

Cabinet	
26 October 2022	
Report of: James Thomas, Corporate Director of Children and Culture	Classification: Unrestricted
Accelerate Education: Education Maintenance Allowance/University Bursaries	

Lead Member	Councillor Maium Talukdar, Cabinet Member for Education, Youth and Lifelong Learning
Originating Officer(s)	Steve Nyakatawa, Director of Education
Wards affected	All wards
Key Decision?	Yes
Reason for Key Decision	Financial threshold
Forward Plan Notice Published	27 September 2022
Exempt information	None
Strategic Plan Priority / Outcome	This report supports the following priorities of the Council's Strategic Plan 2022 -2026: Priority 1: Tackling the cost-of-living crisis: Support children and young people through a package of measures including universal Free School Meals throughout primary and secondary school, educational maintenance allowances for those in post-16 years, and bursaries for young people who want to go to university.

Executive Summary

This report provides a summary of actions taken and being taken to introduce and implement the Mayor's Education Maintenance Allowance for students aged between 16 -19. The report also covers actions taken to introduce and implement the Mayor's University Bursary Award for young people on undergraduate courses at university.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree to make discretionary awards in respect of students who are over compulsory school age particularly for students who are most in need of support based on household incomes for the financial year 2022/23

2. To recommend that further discretionary awards for future financial years will be a priority in the setting of the 2023-2026 MTFS but can only proceed beyond 31 March 2023 once that budgetary approval has been secured
3. Approve the proposed outline delivery plan for the Mayor's Education Maintenance Allowance and University Bursaries

1 REASONS FOR THE DECISIONS

- 1.1 Families and their children need support to alleviate the cost-of-living crisis and its adverse impact on household incomes. Young people resident in the Borough need support to stay in education post 16 and for those students who want to go to university financial support in the first year of their undergraduate studies is critical for their future employment opportunities.

2 ALTERNATIVE OPTIONS

- 2.1 Maintain the current position where no additional support is provided to young people through the Mayor's Education Maintenance Allowance and the University Bursary Award scheme.
- 2.2 As there is already a 16 - 19 bursary (discretionary) scheme available through the Education and Skills Funding Agency, the other option is to implement the Mayor's University Bursary Award scheme only.

3 DETAILS OF THE REPORT

3.1 Background

- 3.2 This report outlines the proposed actions to delivering on two key educational Mayoral pledges for improving and sustaining educational standards in the borough. This report is a follow up to a briefing presented at the Mayor's Advisory Board in the summer.

- 3.3 Although the Education Maintenance Allowance (EMA) was withdrawn in England in 2012 and replaced with the 16 - 19 Bursary Fund which is overseen by the Education and Skills Funding Agency (EFSA), Scotland and Wales have continued to offer the EMA to eligible young people aged 16 to 19 who are participating in education or training. In Scotland, EMA is a weekly payment of £30, paid every 2 weeks in arrears direct to the student. Similar arrangements are place in Wales. Both schemes are means tested based on set eligibility criteria.

3.4 Eligibility Criteria

The Scottish and Welsh EMA schemes have core eligibility criteria based on residency requirements and household income thresholds.

3.5 EFSA 16-19 Bursary

The EFSA Bursary is available to 16-19 young people who meet the eligibility criteria set by the EFSA. There are two types of bursaries under this scheme:

- (i) Bursary for students in vulnerable groups
- (ii) Discretionary bursary

3.6 Students in vulnerable groups may be eligible for an annual bursary of £1,200 if they meet at least one of the following criteria:

- They are students who have recently left local authority care
- Students on Income Support or Universal Credit because they are financially supporting themselves
- Students on Disability Living Allowance (DLA) in their name, and either Employment and Support Allowance (ESA), or Universal Credit
- Students in receipt of Personal Independence Payment (PIP) in their name and either ESA or Universal Credit

3.7 The funding for vulnerable groups is held centrally by the EFSA in the Department of Education. Schools must draw down on this funding once they have provided a list of students who meet the eligibility criteria to the EFSA. Schools are responsible for identifying and assessing student's eligibility. This element of the EFSA Bursary is tightly locked into the eligibility criteria and there is very little flexibility. There is no interface with the Mayor's Education Maintenance Allowance.

3.8 Most of the funding allocated to schools and colleges is allocated to the vulnerable student bursary element with the remaining funds allocated to discretionary bursaries based on criteria set by the school or college. Typically, bursaries are awarded to students eligible for free school meals and whose parents are receiving benefits. If there are any funds left over, these are allocated by the school to students based on household income thresholds. Schools will also make one off payment to provide support to students experiencing financial hardship for equipment, books and for participation in events, funds permitting.

Bursaries are paid direct to the students for both elements of the EFSA bursary scheme.

4.0 Council 's Strategic Plan 2022 - 2026 priorities

The contents of this report support and align with the Council 's Strategic Plan 2022 - 2026 priorities as follows:

Priority 1: Tackling the cost-of-living crisis: Support children and young people through a package of measures including universal Free School Meals

throughout primary and secondary school, educational maintenance allowances for those in post-16 years, and bursaries for young people who want to go to university

4.1 This report focuses on two elements of Priority 1 cited above:

- Establish a fund to support young people who want to stay in education post 16 (EMA)
- Create a fund to provide bursaries for young people who want to go to university

4.2 The report will give an update on the actions taken to date with a view of delivering on these parts of the Mayor's Pledges by 31 October 2022.

5.0 Implementation Plan for Mayor's Education Maintenance Allowance (EMA) and University Bursaries

5.1 An Accelerate Education - Cost of Living Project Board (the Project Board) has been set up. The Board's high-level priorities are outlined below:

Step 1: Establish eligibility criteria and model eligibility criteria against the 16-19 Bursary Fund including establishing if steps can be taken to increase take-up of the Education and Skills Funding Agency (EFSA) 16 -19 bursary

Step 2: Model and assess costs per eligible young person including administrative capacity and associated costs

Step 3: Analyse cost benefit analysis and improving numbers of young people staying on Education, Employment and Training

Step 4: Communications with eligible students and entitlement expected during October 2022

Step 5: Go live November 2022

5.2 Progress

This section of the report provides progress towards delivery of the Mayor's Education Maintenance Allowance and university bursaries.

5.3 The Project Board has since identified workstream leads for each of the core areas see Appendix 1.

5.4 Terms of Reference

Terms of Reference have been agreed and the frequency of the meetings and membership. The Terms of Reference allows for subject experts to be invited to provide advice and guidance to ensure successful implementation. A risk register is in place and is reviewed at every meeting to ensure mitigating actions are taken where significant risks have been identified.

5.5 **Step 1: Eligibility Criteria - Mayor's Education Maintenance Allowance (EMA)**

Following a review of previous highly successful scheme alongside the Education and Skills Funding Agency (EFSA) 16-19 Bursary scheme, the Project Board has considered the following eligibility criteria. Students who are eligible and have been awarded the EFSA bursary for vulnerable students and discretionary bursaries described in paragraphs 3.7 and 3.8 are not eligible for the Mayor's Education Maintenance Allowance.

5.6 The EFSA Bursary scheme eligibility criteria for the discretionary element is set by each school or college following the guidance provided by EFSA so the eligibility criteria will vary from institution to institution. Returns received from schools so far confirm that support for vulnerable students is secure and follows the EFSA criteria. Support for students entitled to free school meals and whose parents are entitled to benefits appears to be well targeted under the discretionary element of the EFSA scheme.

5.7 Initial early analysis suggests that support to students whose families do not meet the free school meals threshold, (the working poor), is less secure. This might include families whose children could be entitled to free school meals but do not take up this offer. For these students and their families, the Mayor's Education Maintenance Allowance should include household income threshold as part of the criteria. The Income threshold will be subject to review after Year 1. This 'hidden' cohort of students could stand to benefit significantly through the Mayor's EMA.

5.8 The criteria recommended to be applied are set out in Appendix 2.

6.0 **Step 2: Model and assess costs per eligible young person including administrative capacity and associated costs**

6.1 The modelling exercise is based on the previous successful scheme, the Mayor's Education Maintenance Allowance with adjustments made for inflation. The Mayor's Education Maintenance Allowance could apply the same criteria but include students whose household income is less than £25,000. Emerging evidence from school returns indicates a range of income thresholds between £18,000 - £35,000 for the discretionary element of the EFSA 16-19 Bursary. The income threshold will be subject to review after the first year of the scheme.

6.2 The cost of implementing the Mayor's Education Allowance is capped at £500k for the first year. This is sufficient to support 1,250 eligible students with each being awarded £400 in Year 1. The average paid per student under the discretionary element of the EFSA Bursary in 2021 was £351.40. This is based on previous years information provided by schools. The Mayor's EMA of £400 per student per year would therefore appear to be set at an appropriate level.

6.3 The allowance will be paid - subject to students meeting the attendance requirements - in 2 instalments of £200 each in the autumn 2022 and spring 2023, backdated to September 2022. The total cost, excluding administrative costs, for 2022-2023 will be £500k.

6.4 The previous scheme was administered by the Benefits Services department and will now be managed by the School Governance and Information Team. The administrative capacity required to deliver both schemes is estimated at 1.0 full time equivalent at Grade D during periods of peak demand. The total cost per year including on-costs would be £32,281.

7.0 Step 3: Analyse cost benefit analysis and improving numbers of young people staying on Education, Employment and Training

7.1 Once the students who are eligible for the award are identified, monitoring and tracking measures will be put in place to ensure supported students stay in education post 16 and go on to university or full-time employment. Institutions will be asked to report on the students' attendance before the second instalment of the EMA is authorised for payment. The expected attendance is 95% or above. This is in line with information received from schools although a few schools have set an additional 'bonus' payment for 100% attendance. Payment by instalments will also capture the number of EMA supported students who stay on in education and training.

8.0 Step 4: Communications with eligible students and entitlement in November 2022

8.1 The Mayor's Education Allowance and University Bursaries schemes will be launched in November once Cabinet approval has been secured. Both schemes will be promoted until 30 November 2022 when the application process closes.

8.2 The Digital Team will develop an online application process which will be tested before the Go Live date of 31 October 2022.

9.0 The Mayor's University Bursary Award

9.1 The following steps were identified with key tasks for implementing the Mayor's University Bursary Award and this report will capture progress made against each step.

9.3 **Step 1:** Conduct a gap analysis with stakeholders to establish the numbers of young people covered and costs of existing bursary schemes.

9.4 The Tower Hamlets Canary Wharf Further Education Trust is an existing scheme which is a joint initiative led by Tower Hamlets and the Canary Wharf Further Education Trust (THCW Trust). The scheme is administered by Tower Hamlets with some dedicated officer's time allocated to the scheme. The THCW Trust supported students with fees and living costs at £2,900 and £2,100 respectively. In 2019/20 THCW Trust supported 59 postgraduate students with an average bursary award of £1,475 per student. The Mayor's University Bursary Award is recommended for living costs only with £1,500 being awarded to eligible students in their first year at university. As with the THCW scheme this is administered by Tower Hamlets, therefore, avoiding double funding with the Mayor's University Awards will be a

straightforward in-house administrative task. A one-off payment will be made in January 2023 subject to attendance requirements being met.

- 9.5 **Step 2:** Carry out a modelling exercise based on the previous Mayor's Higher Education Award and the current 16-19 government Bursary scheme and the Tower Hamlets and Canary Wharf Further Education Trust to establish eligibility criteria and cost per entitled young person. This exercise will include an analysis of the benefits and impact on young people's entry to university.
- 9.6 The eligibility criteria have been agreed as set out in Appendix 3. Some work was conducted to check eligibility criteria set by other universities for their own bursary schemes. The common elements from other bursary scheme include household income thresholds. Most universities set £25,000 as the income threshold, eligibility criteria also include residency and course attendance requirements.
- 9.7 **Step 3:** Asses the administrative capacity required to implement the scheme and resources required.
- 9.8 The administrative capacity for both the Mayor's Education Maintenance Allowance and the University Bursary Award is the full time equivalent of Grade D post at £32,281 as detailed in paragraph 6.4 above.
- 9.9 **Step 4:** Communication with eligible young people, clarifying entitlement and allocation process.
Communication arrangements for both schemes will be handled by the Communications Team using a range of media platforms. Subject to Cabinet approval, the promotion of both schemes will run in November 2022.
- 9.10 **Step 5:** Go Live November 2022

10.0 Work in progress

- 10.1 As this report goes through the governance processes, there are critical ongoing background activities which are:
- Developing and testing with young people an online application process with the Digital Team
 - Negotiation and re-configuring work patterns for staff to have the administrative capacity during peak periods in the application cycle
 - Work with schools and confirm students already awarded the EFSA 16-19 bursary to avoid double funding
 - Confirming key dates of the annual application cycle
 - Ongoing work with the Communications Team to promote the schemes
 - Developing and agreeing an appeals process based on previous schemes

10.2 **Evaluation**

- 10.3 Consideration will be given to developing a monitoring and evaluation framework to measure the impact of both schemes. This could be developed in collaboration with the research departments of local universities. This will include looking at the different impact both schemes will have on students, their families and employment opportunities in the Borough.

11. **EQUALITIES IMPLICATIONS**

- 11.1 The proposals will help reduce inequalities brought on by the high cost of living and support young people to improve their prospects in the job market. The proposals will also support young people who come from households with low incomes and therefore provide targeted support for the most vulnerable to the current cost of living crisis.
- 11.2 The criteria for these grants ensures that all young people are entitled to apply regardless of race, gender, disability, sexuality, or other protected characteristics. Proactive communication will be deployed to ensure that all young people are informed about these grants and their entitlement to apply. The application process will be designed in such a way as to ensure that it is fully accessible for all young people.

12. **OTHER STATUTORY IMPLICATIONS**

- 12.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration.

13 **COMMENTS OF THE CHIEF FINANCE OFFICER**

- 13.1 The cost for the Mayor's Education Maintenance Allowance for the first year is capped at £500k. Eligible students will be awarded £400 for the 2022/23 academic year. The budget is cash limited and applications will no longer be considered once the budget limit has been reached. There is no funding currently in the budget and this would be subject to the agreed use and priority call upon one-off earmarked reserves in this budget period.
- 13.2 In 2014/15, the Mayors Higher Education Award, made Bursary payments of £1,500 per student and funded 400 students per year at a total cost of £600k for the first year. It is recommended to maintain the same level of funding is applied for the first year 2022/23. There is no funding currently in the budget and this too would be subject to the agreed use and priority call upon one-off earmarked reserves in this budget period.
- 13.3 The administrative capacity required to deliver both schemes for the first year is expected to be £32,281 including on costs The total cost for delivering both schemes in 2022/23 including administration is £1.132m.
- 13.4 Any expenditure to be incurred beyond the end of the 2022/23 financial year would need to be approved as a budgetary growth item within the Medium-

Term Financial Strategy and any expenditure in 2023/24 would be subject to this approval being received.

14. COMMENTS OF LEGAL SERVICES

14.1 The Council has the legal power to make the grants and bursaries referred to in this report.

14.2 The Council has a general duty of fairness and transparency. Therefore, once the grant and bursary qualification criteria have been defined, this should be advertised as part of the application process and such criteria applied fairly and transparently to all applications with reasoning provided to applicants who are refused.

14.3 The application process should also include an easily identifiable and clear appeals procedure which refused applicants may follow should they so wish.

15. BEST VALUE IMPLICATIONS

Delivery of these grants will be made directly by the Council and take advantage of existing functions to ensure efficient delivery.

16. CONSULTATIONS

No statutory consultation is required in respect of these proposals.

17. ENVIRONMENTAL (INCLUDING AIR QUALITY)

There are no environmental implications.

18. RISK MANAGEMENT

Risk will be managed by the Project Team for these proposals and reviewed both on an ongoing basis and after one year of implementation.

19. CRIME REDUCTION

There are no crime reduction implications.

20. SAFEGUARDING

There are no safeguarding implications.

21. DATA PROTECTION

The Council's guidance will be followed to ensure safe handling of data in relation to applicants for these grants.

Linked Report

NONE

**Background Documents – Local Authorities (Executive Arrangements)
(Access to Information) (England) Regulations 2012**

- NONE

Officer contact details for documents:

N/A

APPENDICES

APPENDIX 1:

Accelerate Education: Cost of Living Project Board

Workstream	Lead
1. Establish a fund to support young people who want to stay in education post 16 (EMA) 2. Create a fund to provide bursaries for young people who want to go to university	Steve Nyakatawa, Director of Education Head of School Governance and Information Team
3. Explore extending universal free school meal provision to secondary schools	Interim Head of Contract Services Associate Director of Public Health
4. Expand Breakfast Club provision in school and continue to offer a free and healthy school lunch to all primary school pupils, including provision in the school holidays for those most in need	Head of Healthy Lives Team
5. Project Management support	
6. Head of Strategic Finance	
7. Strategy, Policy and Improvement	
8. Acting Head of Tackling Poverty	
9. Head of Sports and Physical Activity	

APPENDIX 2:

The Mayor's Education Maintenance Allowance - Eligibility Criteria

1. Background

Following a review of previous highly successful scheme alongside the Education and Skills Funding Agency (EFSA) 16-19 Bursary (discretionary) scheme, the Project Board has agreed on the following eligibility criteria noting that:

- a) Students who are eligible and have been awarded the EFSA bursary (vulnerable groups or discretionary elements) are not eligible for the Mayor's Education Maintenance Allowance.
- b) That the eligibility criteria are based on the following core requirements which students must satisfy to be awarded the Mayor's Education Maintenance Allowance.
 - Age
 - household income
 - residence must have been resident in the Borough for three years
 - course: students must be on a 16-19 full time study programme
 - recognised sixth form provision

2. Age eligibility

The Mayor's Education Maintenance Allowance is open to applicants aged 16 to 19 years old before the start of the academic year in which the course starts. Students becoming 19 within an academic year will be funded to the end of that academic year. Students can have their allowance carried forward into their second year of study as long as they still meet the criteria

3. Household income

The household income must be less than £25,000 per year.

4. Residence eligibility

To be eligible for consideration for the Mayor's EMA, an applicant must have been resident in the London Borough of Tower Hamlets for at least three years to be considered for the award. Looked After Children, Ukrainian and Afghan refugees will be considered on a case-by-case basis.

5. Course eligibility

Awards will only be considered for courses that would normally be completed by the end of the academic year in which the student becomes 19. The exception to this is those students who have an Education, Health, and Care Plan (EHCP) funded up to the academic year in which they become 25 years old.

APPENDIX 3:

The Mayor's University Bursary Award

1. Background

Following a review of previous scheme - the Mayor's Higher Education Award, the Accelerate Education – Cost of Living Project Board has agreed on the following eligibility criteria noting that:

- a) Students who are eligible and have been awarded the Tower Hamlets Canary Wharf Further Education Trust (THCW) are not eligible for the Mayor's University Bursary Award.
- b) That students with loans from the student loan company are included in the University Bursary Award scheme on the basis that they meet the criteria.
- c) The eligibility criteria are based on the following core requirements which students must satisfy to be awarded the Mayor's University Bursary Award.
 - Age
 - Household income
 - Residence
 - Course

2. Age eligibility

The Mayor's University Bursary Award is open to applicants aged 19 years old before the start of the academic year in which their undergraduate course starts.

3. Household income

The Mayor's University Bursary Award is for support maintenance costs **only and** will be subject to means testing taking into account the total household income. The household income must be less than £25,000 per year.

4. Residence eligibility

To be eligible for the Mayor's University Bursary Award, applicants must be resident for at least three years in the London Borough of Tower Hamlets on the closing date for the receipt of applications. They must have a permanent right to remain in the United Kingdom or have been granted either Indefinite or Exceptional Leave to remain, Humanitarian Protection or Discretionary Leave to remain in the United Kingdom or have Refugee Status.

5. Course eligibility

Awards will only be considered for full time undergraduate courses at a university or higher education institution which awards nationally accredited qualifications. Also, students must have secured a place on an undergraduate course.