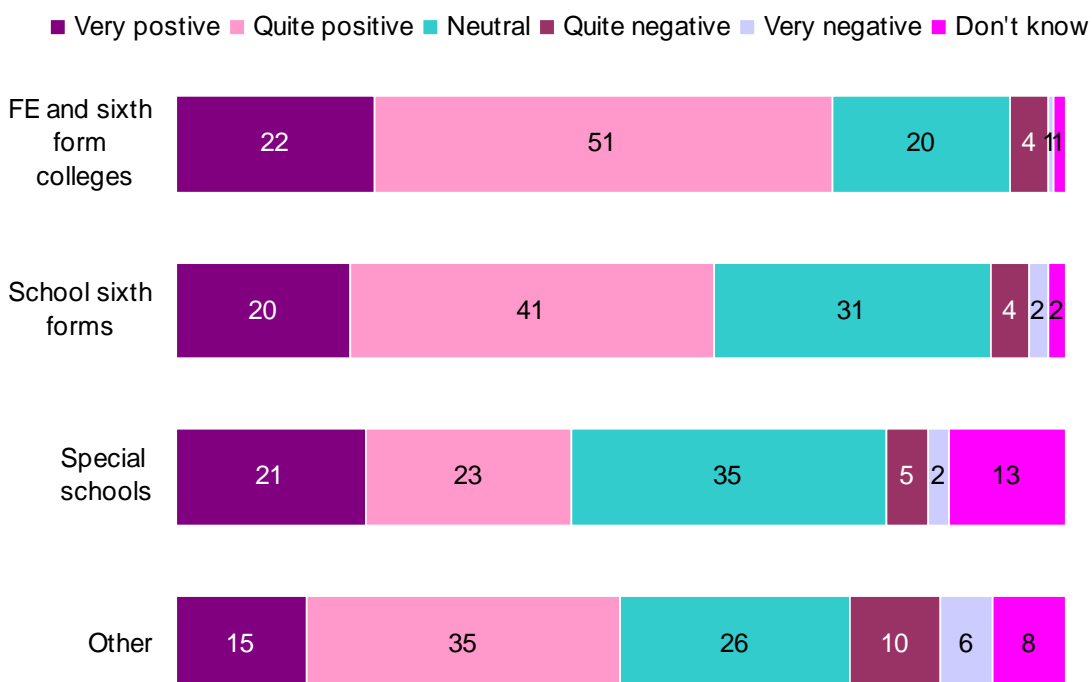
Base: Providers with valid data (748)



There were some differences in views by provider type. Looking firstly at perceived impacts on participation (Figure 6.2), while the majority of FE/ sixth form colleges and schools thought that the Bursary Fund was having a positive impact (74% and 60% respectively), only 44 per cent of special schools thought this and a substantial proportion of special schools chose the 'neutral' response (35%). Special schools also had a relatively high proportion of 'don't know' responses (13%), perhaps suggesting further neutral opinions and a reluctance to make judgements about the Fund's impact. Possible reasons for this explored in the case studies are discussed in section 6.1.1.

**Figure 6.2 Provider survey: Perceived impact of Bursaries on participation by provider type (percentages)**

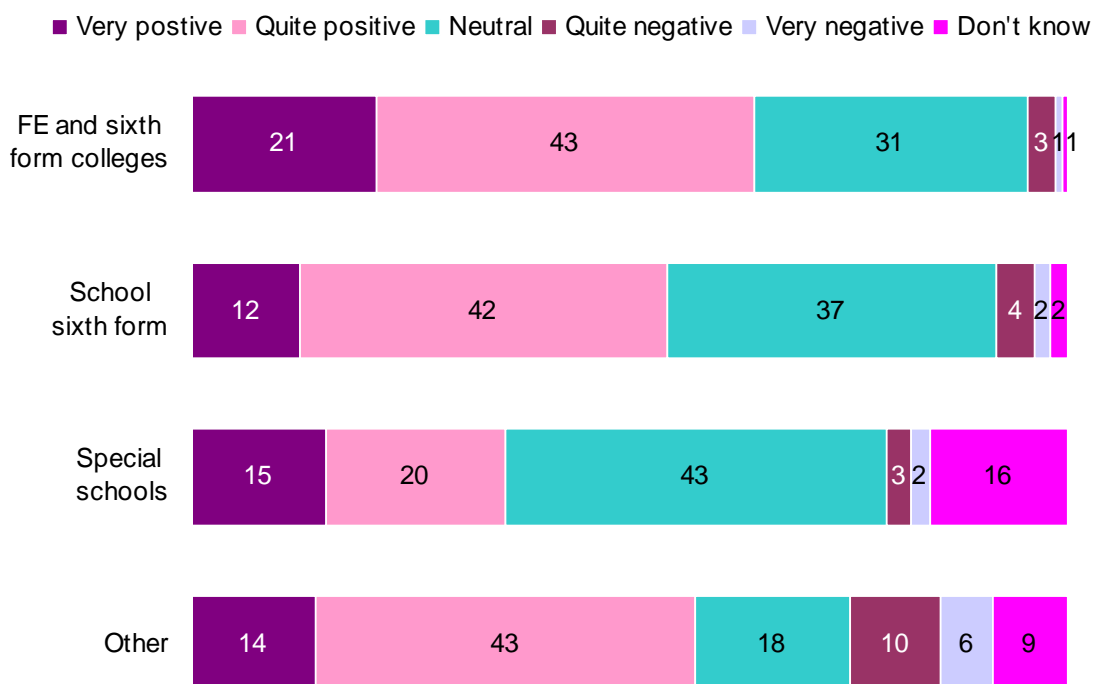
Base: Providers with valid data (748)



Differences followed the same broad pattern in terms of provider perceptions of the Bursary Fund on young people’s engagement (see Figure 6.3). Again special schools had a higher proportion of neutral responses (43%), and a higher proportion opting out of the question by offering ‘don’t know’ as an answer (16%). The proportion of FE / sixth form colleges and schools offering a positive response was slightly smaller for impacts on engagement than for participation (64% and 54% compared to 74% and 60% respectively).

**Figure 6.3 Provider survey: Perceived impact of Bursaries on engagement by provider type (percentages)**

Base: Providers with valid data (747)

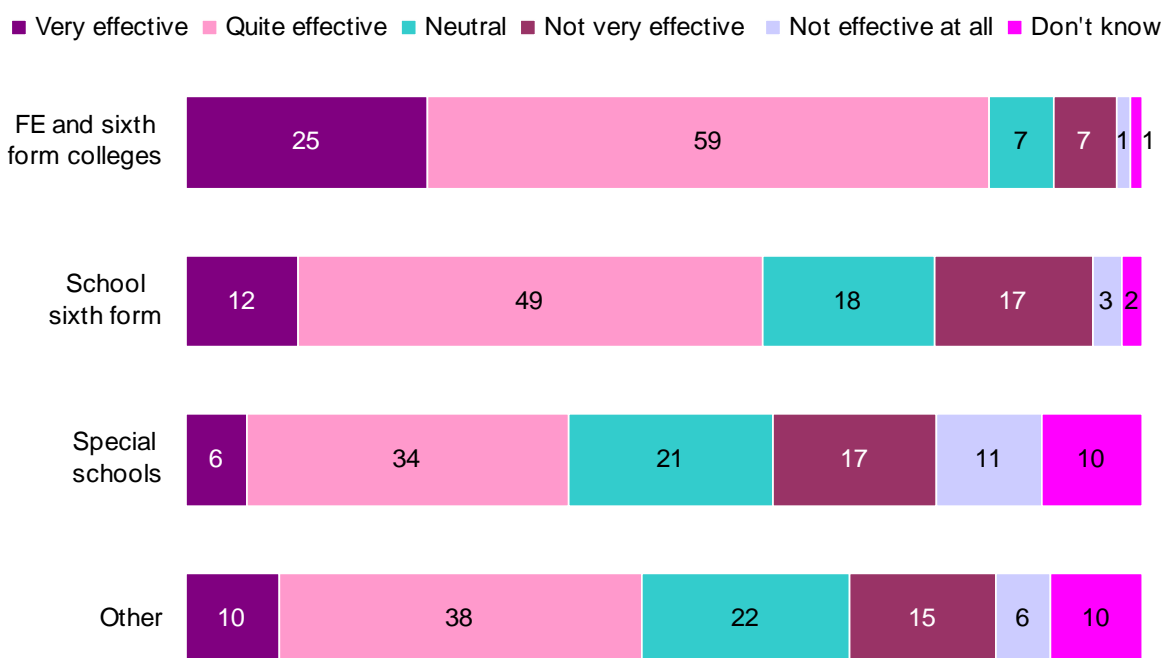


FE and sixth form colleges were more likely than other provider types to think that the Bursary Fund was effective in targeting learners with the greatest financial disadvantages (Figure 6.4). A quarter (25%) of colleges thought that the Bursary Fund was ‘very effective’ in this way and 59 per cent that it was ‘quite effective’. Although schools were less positive than colleges on this measure, the majority still thought the Bursary Fund was effective, with 12 per cent saying it was ‘very effective’ and 49 per cent ‘quite effective’. However, schools were divided in their views with 17 per cent saying the Bursary Fund was ‘not very effective’ and three per cent that it was ‘not effective’.

Special schools were less likely than other provider groups to have positive views on the effectiveness of the Bursary Fund in targeting learners. Just six per cent of special schools thought it was ‘very effective’ and 34 per cent ‘quite effective’. More than a quarter (28%) of special schools had negative views on this measure with 17 per cent saying it was ‘not very effective’ and 11 per cent that it was ‘not effective’. Evidence from the case studies (discussed in section 6.1.1) suggests that concerns related to students with learning difficulties and the age restriction on Bursary Fund eligibility.

**Figure 6.4 Provider survey: Perceived effectiveness of the targeting of Bursaries to those in the greatest financial need by provider type (percentages)**

Base: Providers with valid data (748)



### 6.1.1 Perceived impacts on young people: evidence from the case studies

This section explores the views of providers in the case studies relating to the impacts of the Bursary Fund on young people. To some extent, case study providers felt it was too early to tell what impact the Bursary Fund was having on learner participation and engagement for the following reasons:

- **Contextual factors**

Providers found it hard to tease out the impact of the Bursary Fund from other contextual factors. Where participation had remained high, providers felt that high unemployment and limited work opportunities may have increased participation rates by limiting the other options available to young people at 16. In other cases, where participation rates had dropped, other factors including cuts in advice and guidance services, increased competition between providers, and increased Higher Education fees were felt to have contributed. Drawing out the impact of the Bursary Fund alongside these other factors was felt to be challenging.

- **Transitional year**

There was a sense that the first year of implementation was exceptional and no firm conclusions could be drawn on the impact of the fund at this early stage. The late implementation of the fund was felt to have impacted on promotional activities

and levels of awareness, and it would take time for awareness and take-up to build. The availability of transitional EMA payments also meant the fund was not functioning as it would in subsequent years and impacts could not be fully judged until the funding had bedded in and systems and processes had been fully established.

Despite these caveats however, case study providers varied in the extent to which they felt the Bursary Fund had had positive or negative impacts on learner participation and engagement, reflecting the mix of views found in the survey.

## Positive impact

Where Bursaries were felt to have had a positive impact, these impacts included improved engagement and attendance, and better support for those facing the greatest barriers to participation. These positive outcomes were felt to be linked to the following elements of Bursary administration:

- **More flexible payments**

The greater flexibility provided by local administration of Bursary payments was viewed by some providers very positively. This was particularly the case for private providers delivering foundation learning programmes to groups of young people who could be considered 'at risk' of becoming NEET. The flexibility of awarding Bursary payments for every day of attendance was felt to incentivise this group of young people effectively:

*'With our more difficult young people, especially those whose attendance wasn't good in the first place, that has improved quite dramatically. [Under EMA] if they had an unauthorised absence on the Monday, they would lose their money for the week. Now they have the opportunity to come back and attend quicker.'* (General manager, private foundation learning provider)

A quicker administration process and fewer delays in awarding payments were also felt to help this group of young people. However, although this increased flexibility was appreciated, the level of Bursary Funds available remained a concern and providers in this group expressed a preference for local administration combined with a higher level of Bursary payment to maximise impact for the most vulnerable young people.

- **Better targeted**

Some views were expressed that EMA funding was not always sufficiently targeted at those who needed it most, and the Bursary Fund provided greater scope to target the funds at those most in need, and ensure that the funds were spent on needs directly related to education and training. By enabling providers to provide 'in kind' payments, the funds were felt to specifically target barriers to participation. However, some providers identified other groups of young people they considered to be vulnerable and who would have benefited from guaranteed

support. These included young people with learning difficulties, a history of school exclusion, involvement with the criminal justice system, or those with difficult family circumstances.

## Neutral impact

Where providers felt the impact had been neutral there was a view that students were motivated and would participate anyway and therefore the Bursary Fund made little difference. This view was held particularly in schools which were already oversubscribed so no discernible impact on participation had been seen. The survey found that special schools were more likely than other providers to view the Bursary Fund neutrally. Evidence from the case studies suggests this neutral view may have been because some special schools reported fewer barriers to participation and engagement than mainstream schools, with transport provided and free school meals available. There was also a sense that limited other options available to young people with special needs meant that encouraging participation was less of an issue:

*'It's very different in special schools because sometimes further education is seen as respite and there is an encouragement from home for them to attend school because it gives them a break. They wouldn't like to see them at home constantly because it's a lot of pressure. We don't have problems like mainstream schools of keeping them in.'* (Finance manager, special school)

In terms of targeting, special schools also expressed some concerns over whether the funding was reaching the most vulnerable, particularly those with learning difficulties who might struggle with the application process. Another concern was that the fund was limited to 16-19 year olds, when special schools work with older learners up to the age of 25.

## Negative impact

For those expressing negative views on the impact of the Bursary Fund on young people, impacts included reduced participation and retention rates. The following reasons were given:

- **Level of funding**

Compared to EMA entitlement, the level of Bursary funding was felt to be too low to overcome barriers to participation:

*'I don't think [the Bursary Fund is] enough to be able to say 'Well, I know that I'm going to be financially ok if I stay on in the sixth form because I can get a bursary'. I don't think it's enough to do that. I think for those who choose to come into the sixth form... the bursary helps to make that a bit easier for them financially, but they don't choose to come in because of the bursary... I do think some choose not to come into education because they won't have enough money.. and the bursary isn't sufficient to balance that.'*  
(Head of 6th Form, Academy)



From this perspective, the Bursary Fund was not considered adequate to overcome financial barriers to participation. Impacts on participation were particularly apparent for case study providers offering foundation learning, who reported drops in participation levels. Cohorts in this type of provision were identified as particularly vulnerable and at risk of being NEET. The Bursary Fund was not viewed as sufficient to incentivise attendance for this group (although it is not actually intended to act as an incentive - rather to provide support to help the most financially disadvantaged with essential costs).

To tackle these issues some providers had topped up their Bursaries, while in others they had tried to incentivise participation by offering Bursary payments for each day of attendance. Some providers also reported an increase in apprenticeship take-up by young people as an alternative that offered greater financial support.

- **Ability to plan**

To avoid the risk of going over budget not all providers were able to guarantee young people a fixed level of Discretionary funding. This inevitably introduced a level of uncertainty into the financial support available which could impact on participation and retention:

*‘Even if they got £10 under EMA, they knew they got that every week and they knew that got paid into their account.. whereas, we couldn’t tell them how much they would get [from the Bursary] because we didn’t know how much we could pay them between each payment. I would say in terms of allowing the kids to plan how they would use their money it hasn’t been as useful.’ (Assistant principal, Academy 6th Form)*

- **Eligibility thresholds**

Some concerns were voiced that there was unmet need above the eligibility thresholds set for Discretionary Bursary support. Young people in families over the income threshold but with a large number of siblings were identified as one group that could be neglected by the way in which Discretionary funds were administered.

- **Inequality in provision**

Variation in both the levels of Bursary support and the eligibility thresholds set between providers was felt to have created a fragmented system. Some disquiet was voiced over the fact that very different levels of support could be experienced by young people in similar circumstances. This was felt to create a system that was both inequitable and confusing for young people and their families.

## 6.2 Impacts on providers (case studies)

The case studies also discussed perceived impacts of the introduction of the Bursary Fund on providers themselves. The range of impacts identified fell into three broad categories:

- **Administration**

Particularly for schools and small providers who had not been required to manage financial support before, the administration of the Bursary Fund had proved onerous. The 5% administration budget was generally felt to be inadequate to meet the costs of administration, particularly in the case of providers with small Bursary budgets. These issues were less of a concern for larger FE Colleges who were accustomed to administering learning support funds, but even where this was the case the administration of the Bursary Fund required the implementation of new systems and processes.

Providers' views were divided over the extent to which they felt the benefits of local administration outweighed the burden. Where providers felt they were able to offer a more flexible Bursary that met the needs of their young people, they were happy to take on this extra responsibility. In other cases, the burden of administration was felt to outweigh the benefits and a preference was voiced for a more centrally administered system. Some also questioned whether educational providers had the appropriate expertise or knowledge to set appropriate criteria for financial support.

- **Home / school relationships**

Setting criteria for financial support and administering Bursary Funds had introduced a new dynamic into the relationship between schools and families. Where disputes had arisen, providers felt local administration of Bursary Funds had created new tensions between providers and parents that risked damaging home/school relationships.

- **Competition**

The administration of Bursary Funds by individual providers raised concerns that Bursary Funding could be used to compete for young people. There was some anecdotal evidence that this had occurred, with providers marketing courses based on levels of Bursary Funding available. This was felt to be particularly inequitable where larger providers had greater scope to top-up their funds and therefore offer more attractive Bursaries than smaller providers. These issues were of particular concern to providers in areas where there was already a high level of competition for young people.

## 6.3 Provider open comments

The final section of the questionnaire contained a text box for providers to make any additional comments about the Bursary Fund. There was little guidance about what to include in this section, leaving it open for providers to interpret as they wished.

Verbatim comments were coded as part of the data preparation process and categorised by subject. These broad categorisations are displayed in Table 6.1 ranked according to the frequency in which they were mentioned by providers.

In contrast to generally positive perceptions of the impact of Bursaries (discussed above), the comments in this less structured part of the questionnaire more frequently highlighted problems with the Fund. Results in this section have been grouped by researchers rather than respondents, so findings should be treated with caution; however, it is clear from the first few categories that some providers felt the Bursaries were not offering enough support to young people or to those administering them.

However, there were divergent views expressed by providers, for example, similar proportions who felt that targeting had been successful and unsuccessful. Providers may have felt a greater inclination to comment / respond at this point if they wanted to make negative feelings known.

**Table 6.1 Provider survey: Comments made by providers about the Bursary Fund**

| <b>Provider comment</b>   | <b>%</b>   |
|---|------------|
| Bursary amount: negative comment  | 17         |
| Comments around administrative burden associated with Bursaries                                 | 15         |
| Comments about EMA being better than the Bursary  | 13         |
| Targeting – negative: Bursaries not reaching those most in need or excluding some who need help | 10         |
| Problems with application process i.e. a deterrent to some parents and pupils                   | 8          |
| Comments around lack of information, instruction, training for Bursaries                        | 8          |
| Comments relating to the positive effects of Bursaries for students                             | 7          |
| Targeting - positive: Bursaries are reaching those who need them                                | 6          |
| Lack of awareness about Bursaries   | 3          |
| Comments relating to the negative effects of Bursaries for students                             | 3          |
| Bursary amount: positive comment  | 2          |
| Comments about Bursary being better than the EMA  | 2          |
| Not responsive to change in circumstance  | 1          |
| Something else  | 33         |
| <i>Base: all providers in the survey who made a comment</i>                                     | <i>341</i> |

## 7. Conclusions

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

While providers valued the level of autonomy they had over the Bursary Fund, there were concerns that this could lead to unequal access to financial support for students at different providers. Potential ways of mitigating this for students who are not eligible for guaranteed Bursaries might be to encourage local agreement of common eligibility criteria for Discretionary Bursaries and to raise awareness of the Bursary Fund among young people so that they can take this into consideration when choosing where to study.

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

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

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

## Appendix A Methodology

This appendix provides a more detailed account of the methodology for the Provider Surveys, the MI data analysis and the qualitative Case Studies.

### Provider Surveys

#### Sample design

The provider sample was drawn from a list of providers and their funding allocations provided to NatCen by the DfE. Contact information and other variables were added to this list of providers from either the Independent Learner Record (ILR) or Edubase. It was necessary to use both sources as providers were split between the two data bases.

A sample of 1,700 providers was selected for the survey. The sample was designed to over-sample providers that teach/train significant numbers of students from deprived backgrounds. This was defined using either the ILR measure of vulnerable young people or information on free school meal take up from Edubase. The sampling frame was split into four strata based on this information. Within each stratum the sampling frame was further stratified (ordered) by the final allocation amount, region and provider types. This was to ensure the sample was representative of the population in terms of these variables.

The sample was then drawn disproportionately across the four main strata, with more sample taken from the stratum containing providers with a higher proportion of disadvantaged young people.

The last stage in the sampling was to select a sub-set of 600 providers at random from the sample of 1,700 providers. These providers received the longer questionnaire that also included questions about Discretionary Bursaries. The remaining 1,100 providers received the shorter version that only asked about the characteristics of young people receiving the Defined Vulnerable Group Bursaries.

#### Questionnaire Design

The questionnaires for the survey were drawn up by NatCen in consultation with DfE and the Evaluation Steering Group. The questionnaires were informed by a series of scoping interviews with providers and local authorities that were carried out at the start of the evaluation.

There were two versions of the questionnaire, a shorter and longer version, with the longer version including questions on Discretionary Bursaries. The main topics covered in the questionnaire were:

- Numbers of students in Defined Vulnerable Groups

- Spending on DVG Bursaries
- Characteristics of applicants and recipients of DVG Bursaries
- Spending on Discretionary Bursaries (long version only)
- Characteristics of applicants and recipients of Discretionary Bursaries (long version only)
- Administration of the Bursary Fund
- Perceived impacts of the Bursary Fund

## Online questionnaires

The questionnaire was made available as an online survey so that providers could complete the survey online if they wished. The online questionnaire replicated the content and layout of the postal questionnaire in order to minimise any 'mode effects' that is, differences in response that arise due to the mode of survey completion.

## Survey pilot

A short pilot of the survey questionnaires was carried out using postal questionnaires. Questionnaires were mailed out to a total of 80 providers. Nine providers returned questionnaires within the two week pilot period. As part of the pilot exercise, providers were asked for any suggestions to improve the questionnaires.

As a result of the pilot, a number of changes were made to the questionnaires. Most importantly, questions about characteristics of applicants and recipients were changed from individual-level information to aggregate figures, as providers found the individual level information to difficult and time-consuming to provide. Other amendments included wording changes and additional clarifications.

## Fieldwork

The questionnaires for the survey were mailed to providers on 25th June 2012. The mailing consisted of a questionnaire and covering letter which explained the purpose of the survey and provided information on how to take part either by post or online. A reply-paid envelope was also included in the mailing. The initial mailing to providers was addressed to the Head teacher, Principal or head of the organisation.

Providers were sent an email in the same week as the postal mailings, with a link to the survey website and their secure log-in details (these details were also included in the postal mailing). Emails were sent to named individuals at providers, using a list of contacts for the Bursary Fund provided by DfE.

Providers were asked to complete the survey by the end of the summer term, either online or by post. A survey email address and freephone number were available for any queries that providers had.

## Reminder strategies

A second postal mailing with another copy of the questionnaire was sent to all providers who had not already responded on the 9th July.

Telephone calls were made to providers where we did not have an email address, to collect the details of the most appropriate member of staff. A reminder email with the survey link was then sent to providers on 16th July.

## Fieldwork extension

By the end of the summer term, a total of 200 longer and 394 shorter questionnaires had been completed, response rates of 33 per cent and 36 per cent respectively. As response rates were below the target of 40 per cent for the longer version and 50 per cent for the shorter version, the survey was re-issued in the autumn term.

Telephone calls were made in September 2012 to providers who had not completed the survey in order to update their details. An email was then sent out to providers with the survey link and their log-in details, asking providers to complete the survey in regard to the 2011-12 school year, by 17 October.

## Response rates

By the end of the fieldwork extension, response rates had increased to 45 per cent for the shorter version and 42 per cent for the longer version. This increase suggests that the fieldwork extension and refresh of contact details were valuable exercises.

Table A1 presents response rates to the provider survey by mode and questionnaire version.

| Appendix Table A1 Provider response rate |               |     |              |     |
|--|---------------|-----|--------------|-----|
| <i>Base: All issued cases</i>            |               |     |              |     |
| Outcome                                  | Short version |     | Long version |     |
|  | N             | %   | N            | %   |
| Issued                                   | 1097          | 100 | 605          | 100 |
| Completed - web                          | 229           | 21  | 121          | 20  |
| Completed -post                          | 269           | 25  | 134          | 22  |
| Total                                    | 498           | 45  | 255          | 42  |



The difference in response between the long and short versions of the questionnaire was only small (42% and 45% respectively) suggesting that the additional length of the long version did not substantially add to the burden of completion. For both versions of the questionnaire, response rates were only slightly higher for the postal mode than for the online mode. This suggests that it was useful to offer both modes. Having access to direct email addresses in order to email the survey link is likely to have been an important factor contributing to the relatively high proportion of responses by web.

## **Data Preparation**

Data from questionnaires returned by post were keyed into the online questionnaire so that all data were in the same format. Codeframes for open-ended questions and 'other' responses were developed by researchers based on the responses given in the first 100 questionnaires. Responses to open-ended questions were coded into these codeframes by NatCen's Data Unit. A series of edit checks were carried out on the data at this stage, with data checked against the paper questionnaires where appropriate.

The data were prepared in SPSS. More detailed data checks were carried out on the SPSS data, for example checking unusual or inconsistent values on a case by case basis. In some cases unusual responses were excluded from analysis for a particular question. Responses were not queried with providers due to time and budgetary constraints.

## **Survey Weights**

The provider survey required a set of weights to adjust for differences in sample selection and response. The weights adjust for differences in the selection probabilities of providers in different sampling stratum and non-response to the provider questionnaire. Non-response weights were generated using logistic regression modelling.

The first stage of the weighting was to generate selection weights. These weights correct for unequal selection probabilities across sampling strata. There were four sampling strata. Table A2 shows the sampling strata, the population distribution and the unweighted sample distribution. It can be seen that we have over-sampled providers with higher numbers of vulnerable young people.

**Appendix Table A2 Population and unweighted issued sample**

| Strata |  | All available providers |      | Selected providers (unweighted) |      |
|--------|--|-------------------------|------|---------------------------------|------|
|        |  | Count                   | %    | Count                           | %    |
| 3      | Providers with the highest proportion of vulnerable learners (top 20% of all providers with vulnerable learners) | 290                     | 9.4  | 277                             | 16.3 |
| 2      | Providers with middle proportion of vulnerable learners (21-50% of all providers with vulnerable learners)       | 441                     | 14.3 | 379                             | 22.3 |
| 1      | Providers with lowest proportion of vulnerable learners (remaining providers with vulnerable learners)           | 702                     | 22.8 | 534                             | 31.4 |
| 0      | No vulnerable learners   | 1650                    | 53.5 | 510                             | 30.0 |
| Total  |  | 3083                    | 100  | 1700                            | 100  |

The selection weights were generated as the inverse of the selection probabilities. These are shown in Table A3, along with the profile of the selected sample weighted by the selection weights. It can be seen that the weighted sample now reflects the original population.

**Appendix Table A3 Selection weights and weighted issued sample**

| Strata | Selection probabilities | Selection weights | Selected providers (weighted by selection weight) |      |
|--------|-------------------------|-------------------|---|------|
|        |                         |                   | Count   | %    |
| 3      | 1.74                    | 0.58              | 290   | 9.4  |
| 2      | 1.56                    | 0.64              | 441   | 14.3 |
| 1      | 1.38                    | 0.73              | 702   | 22.8 |
| 0      | 0.56                    | 1.78              | 1650  | 53.5 |
| Total  |                         |                   | 3083  | 100  |

Table A4 shows the profiles of the population and issued sample. It can be seen by comparing columns A and B that (when weighted with the selection weights) the profile of the issued sample is very close to that of the population.

**Appendix Table A4 Profile of population, issued and responding samples**

|                         | A                  | B   | C   | D   |
|-------------------------|--------------------|---|---|---|
|                         | Eligible providers | Selected Providers (weighted by selection weight) | Responding providers (weighted by selection weight) | Responding providers (weighted by final weight) |
|                         | %                  | %   | %   | %   |
| <i>Sampling stratum</i> |                    |   |   |   |
| 0                       | 51.5               | 53.5  | 45.6  | 51.5  |
| 1                       | 22.7               | 22.8  | 26.7  | 22.7  |
| 2                       | 16.4               | 14.3  | 17.9  | 16.4  |
| 3                       | 9.4                | 9.4   | 9.8   | 9.4   |

|   |      |      |      |      |
|---|------|------|------|------|
| <i>Provider type</i>                          |      |      |      |      |
| 16-19 Provider                                | 17.2 | 17.3 | 20.6 | 17.5 |
| Academy                                       | 23.4 | 23.3 | 29.2 | 23.2 |
| Community Special                             | 12.1 | 11.9 | 9.6  | 11.8 |
| Special schools or special 6th forms          | 3.3  | 3.6  | 2.9  | 3.9  |
| School Sixth Form                             | 36.0 | 36.2 | 33.6 | 36.9 |
| Independent Providers, Local Authority, other | 7.9  | 7.6  | 4.1  | 6.7  |

**Appendix Table A4 Profile of population, issued and responding samples (cont'd)**

| <i>Government Office Region</i>                                  | A    | B    | C    | D    |
|--|------|------|------|------|
| North East   | 5.0  | 4.9  | 5.9  | 5.8  |
| North West   | 12.4 | 12.4 | 12.1 | 12.1 |
| Yorkshire and The Humber   | 9.1  | 9.1  | 8.8  | 8.9  |
| East Midlands  | 9.3  | 9.3  | 8.7  | 8.8  |
| West Midlands  | 12.6 | 12.5 | 12.1 | 12.4 |
| East of England  | 10.4 | 10.4 | 11.9 | 11.1 |
| London   | 15.5 | 15.5 | 12.4 | 15.1 |
| South East   | 16.3 | 16.3 | 17.5 | 16.8 |
| South West   | 9.4  | 9.5  | 10.4 | 8.9  |
| <i>ONS ward-level area classification of provider local area</i> |      |      |      |      |
| 1 Industrial Hinterlands   | 18.8 | 18.5 | 18.7 | 19.2 |

|                              |      |      |      |      |
|------------------------------|------|------|------|------|
| 2 Traditional Manufacturing  | 9.7  | 9.9  | 11.9 | 12.0 |
| 3 Built-up Areas             | 2.7  | 2.7  | 1.8  | 1.7  |
| 4 Prospering Metropolitan    | 3.6  | 3.4  | 2.4  | 2.5  |
| 5 Student Communities        | 6.8  | 6.1  | 5.7  | 5.4  |
| 6 Multicultural Metropolitan | 8.3  | 8.8  | 6.3  | 7.3  |
| 7 Suburbs and Small Towns    | 30.7 | 31.3 | 32.3 | 32.3 |
| 8 Coastal and Countryside    | 16.0 | 15.8 | 16.7 | 15.4 |
| 9 Accessible Countryside     | 3.4  | 3.5  | 4.3  | 4.1  |

**Appendix Table A4 Profile of population, issued and responding samples (cont'd)**

| <i>Type of LA provider is in</i>   | A    | B    | C    | D    |
|------------------------------------|------|------|------|------|
| City of London & London Boroughs   | 15.5 | 15.5 | 12.4 | 15.1 |
| English Metropolitan districts     | 21.9 | 22.1 | 19.7 | 21.4 |
| English non-metropolitan districts | 47.0 | 47.5 | 54.4 | 48.2 |
| English Unitary Authorities        | 10.5 | 9.6  | 8.1  | 10.0 |
| Other/missing                      | 4.9  | 5.4  | 5.4  | 5.3  |
| <i>Population density</i>          |      |      |      |      |
| 1 Least dense (0 - 1.673)          | 8.8  | 8.2  | 9.3  | 9.0  |

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| 2 (1.676 - 8.984)   | 18.1    | 17.5    | 19.3    | 18.7    |
| 3 (9.008 - 22.190)  | 26.5    | 27.7    | 29.3    | 28.7    |
| 4 (22.194 - 40.047)   | 25.9    | 25.5    | 25.4    | 25.2    |
| 5 (40.073 - 304.546)<br>most dense                              | 20.7    | 21.1    | 16.7    | 18.3    |
| <i>ONS Urban/rural<br/>classification of<br/>provider</i>       |         |         |         |         |
| Urban >= 10k  | 87.9    | 88.6    | 87.2    | 87.9    |
| Town & Fringe   | 6.8     | 6.2     | 8.0     | 7.2     |
| Village   | 2.6     | 2.5     | 2.9     | 2.9     |
| Hamlet & Isolated<br>Dwelling                                   | 2.7     | 2.8     | 2.0     | 2.0     |
| <i>Provider has some<br/>money for<br/>discretionary awards</i> |         |         |         |         |
| Yes   | 73.2    | 72.9    | 81.5    | 73.2    |
| No  | 26.8    | 27.1    | 18.5    | 26.8    |
| Mean allocation<br>amount                                       | £35,398 | £35,480 | £43,724 | £37,771 |
| Mean number of<br>learners                                      | 174     | 174     | 217     | 187     |
| <i>Unweighted sample<br/>size</i>                               | 3083    | 1700    | 755     | 755     |

The second stage of weighting was to correct for any biases caused by differential non-response. This occurs when providers who do respond are systematically different to those who do not. This causes the sample of respondents to be biased towards the groups who were more likely to take part.

A non-response analysis was carried out to identify whether there were any variables on the sampling frame that were significantly related to response. The following variables were used in the analysis: sampling strata, provider type, Government Office Region, ONS ward-level area classification, local authority type, population density (population in private households / area of the postcode sector in hectares), ONS urban/rural classification, whether the provider was given money for discretionary bursaries, total allocation amount given to the provider and the number of learners. The region variables all relate to the provider address. There were significant differences in response across all variables; as a result the profile of the responding sample (weighted by selection weights only) does not match that of the issued sample (weighted by selection weights). This can be seen by comparing columns B and C in Table A4.

The non-response weights were generated using a logistic regression model. Logistic regression can be used to model the relationship between an outcome variable (response to the provider interview) and a set of predictor variables. The predictor variables were the variables taken from the sampling frame and listed in Table A4. The model generated a predicted probability for each provider. This is the probability the provider would take part in the interview, given the characteristics of the provider and the locality in which they are based. Providers with characteristics associated with non-response were under-represented in the sample and therefore receive a low predicted probability. These predicted probabilities were then used to generate a set of non-response weights; providers with a low predicted probability got a larger weight, increasing their representation in the sample. The full non-response model is shown in Table A5.

**Appendix Table A5 Provider sample non-response weight**

|  | B     | S.E. | Wal<br>d | df | Sig.           | Exp(B) |
|--|-------|------|----------|----|----------------|--------|
| <i>Provider type</i>                       |       |      | 33.3     | 5  | .000           |        |
| 16-19 Provider                             |       |      |          |    | (baseline<br>) |        |
| Academy                                    | .388  | .201 | 3.7      | 1  | .053           | 1.475  |
| Community Special                          | -.256 | .241 | 1.1      | 1  | .288           | .774   |
| Special schools or special 6th forms       | -.137 | .335 | .2       | 1  | .683           | .872   |
| Independent, LA, other                     | -.855 | .270 | 10.0     | 1  | .002           | .425   |
| 6th form                                   | -.145 | .191 | .6       | 1  | .447           | .865   |
| <i>Type of Local Authority</i>             |       |      | 23.3     | 5  | .000           |        |
| City of London & London Boroughs           |       |      |          |    | (baseline<br>) |        |
| English Metropolitan districts             | .260  | .176 | 2.2      | 1  | .139           | 1.296  |
| English non-metropolitan districts         | .622  | .155 | 16.1     | 1  | .000           | 1.863  |
| English Unitary Authorities                | .089  | .218 | .2       | 1  | .682           | 1.093  |
| Other/missing                              | .457  | .285 | 2.6      | 1  | .110           | 1.579  |
| <i>Final allocation amount (quintiles)</i> |       |      | 9.8      | 4  | .043           |        |
| Lowest quintile                            |       |      |          |    | (baseline<br>) |        |
| 2nd  | .334  | .184 | 3.3      | 1  | .069           | 1.396  |
| 3rd  | .460  | .191 | 5.8      | 1  | .016           | 1.584  |
| 4th  | .289  | .194 | 2.2      | 1  | .137           | 1.335  |
| Highest quintile                           | .620  | .217 | 8.2      | 1  | .004           | 1.859  |



|   |        |      |      |   |      |       |
|---|--------|------|------|---|------|-------|
| <i>Provider has some money for discretionary awards</i> | .680   | .126 | 29.1 | 1 | .000 | 1.973 |
| Constant  | -1.546 | .267 | 33.6 | 1 | .000 | .213  |

<sup>1</sup> The response is 1 = provider responded, 0 = non response

<sup>2</sup> Only variables that are significant at the 0.05 level are included in the model

<sup>3</sup> The model R<sup>2</sup> is 0.074 (Cox and Snell)

<sup>4</sup> **B** is the estimate coefficient with standard error **S.E.**

<sup>5</sup> The **Wald**-test measures the impact of the categorical variable on the model with the appropriate number of degrees of freedom **df**. If the test is significant (**sig.** < 0.05) then the categorical variable is considered to be 'significantly associated' with the response variable and therefore included in the model

Column D in Table A4 shows the distribution of the responding sample weighted by the final weight. It can be seen that the weights make the responding sample closer to the population of providers (column A).

## Management Information data analysis

The MI data was collected electronically by DfE in October 2012. All providers in receipt of Bursary funding in 2011/12 (3,334) were asked to submit a return and it is estimated that approximately 69% of providers completed the returns. DfE undertook checks of the data and resolved inconsistencies with the providers where possible. Records which had inconsistencies that could not be resolved were excluded from the clean data. Following this checking process, the cleaned data was provided to NatCen for analysis.

NatCen matched the MI data to information about the providers (for example, provider type, local authority) before undertaking analysis. A total of 2,002 records were included in the analysis, although where further inconsistencies were found in the data, records were excluded from particular analyses.

The MI data required a set of weights to correct for the possible effects of non-response bias and to scale-up responses to provide estimates for the total population of providers in receipt of Bursary funding.

The first step to generating weights was to identify the current (i.e. 2012/13) provider type for each provider that responded to the MI request. This information needed to be matched to the MI data. It was matched using a combination of the Provider Sampling Frame and provider population data from DfE.

The weights were generated using calibration methods. The aim was to reduce bias resulting from differential non-response to the request for MI data. An iterative procedure was used to adjust the sample until the distribution of the (weighted) sample matched that of the population by Region<sup>5</sup> and Provider Type.

<sup>5</sup> We attempted to weight using local authority (rather than Region) but the large number of areas, some of them rather small, resulted in more extreme weights. Some issues matching the MI data to the population information meant additional information could not be incorporated into the weighting scheme.

School sixth forms and academies were grouped together for the weighting. The large number of recent academy conversions and some issues during the matching process meant there were some doubts about the accuracy of academy status in the MI data. Academies and school sixth forms were grouped into a single category during analysis.

Table A6 shows the profile of the population, the sample of providers who responded to the MI request before weights were applied and the weighted sample of providers. It can be seen that the responding sample is relatively close to the population. This suggests that response did not vary greatly by provider type, which is encouraging since it means response bias by provider type will be low.

**Appendix Table A6 Provider Type of the population and weighted and unweighted MI respondents**

|   | Sample<br>(unweighted) | Sample<br>(weighted) | Population |
|---|------------------------|----------------------|------------|
|   | %                      | %                    | %          |
| 16-18 provider                                      | 20.7                   | 17.4                 | 17.4       |
| Academy/school sixth form                           | 59.1                   | 59.9                 | 59.9       |
| Special schools (including PRU and Annex C)         | 14.2                   | 14.8                 | 14.8       |
| Non programme funded provider - not special schools | 2.8                    | 4.4                  | 4.4        |
| LA and other independent private providers          | 3.2                    | 3.4                  | 3.4        |
| Total   | 2002                   | 2002                 | 3334       |

There are more differences in the distribution of providers by Region, with lower response from providers in the Greater London area (12.6% of the sample, compared to 16.0% of the population). The non-response adjustment made the regional distribution of the weighted sample match that of the population.

**Appendix Table A7 Regional distribution of the population and weighted and unweighted MI respondents**

|                             | Sample<br>(unweighted) | Sample<br>(weighted) | Population |
|-----------------------------|------------------------|----------------------|------------|
|                             | %                      | %                    | %          |
| East Midlands               | 9.1                    | 9.1                  | 9.1        |
| East of England             | 10.6                   | 10.3                 | 10.3       |
| Greater London              | 12.6                   | 16.0                 | 16.0       |
| National                    | 0.7                    | 0.7                  | 0.7        |
| North East                  | 4.8                    | 4.9                  | 4.9        |
| North West                  | 12.7                   | 12.1                 | 12.1       |
| South East                  | 14.8                   | 15.9                 | 15.9       |
| South West                  | 10.9                   | 9.2                  | 9.2        |
| West Midlands               | 13.1                   | 12.5                 | 12.5       |
| Yorkshire and the<br>Humber | 10.5                   | 9.3                  | 9.3        |
| Total                       | 2002                   | 2002                 | 3334       |

## Qualitative case studies

### Aims

Qualitative telephone interviews were conducted with twenty-seven 16-19 providers and ten Local Authority representatives to explore their experiences of administering the 16-19 Bursary Fund in its first year. The purpose of these interviews was to explore key issues in relation to how providers were implementing the fund including:

- Exploring the range of approaches adopted for administering the Bursary Fund
- Experiences of communicating and targeting Bursary Funds
- Decision making in relation to the eligibility criteria for Discretionary Bursaries
- Levels of Bursary payments and their formats
- Conditions set for the receipt of Bursaries
- Perceived impacts of the funds on young people and providers

### Sampling and recruitment

To ensure the full range and diversity of approaches were captured in the qualitative case studies, providers were purposively sampled across ten local authority areas to ensure diversity on key sampling criteria. These were:

- Type of provider
- Level of deprivation
- Region
- Level of Bursary funding

| <b>Appendix Table A8 Overview of case study provider sample</b> |           |
|---|-----------|
| <b>Type of provider</b>   |           |
| School 6th form   | 5         |
| Academy 6th forms   | 5         |
| FE Colleges   | 9         |
| Private Companies   | 4         |
| Pupil Referral Unit   | 1         |
| Special schools / colleges                                      | 3         |
| <i>Total</i>  | <i>27</i> |
| <b>Level of deprivation</b>                                     |           |
| 20-29%  | 7         |
| 30-39%  | 5         |
| 40-49%  | 4         |
| 50%+  | 8         |
| Unknown   | 3         |
| <i>Total</i>  | <i>27</i> |
| <b>Bursary allocation</b>                                       |           |
| <£20,000  | 10        |
| £20,000-£99,999   | 8         |
| £100,000+   | 9         |
| <i>Total</i>  | <i>27</i> |
| <b>Region</b>   |           |
| Greater London  | 4         |
| North East  | 3         |
| North West  | 5         |
| South West  | 2         |
| East Midlands   | 4         |
| West Midlands   | 7         |
| Yorkshire and Humber  | 2         |
| <i>Total</i>  | <i>27</i> |

In addition, ten local authority representatives, one in each of the ten local authority areas were interviewed. These interviews were conducted to gather an overview of the context in which the case study providers were operating and to explore the role of the Local Authority in relation to the implementation of the Bursary Fund, which varied considerably between authorities.

Local Authority representatives and providers were initially contacted by email and then followed up by phone. Leaflets were provided giving further information about the study and consent was sought to participate. Interviews were conducted by phone between June and September 2012, and lasted approximately 45 minutes.

## **Analysis of case study data**

Interviews were digitally recorded and the data was analysed using Framework, an approach developed at NatCen which involves the systematic analysis of interview data within a thematic matrix (Ritchie & Lewis, 2003). The key topics and issues emerging from the interviews were identified through familiarisation with interview data, as well as reference to the original objectives and the topic guides used to conduct the interviews. A series of thematic charts were then drawn up and data from the interviews summarised under each topic. The final stage of analysis involved working through the summarised data in detail, drawing out the range of experiences and views, identifying similarities and differences, and interrogating the data to seek to explain emergent patterns and findings. Verbatim interview quotations are provided in the report to highlight themes and findings where appropriate.



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