



16-to-19 discretionary bursary allocation method

Department for Education consultation

Association of Colleges response

23 May 2019

16-to-19 discretionary bursary allocation method consultation

Question 1: Do you agree that using a 2009/10 EMA based disadvantage measure to calculate the 16 to 19 discretionary bursary allocations is no longer appropriate? Yes/No. Please give reasons for your response.

1. Yes. We agree that is no longer appropriate to use 2009 EMA data to allocate 16-to-19 discretionary bursaries for the following reasons:
 - It is not clear that available funds are going to those with greatest financial need or education-related costs.
 - The current method results in over-funding of new more selective sixth forms who are funded on the basis of enrolment patterns at neighbouring institutions.
2. The consultation sets out plans for transition arrangements. These are necessary because colleges and schools have had almost ten years allocating funds based on the current method which has created expectations from students and parents about the money available. Given that young people take 2-or-3 years to complete courses after 16, it will be necessary to allow institutions time to reshape policies while also ensuring they can honour commitments.
3. There are some other issues that DfE needs to consider in formulating discretionary bursary funding policy:
 - **Inflation:** DfE's 16-to-18 discretionary budget has been fixed at around £150 million between 2011-12 and 2019-20. Over the same period consumer price inflation has risen by around 20% while bus fares (according to the Department for Transport's bus fare index) have risen about 40%.
 - **Future student numbers:** The number of 16-to-18 year olds in full-time further education has fallen between 2009 and 2018 because the population has fallen and the full-time participation rate has not risen. The 16-to-18 population will rise after 2020 and it is possible that the full-time education participation rate could increase as a result of a recession or a shortage of apprenticeship places for young people.
 - **Changes in household income:** Low income households with children have experienced little income growth in the past decade and are not expected to do so in the next few years. The Resolution Foundation forecasts that the percentage of children in relative poverty will rise in the next five years from 34% to 37%.
 - **Availability of other financial support:** Although local councils have responsibility for transport-to-education for 16-to-18 year olds, more than

80% have cut their support in the last few years because of pressure on local government budgets.

- **DfE funding policy:** DfE has applied an inflation-based cut to post-16 funding rates every year since 2013 because rates have been fixed in cash terms. This results in a 24% reduction in per-student funding between Year 11 and 12 on top of which there is no post-16 pupil premium. This has inevitably had an impact on the amount of learning materials made available by colleges and schools to their sixth form age students.

Question 2: Do you agree that using a postcode-based deprivation measure would be a better proxy for the overall financial deprivation of students at an institution than a FSM measure? Yes/No. Please give reasons for your response.

4. Yes. We agree that a postcode-based deprivation measure would be a better proxy for the overall financial deprivation than a FSM measure for the following reasons:
 - **Reliability of data:** Catchment areas for 16-to-18 education are fairly consistent and are fairly local so geographical data should be reliable in most cases.
 - **Familiarity and accessibility:** Postcode-based deprivation data has been used in post-16 funding for more than 20 years and is widely understood.
 - **Accuracy:** A number of different data sources are used to construct the IMD and IDACI. The two main set of FSM data are either affected by take-up in a particular year (FSM in the last year) or are not particularly up-to-date (the ever 6 measure). Using FSM data would also tend to prioritise areas with high unemployment rather than areas with low income.

Question 3: Do you agree that using the latest available version of IMD, as the disadvantage measure within the methodology would better reflect the deprivation level of students, compared to using IDACI? Yes/No. Please give reasons for your response.

5. Yes. The consultation makes a good case for using the IMD index rather than the IDACI index. The IMD index is a wider measure of deprivation and is already used in allocating post-16 funding.

Question 4: Do you agree we should include a travel element to better match the allocations to the student need for travel support? Yes/No. Please give reasons for your response.

6. Yes. There is a good case for including a travel element in the calculation of bursary support for the following reasons:

- **Use of funds:** 50% of bursary funds are already spent on travel.
- **Availability of other support:** Cutbacks in support from local government mean there is little other funding for transport.
- **Education efficiency and effectiveness:** Larger sixth forms are more successful educationally than smaller ones and are more efficient in financial terms because they can support larger average class sizes. There is a good case for DfE to support the consolidation of sixth forms. Travel support helps remove financial barriers to those from lower income households.

Question 5: Do you agree that distance to travel and rurality are appropriate factors to build into the travel element? Yes/No. Please give reasons for your response.

7. Yes. We agree that DfE should use travel distance and rurality to calculate the travel element in allocations subject to the following conditions:
- **Testing of the data:** There is no recent experience in using these two sets of data in post-16 education funding allocations so it will be necessary for officials to test the data.
 - **Coverage of rural postcodes:** Less than 20% of the population lives in postcodes classified by ONS as being rural so the use of this factor will constrain the allocations.

Question 6: Do you agree we should reduce the travel element calculated for students with a home and delivery postcode in the London area by half, so as to account for the additional support these students have available to them via the TfL offer? Yes/No. Please give reasons for your response.

8. Yes. We agree that it is a pragmatic approach to adjust the travel element for London-resident or London-educated students but, as explained in our answer to question 7, it would be sensible to test the data to identify any anomalies that result. It is worth noting that the TfL offer for 16-to-18 year olds covers services managed by TfL (bus, underground, overground) but not national rail services operating in the South London.

Question 7: Do you agree we should introduce a small element in the discretionary bursary methodology that accounts for the additional costs likely to be faced by disadvantaged students undertaking T Level industry placements? Yes/No. Please give reasons for your response.

9. Yes, but subject to DfE providing additional funds to cover these additional costs.

10. Students taking T-levels will incur additional, exceptional costs from industry placements and only a small number of employers are likely to be willing to provide any payment for these costs.
11. If there is no financial support, students living in more remote areas or from more deprived backgrounds may be put off from embarking upon a T level programme if they have to pay for additional travel or other expenses such as meeting a dress code.

Question 8: Do you agree we should support the 27% most disadvantaged students by IMD for the disadvantage element? Yes/No. Please give reasons for your response.

12. Yes. We agree with the plan to support the 27% most disadvantaged students, though Subject to our suggestion that officials will need to model the impact of the new allocations

Question 9: Do you agree that we should include a wider cohort of the most disadvantaged students by IMD in the specific costs element of the revised allocations methodology? Yes/No. Please give reasons for your response.

13. Yes. We agree with there is a wider group of students from low and middle income households who will should qualify for assistance with travel and T-level related costs.

Question 10: Are you aware of any particular equalities impacts? How could any adverse impact be reduced and are there any ways we could better advance equality of opportunity or foster good relations between people who share a protected characteristic and those who do not? Please provide evidence to support your response.

14. We do not have specific suggestions beyond those outlined in our response but we think that DfE needs to evaluate the following equalities issues:
 - **Gender:** There is a high level of gender segregation in participation in 16-to-18 education in technical areas. This is long-standing, and which largely mirrors the labour market in construction, engineering and childcare.
 - **Ethnicity:** Participation in 16-to-18 education programmes also varies widely by ethnic origin. Young people from black and minority ethnic backgrounds are less likely to be living in rural postcodes highlighted in the consultation.
 - **Disability:** The industry placement requirement may act as an obstacle to young people with disabilities unless there is concurrent and prompt action from councils via student Education Health and Care Plans

About this response

15. The Association of Colleges (AoC) represents nearly 95% of the 288 colleges in England incorporated under the Further and Higher Education Act 1992.
16. Colleges are drivers of social mobility, economic growth and community development. They provide high-quality technical and professional education and training for 3 million young people and adults and thousands of employers. In doing this, they support people into careers as well as strengthen the economy. Colleges are inspirational places to learn because education and training is delivered by expert teaching staff in purpose-built facilities.
17. Colleges offer first rate academic and technical teaching, particularly at advanced level, and cover a broad range of disciplines including science, engineering, IT, construction, hospitality and the creative arts.

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