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Department for  
**Employment  
and Learning**  
[www.delni.gov.uk](http://www.delni.gov.uk)

# **PUBLIC CONSULTATION**

# **Future of the Education Maintenance Allowance Scheme**

July 2012



Department of  
**Education**  
[www.doe.gov.uk](http://www.doe.gov.uk)  
AN ROINN  
**Oideachais**  
MINISTRE D  
**Léar**



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# 1 Introduction

- 1.1 The purpose of this consultation is to seek your views on the future options for the Education Maintenance Allowance (EMA) scheme. It follows a formal review which was jointly commissioned by the Department for Employment and Learning (DEL) and the Department of Education (DE) to ascertain whether the scheme is continuing to meet its original objectives.
  
- 1.2 The document sets out the background and context for the EMA review. It also includes a series of questions about the future of the EMA scheme and how it could be better targeted towards those that need it most. Both Departments look forward to hearing your views.

## 2 Responding to this Consultation

2.1 This consultation is available online on the DEL and DE websites:

DEL: <http://www.delni.gov.uk/index/consultation-zone.htm>

DE: <http://www.deni.gov.uk/index/about-the-department/public-consultations.htm>

2.2 It will run for 14 weeks from Monday 30 July to Friday 2 November.

Information on how to respond can also be found on the DEL and DE websites. Correspondents are asked to submit their views as early as possible during this period to allow as much time as possible for consideration.

2.3 A number of questions have been asked throughout this consultation paper.

They are also detailed separately in a response booklet. The response booklet can be downloaded from the DEL and DE websites.

2.4 If a printed copy of the consultation document or the response booklet is required, these can be requested from the contact details provided in this section. Requests for this paper in different formats and languages will also be considered.

2.5 All responses not submitted electronically must be made in writing and be attributable so that there is an objective record of the views expressed. Your name, and organisation name, if applicable, should be clearly stated.

2.6 **DEL** will be collating the responses to the consultation. Responses should be submitted to arrive no later than **5pm on Friday 2 November** to:

Mr Nigel Palmer  
Higher Education Student Finance Branch  
Department for Employment and Learning

Adelaide House  
39-49 Adelaide Street  
Belfast  
BT2 8FD

Or via email: [nigel.palmer@delni.gov.uk](mailto:nigel.palmer@delni.gov.uk)

For further information:

Tel: (028) 902 57699

Fax: (028) 902 57747

While we cannot accept responses by telephone, general enquiry calls may be made to the above number.

## **Freedom of Information**

- 2.7 A summary of responses will be published following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can only refuse to disclose information in exceptional circumstances. Any automatic confidentiality disclaimer generated by your IT system will be taken to apply only to the information in your response for which confidentiality has been specifically requested.
- 2.8 Before you submit your response, please read the paragraphs below on the confidentiality of consultations. They will provide you with guidance on the legal position regarding any information given by you in response to this consultation. The Department will handle any personal data you provide appropriately in accordance with the Data Protection Act 1998.
- 2.9 The Freedom of Information Act gives the public a right of access to any information held by a public authority, namely, the Department in this case. The right of access to information includes information provided in response

to a consultation. The Department cannot automatically consider as confidential, any information supplied to it in response to a consultation. However, the Department does have the responsibility to decide whether any information about your identity should be made public or treated as confidential.

2.10 This means that information provided by you in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances. The Lord Chancellor's Code of Practice on the Freedom of Information Act provides that:

- The Department should only accept information from third parties in confidence if it is necessary to obtain that information in connection with the exercise of any of the Department's functions and it would not otherwise be provided.
- The Department should not agree to hold information received from third parties "in confidence" which is not confidential in nature.

2.11 For further information about the confidentiality of responses, please contact the Information Commissioner's Office or visit their website at [www.ico.gov.uk](http://www.ico.gov.uk)

### 3 Background and Context

3.1 The Education Maintenance Allowance (EMA) scheme was introduced jointly in September 2004 by the Department for Employment and Learning (DEL) and the Department of Education (DE).

3.2 The key objectives of the scheme are:

- to enable young people from low income backgrounds to remain in post compulsory education at school or college thereby raising participation and retention rates;
- to encourage young people to fulfil their educational potential;
- to address the well-established causal link between low attainment and low income; and
- to ensure that the most disadvantaged, as regards employment prospects, receive additional help and encouragement to achieve qualifications.

3.3 The scheme was rolled-out incrementally in line with England, Scotland and Wales. In its first year (academic year 2004/05) it was targeted at 16 year olds and, in the 2007/08 academic year, it was extended to the entire 16 to 19 year old age group.

3.4 Under the scheme, young people aged between 16 and 19 attending schools and Further Education colleges are eligible to receive a means-tested weekly allowance (£10, £20 or £30) depending on their family household income. The allowance is linked to satisfactory attendance and is paid on a fortnightly basis. The allowance is intended to cover the day-to-day costs that students have to meet when they stay on at school or college, for example, travel costs, books and equipment.



**Figure 1.1: EMA Weekly Entitlement – Academic Year 2011/2012**

<b>Annual Household Income</b>	<b>Weekly EMA Entitlement</b>
Up to £22,930	£30
£22,931 - £28,125	£20
£28,126 - £33,950	£10
£33,951 and above	£0

- 3.5 In addition, learners are eligible to receive a series of bonus payments of £100. These are paid to students who remain on their courses and make satisfactory progress with their learning. The bonuses are paid in January and June in addition to a returner bonus of £100 paid to those learners that return to their courses in September the following year.

#### Eligibility Criteria

- 3.6 In order to receive an Education Maintenance Allowance (EMA) for the 2011/12 academic year, eligible students must have attained their 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup> or 19<sup>th</sup> birthdays between 2 July 2010 and 1 July 2011.
- 3.7 The age criteria of the EMA scheme is in line with current Department of Education legislation (Article 46 of the Education and Libraries (NI) Order 1986, as substituted by Article 156 of the Education Reform (NI) Order 1989) which states that pupils who reach the age of 16 between the 2<sup>nd</sup> of July and the 31<sup>st</sup> of August in any one year are not deemed to have attained the upper limit of compulsory school age until the 30<sup>th</sup> of June of the following year.
- 3.8 Students must be studying either full-time at school or for a minimum of 15 guided hours per week at a Further Education College on an eligible course. These include academic and vocational qualifications up to and including Level 3 (for example, GCSE, A-Level, BTEC, NVQ and Essential Skills).
- 3.9 Students must also meet the nationality and residency rules of the EMA scheme.

3.10 Students in receipt of a DEL Further Education Award or a Department for Agriculture and Rural Development (DARD) Award are not eligible to receive EMA.

### EMA Recipients - Key Trends

3.11 Details of the numbers of young people in receipt of EMA are set out in the table below.

**Figure 1.2: Total Population of 16-19 year olds against EMA Recipients**

<b>Academic Year</b>	<b>Total population of 16-19 year olds<sup>1</sup></b>	<b>Total EMA recipients</b>	<b>Total EMA recipients as a percentage of 16-19 population</b>
2007/08	102,211	19,251	19%
2008/09	101,361	20,250	20%
2009/10	100,333	23,095	23%
2010/11	98,876	24,966	25%
2011/12 (projected)	97,578	26,464	27%
2012/13 (projected)	97,030	28,052	29%
2013/14 (projected)	97,118	29,735	31%
2014/15 (projected)	96,735	31,519	33%

3.12 The total numbers of 16 to 19 year olds in the population has fallen by 3.3% since 2007/08 and is projected to fall a further 2.2% by 2014/15. Despite this, the numbers of students in receipt of EMA continues to rise as more families meet the eligibility criteria. Currently some 27% of 16-19 year olds are in receipt of the allowance compared to 19% five years ago, an increase of over 7000 young people. This is considered to be due to the current economic conditions. It is difficult to make accurate projections about the numbers of claimants in the future as much will depend on the future family income of

<sup>1</sup> Source: NI Census Office. Population figures are based on mid year population estimates and projections. Figures as at 30 June 2011

those who apply for support. The figures above are based on a continuation of the trend experienced in the last few years potentially providing for an increase to over 30,000 claimants and over 30% of the relevant population.

- 3.13 Details of the numbers of EMA recipients by payment band are detailed in the table below.

**Figure 1.3: Total EMA Recipients broken down by Payment Band**

Academic Year	EMA recipients of:			Total
	£30 band	£20 band	£10 band	
2007/08	15,878	1,756	1,617	19,251
2008/09	16,855	1,914	1,481	20,250
2009/10	19,456	2,104	1,535	23,095
2010/11	21,101	2,206	1,659	24,966
2011/12 (projected)	22,367	2,338	1,759	26,464
2012/13 (projected)	23,709	2,479	1,864	28,052
2013/14 (projected)	25,132	2,627	1,976	29,735
2014/15 (projected)	26,640	2,785	2,094	31,519

- 3.14 The numbers of EMA recipients in the £30 band has continued to increase from 82.5% in 2007/08 to 84.5% in 2010/11. The £20 and £10 bands have remained in or around 9% and 7% of the total respectively. On this basis, the vast majority of EMA recipients are forecast to be in families with household incomes of less than £22,930.
- 3.15 Details of expenditure by payment band are provided in the table overleaf.

**Figure 1.4: Total EMA expenditure broken down by Payment Bands,  
Bonuses and Administration costs**

Financial Year	Total EMA Expenditure broken down by					TOTAL £m
	£30 Band £m	£20 Band £m	£10 Band £m	Bonuses £m	Admin Costs £m	
2007/08	14.8	1.1	0.4	4.3	1.7	22.3
2008/09	14.9	1.1	0.4	4.3	1.5	22.2
2009/10	16.9	1.3	0.5	4.9	1.5	25.1
2010/11	18.4	1.4	0.6	5.7	1.6	27.7
2011/12 (projected)	19.4	1.5	0.6	6.0	1.6	29.1

3.16 The analysis above shows that the majority of recipients are in receipt of the £30 allowance. This accounts for about two thirds of total expenditure. Bonus payments have remained broadly constant representing some 20% of total expenditure. Administration costs have also remained broadly constant over time despite increasing numbers on the scheme.

### Learning Agreements

3.17 Learners are required to sign a Learning Agreement with their Learning Centre (i.e. school or Further Education college) setting out what is expected of them before they can receive their EMA payments. The agreement is set out in two parts. Part one details the conditions they are required to meet to qualify for their weekly allowance and part two details the conditions they must meet to qualify for EMA bonus payments.

### Scheme Administration

3.18 The EMA scheme is provided under Article 51 of the Education and Libraries (NI) Order 1986 which allows DEL to make arrangements for financial assistance to be given to young people to enable them to undertake education after they have reached compulsory school age.

- 3.19 The scheme is administered by the Student Loans Company (SLC) on behalf of DEL and DE. Although the EMA scheme was introduced jointly by DEL and DE, DEL holds the overall EMA budget and is responsible for making payments to students in both schools and colleges. DE makes an annual payment to schools to cover the administration costs of running the scheme. DEL provides similar assistance to FE colleges.
- 3.20 The SLC provides management information on a monthly basis (and as required) for the operation and evaluation of the scheme and its Internal Auditors have arrangements in place to monitor systems etc. Performance monitoring of the levels and standard of service provided by SLC is undertaken by Student Finance Branch in DEL to ensure compliance with requirements in the Service Level Agreement between SLC and DEL.
- 3.21 In order to provide assurance on the effectiveness of the role of colleges and schools, DEL's Financial Audit and Support Team (FAST) monitors the administration of the scheme by the Learning Centres to ensure suitable systems are in place. All Learning Centres are issued with copies of their FAST Inspection Reports.

#### **EMA – Key Statistics**

- Approximately **40%** of current EMA recipients attend a Further Education college whilst **60%** attend a secondary, grammar or special school.
- Approximately **84%** of current EMA recipients are in receipt of the maximum weekly allowance of **£30**.
- Since the EMA scheme was introduced in 2004, DEL has paid approximately **£134 million** to EMA recipients in weekly allowances and bonuses.
- Approximately **26,500** students (as at December 2011) are currently in receipt of EMA and each receives, on average, **£1,000** per academic year.

## 4 Review of EMA

- 4.1 A report on the first year of operation of the EMA scheme was undertaken in 2005. Whilst initial indications were that the scheme was meeting its key objectives of increasing participation and retention, it was then too early to draw substantive conclusions from a single year's performance. In 2010, as the scheme had then been in operation for some six years, a formal detailed review of the scheme was commissioned.
- 4.2 Following a competitive tendering process, independent consultants were appointed to carry out a formal review of the EMA scheme to ascertain whether it was continuing to meet its original objectives.
- 4.3 As part of the review, the consultants conducted surveys and held focus groups with EMA students, Year 12 students<sup>2</sup>, sponsors (parents/guardians) and EMA school and college co-ordinators. It also consulted with a range of internal stakeholders in DEL and DE and with a number of external stakeholders, including the Student Loans Company, which administers the scheme on the Departments' behalf, the Equality Commission and Youth Council. A comparative analysis of EMA schemes operating in England, Scotland and Wales was also undertaken.

### **Key Findings**

#### *Profile of EMA learners*

- 4.4 Nine-tenths of those who responded to the EMA student survey were aged between 17 and 18 (51% and 39% respectively). The remaining 10% were either 16 or 19.

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<sup>2</sup> Year 12 was formerly known as 5<sup>th</sup> year. The majority of learners in Year 12 would be 15 yrs old.

4.5 Almost two-thirds (65%) of learners indicated that this was their first year in receipt of EMA. Consistent with the distribution of EMA, the majority of survey respondents (85%) were in receipt of the £30 EMA payment. Less than one-fifth (15%) of learners were receiving the £10 and £20 payments (6% and 9% respectively). In addition, over nine-tenths (92%) of learners indicated that they had received a bonus payment.

**Figure 1.5: Profile of EMA learners**

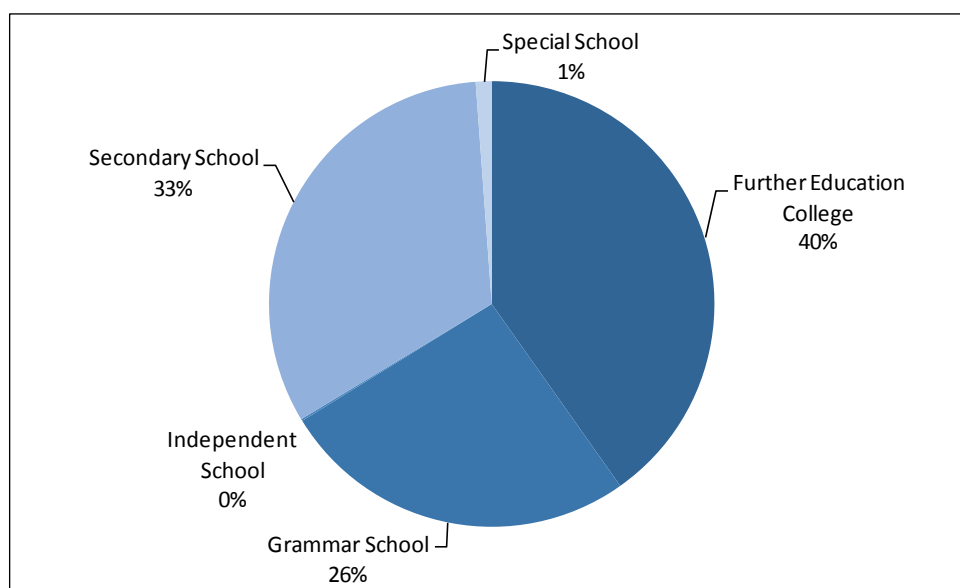
Gender	%
Male	43
Female	57
Age	
16	5
17	51
18	39
19	9
Payment amount	
£10	6
£20	9
£30	84
n=	1,810

**Source: EMA learner survey, 2010**

Note: Totals may not sum due to rounding

4.6 The profile of learners in receipt of EMA is split with 60% attending schools (grammar, non grammar and special) and 40% attending a Further Education college, Figure 1.6.

**Figure 1.6: EMA recipients by learner centre, 2009/10**



**Source: SLC Management Information System 2010**

*Impact of EMA on participation levels in post-compulsory education*

4.7 Since 2001, participation rates here have, on average, been about 9% higher than in England. During the first year of the EMA scheme here, the participation rate was 78% compared to 67% in England. However, analysis of participation rates since 2004 show that England has experienced much larger changes in the level of participation when compared to here. Our participation rates have risen by 9% since 2004/05 to 87%, compared to England's participation rates which have increased by 15% to 82%. Therefore EMA has had a less positive impact here on promoting participation in schools and colleges than in England.

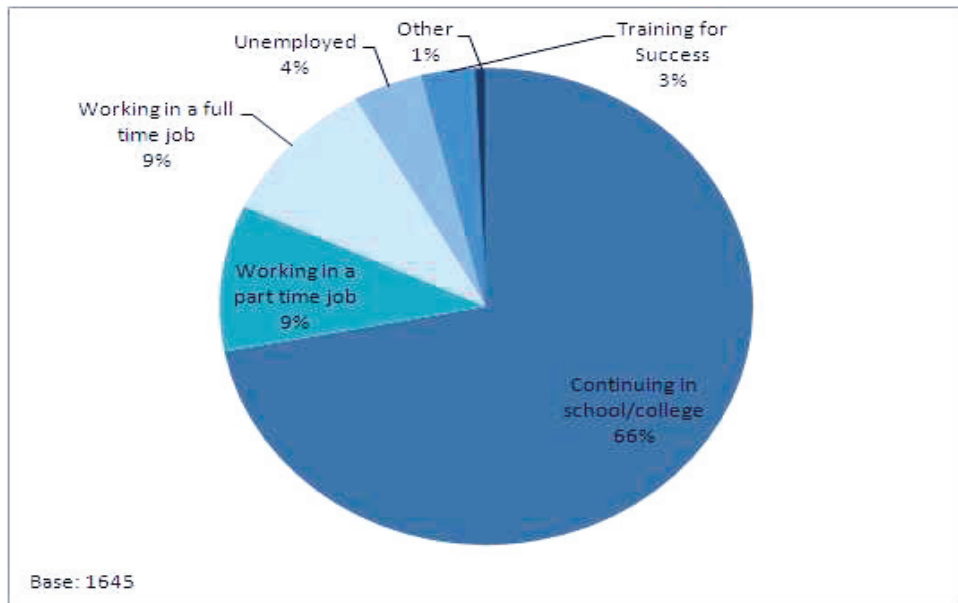
*Impact of EMA on retention levels and on student behaviour*

4.8 The learner survey found that 64% of the learners surveyed disagreed or strongly disagreed with the statement "If I had not received EMA I would have left school at 16", suggesting the scheme is not as effective as it could be in encouraging young people to remain at school. This result suggests that two thirds of recipients would have stayed on if EMA was not available.



4.9 This finding is further supported by the responses to the specific survey question about what learners would have done if EMA was not available. 66% of those surveyed indicated that they would have returned to school regardless of EMA, with most suggesting that they wouldn't want to leave school and wished to continue on to university (See Figure 1.7 below).

**Figure 1.7: What learners would have done without EMA**



**Source: EMA learner survey, 2010**

Note: Totals may not sum due to rounding

4.10 When this issue was examined in the Year 12 survey of 15 year olds, the findings were similar, with 71% of Year 12 students stating that they intended to remain in education regardless of whether they received EMA.

4.11 That said, the availability of the allowance does seem to have a direct positive impact on the decision to continue at school or college for about one third of claimants. The key contributing factor was, however, the influence of parents or guardians. 78% of respondents indicated that their parents or guardians had the greatest influence on their decision to remain at school or college.

### *Impact of EMA on the learner's attainment and engagement in education*

- 4.12 It was not possible, as part of the review, to assess the impact that EMA has had on increasing the levels of attainment of those in receipt of EMA. This is due to the problems related to isolating this factor from a range of socio-economic and other issues which directly influence achievement and also due to the lack of statistical data available that links an individual's attainment and their receipt of EMA. Instead, the review looked at the impact of EMA on the learner's overall engagement in education including behaviour, time-keeping, and timely submission of coursework/homework.
- 4.13 The EMA learners' survey indicated that about half of EMA recipients believed their engagement with learning had increased since receiving EMA. Just over 50% of EMA learners agreed or strongly agreed that EMA had a positive impact on their attendance and time-keeping and just over 45% on completing homework or coursework. As for the impact of EMA on the decision to remain in education, these results, although clearly pointing to a positive impact for some recipients, question the overall effectiveness of the scheme in meeting its attainment and engagement objectives.
- 4.14 This is supported by the EMA co-ordinators survey, which indicated that around two thirds of co-ordinators felt that EMA positively influenced attendance but it was less effective in promoting attainment and engagement. A small proportion did raise concerns about the impact of the guided learning hours criteria for FE students with learning difficulties or disabilities. They felt the lack of flexibility within the scheme has meant that learners unable to meet the guided learning hours are not eligible for EMA.

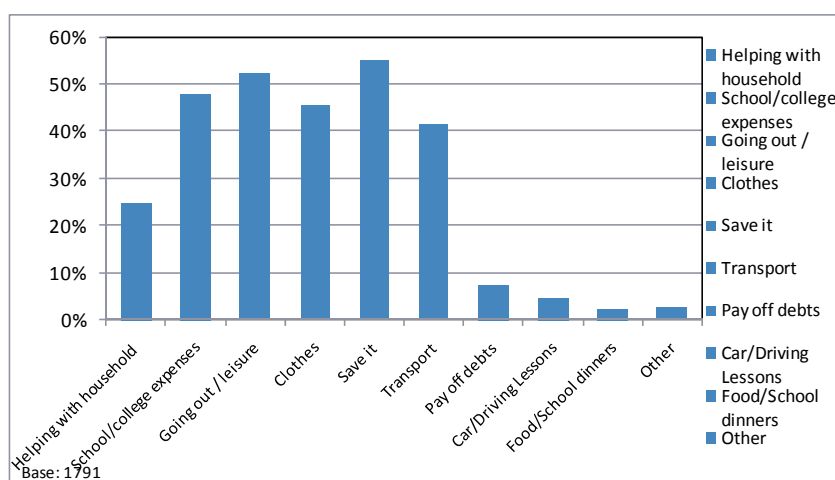
### *EMA spending and finance*

- 4.15 The findings from the survey show that over half of learners in receipt of EMA thought it was enough to meet their needs. However, nearly two thirds indicated they had a part-time job and around 43% indicated that their

parents/guardians provided an additional source of income. Unsurprisingly those students in receipt of £10 or £20 were less likely to say the amount was sufficient.

4.16 When learners were asked to advise how they used their EMA allowance, the majority indicated that they saved it. In terms of spending the money, social activities ranked the highest amongst responses.

**Figure 1.8: EMA Spending**



**Source: EMA Survey, 2010**

Note: Totals will not sum to 100 due to multiple responses

### *Information and Guidance*

4.17 Overall, EMA co-ordinators, learners and parents appear content with the information and guidance provided in relation to EMA.

### *Learning Agreement and Conditions*

4.18 No issues were reported with regard to the administration of the learning agreements or the conditions attached to receiving the weekly allowance and bonus payments. It would appear from the survey results that the broad categories of conditions attached to the EMA weekly allowance and bonus payments were consistent across Learning Centres with accounting for absence being the most common condition for weekly payments, and attendance at exams as a condition for receipt of bonus payments.

## **Conclusion**

- 4.19 The evaluation of the scheme above points to positive outcomes for some recipients of the scheme in terms of their decision to remain in education and in incentivising their engagement with the system. However, for the majority of recipients, the availability of EMA does not appear to influence their decisions. Those for whom the availability of the allowance does influence their decision are more likely to be receiving the £30 allowance and hence will be from lower income families. But the numbers indicating that they would remain in education irrespective of whether the allowance was paid or not are such as to suggest that the availability of the allowance does not influence the decision to remain in education of a significant proportion of those receiving the £30 allowance.
- 4.20 In the opinion of the learners and the co-ordinators, the bonus payments help to maintain good behaviour and prompt completion of homework and coursework, timekeeping and general engagement for about half of the recipients and as for the weekly payments most of these will be receiving the £30 allowance.

## 5 Comparative Analysis of EMA in other Administrations

5.1 Changes in the economic context, including the demand for public sector spending reductions and an increase in the uptake of EMA, has meant EMA has come under increased scrutiny in England, Scotland and Wales. This has resulted in a number of changes being implemented or planned for the future.

### England

5.2 In 2010, England announced it was withdrawing bonus payments for academic year 2010/11 and that it was abolishing the EMA scheme in its entirety from academic year 2011/12.

5.3 Subsequent to that on 29 March 2011, a new £180 million bursary scheme was announced for England to help the most vulnerable 16-19 year olds continue in full-time education. This represents 33% of the EMA expenditure in England in its final year and is the equivalent of a scheme costing £9m here. Expenditure on our current EMA scheme amounts to £27m annually.

- The new English scheme is made up of two parts – a guaranteed payment to a small number of the most vulnerable, and a discretionary fund for schools and colleges to distribute.
- Around 12,000 16-19 year olds will be given guaranteed bursaries of £1,200 a year. Those eligible include children in care, care leavers and those on income support. This is more than they would otherwise have received on EMA.
- Schools and colleges can distribute the rest of the money to support any student who faces genuine financial barriers to participation such as costs

of transport, food or equipment. They will have the freedom to decide the scale of the bursaries; to pay weekly, monthly or annually; and to link it to behaviour or attendance.

5.4 Transitional arrangements were put in place to help those part-way through their studies and currently receiving EMA. These consisted of two elements:

- All students who first successfully applied for EMA in 2009/10 would continue to receive payments at the same time until the end of the academic year 2011/12;
- Young people who were in their first year of post-16 study and in receipt of the maximum weekly payment of £30 would be eligible for £20 for each week they were in education or training until the end of the 2011/12 academic year.

### Scotland

5.5 Scotland has phased out the two lower weekly EMA payments of £10 and £20. EMA bonus payments have also been withdrawn as from academic year 2010/11. The family income threshold below which EMA is payable has been set at £20,351, or £22,403 for families with more than one dependent child.

5.6 From 1 April 2011, Scotland introduced Activity Agreements which are agreements between advisors and young people who are engaged in a programme of learning and activity which helps them become ready for formal learning or employment. Typically Activity Agreements are for young people not ready or able to access formal education as they reach school leaving age.

5.7 Learners with Activity Agreements under this new scheme are also paid means-tested EMA at £30 per week. However, they have no compulsory

attendance requirements nor do the Learning Centres and courses for these additional learners have to be accredited in the same way as those for the traditional EMA scheme. The EMA eligibility criteria in terms of learner's age and attendance and the Learning Centre and course accreditations do remain the same for 16 -19 year olds in full-time education.

## Wales

- 5.8 Wales has phased out the two lower weekly payments of £10 and £20 from academic year 2011/12. Bonus payments were also withdrawn as from academic year 2010/11. From academic year 2011/12, new students are assessed against a family household income threshold of £20,817 (reduced from £21,885).
- 5.9 Wales also introduced consideration of other dependent children also referred to as the Family Details policy. There is an additional family household income threshold of £23,077 for learners in families with other dependent children. It is not anticipated that these income thresholds will change year on year.

## 6 Future Policy Options for EMA

### Current policy and economic context

- 6.1 Overall, the findings from the review have shown that the effectiveness of the scheme in incentivising participation and engagement in education is limited. It has most effect on young people from particularly low income backgrounds and the analysis suggests that EMA funding needs to be better targeted at those in most need if its effectiveness is to be maximised. This is consistent with the outcome of the review of EMA conducted by the previous Committee for Employment and Learning.

### *Widening Participation in Higher Education*

- 6.2 DEL is committed to widening participation in Higher Education by students from those groups which are currently under represented, in particular, students from disadvantaged backgrounds and those with disabilities and learning difficulties.
- 6.3 The Department is currently leading the development and implementation of an Integrated Regional Strategy to Widen Participation in Higher Education. It is being supported in this by key stakeholders including other Government Departments, the Higher Education Institutions, Further Education Regional Colleges and NUS/USI.

### *Young people Not in Education, Employment or Training (NEET)*

- 6.4 There is a growing awareness of a significant proportion of young people aged 16-24 years old being in the Not in Education, Employment or Training (NEET) category and the issue has been recognised in the Programme for Government.



- 6.5 On behalf of the Executive, the Department for Employment and Learning developed a NEETs Strategy – Pathways to Success: Preventing exclusion and promoting participation of young people. The Strategy was approved by the Executive on 31 May 2012 and it outlines a wide range of initiatives to both address the needs of and to reduce the number of young people who are in the NEET category.

#### *Current budgetary pressures*

- 6.6 As Figure 1.2 illustrates, there has been a year-on-year increase in the number of students remaining in post-compulsory education who are eligible to receive EMA.
- 6.7 As a result, the budget required by DEL for the EMA scheme has increased substantially in recent years. In fact, the overall EMA spend by DEL has increased by almost 23% since the scheme was fully rolled out in academic year 07/08.
- 6.8 It is also widely recognised that we are currently facing a challenging economic climate, in particular as the result of the tightening of the public purse, and the consequent increasing pressure on government departments to ensure resources are used effectively across the Comprehensive Spending Review (CSR) period 2011/12 to 2014/15 and the difficult market conditions forecast for the period.
- 6.9 In this context, there is a need to ensure that any such funding support is directed toward those that need it most and where it will ultimately have the most meaningful impact. On this basis, the weaknesses within the scheme (as identified as part of the review) need to be addressed if EMA is to remain sustainable in the future.

## Future options

6.10 Against this background, DEL and DE have considered a number of options for the future structure of EMA. The options, all of which provide for better targeting of the scheme are detailed in the table below.

**Figure 1.9: Summary of Future Options for EMA scheme**

Option 1	Immediate removal of the £10 and £20 bands and bonuses. Reduce the £30 band to £25 and pay up to a maximum household income of £22,930.
Option 2	Immediate removal of the £10 and £20 bands. Reduce the £30 band to £25, pay up to a maximum household income of £22,930 and retain bonuses totalling £100.
Option 3	Immediate removal of the £10 and £20 bands and bonuses. Retain the £30 band only and pay up to a maximum household income of £16,190.
Option 4	Immediate removal of the £10 and £20 bands. Retain the £30 band, pay up to a maximum household income of £16,190 and retain bonuses totalling £150.
Option 5	Immediate removal of the £10 and £20 bands. Reduce the £30 band to £25 and pay up to a maximum household income threshold of £16,190 and retain bonuses totalling £200.

Option 1: Immediate removal of the £10 and £20 bands and bonuses. Reduce the £30 band to £25 and pay up to a maximum household income of £22,930.

6.11 This option removes the £10 and £20 weekly allowances and all bonuses. The household income threshold remains at the current £22,930 and the £30 weekly award is reduced to £25 a week.

6.12 This option would be effective in terms of addressing current weaknesses in the scheme with only one payment band of £25 for the most disadvantaged

learners up to the current income threshold of £22,930. Under this option, it is estimated that by academic year 2014/15 26,326 learners would be eligible for support compared to 26,500 currently on the scheme.

6.13 Consideration would have to be given to how the EMA learning agreements could be revised to retain the benefits of the bonus payments through the weekly payment arrangements. For example, the learning agreements could be drafted to ensure that the £25 weekly attendance award will be paid only if, in addition to attending the required hours, the learner also returns homework and completes coursework on time.

6.14 If implemented this option would offer the potential for up to £2.8m to be re-invested elsewhere, for example in new services potentially for young people in the NEET category and for those with special educational needs.

Option 2: Immediate removal of the £10 and £20 bands. Reduce the £30 band to £25, pay up to a maximum household income of £22,930 and retain bonuses totalling £100.

6.15 This option removes the £10 and £20 weekly allowances. The household income threshold remains at the current £22,930 and the £30 weekly award is reduced to £25 a week and bonuses are restricted to a maximum of £100 per annum rather than the current £100 returner bonus and two in-year £100 bonuses per annum.

6.16 This option would be effective in terms of addressing current weaknesses in the scheme with only one payment band of £25 for the most disadvantaged learners up to the current income threshold of £22,930. It would also retain the additional benefits of the bonus awards to the extent that they were identified in the review. Under this option, it is estimated that by academic year 2014/15 26,326 learners would be eligible for support compared to 26,500 currently on the scheme.

6.17 This option would offer limited opportunity for re-investment.

Option 3: Immediate removal of the £10 and £20 bands and bonuses. Retain the £30 band only and pay up to a maximum household income of £16,190.

6.18 This option would see retention of the £30 weekly allowance and the removal of the £10 and £20 weekly allowances together with the removal of all bonuses, which is in line with recent developments in Scotland and Wales.

6.19 The findings from the review indicate that the £10 and £20 payments have the least impact in terms of both the decision to remain in school and impact on engagement with learning. This option would be effective in terms of addressing the current weaknesses of the scheme by keeping the £30 payment band only for the most disadvantaged learners, at a household income threshold of £16,190 rather than the current £22,930 threshold.

6.20 The household income threshold of £16,190 has been chosen as a suitable indicator of social deprivation since it is used in some of the criteria, used by DE, to determine eligibility for free school meals.

6.21 Under this option, it is estimated that by academic year 2014/15 22,207 learners would be eligible for support compared to 26,500 currently on the scheme.

6.22 However, as with option 1, the perceived benefits for some recipients of the bonus payments would be lost and this could potentially negatively impact on the motivation and performance of some learners in relation to attendance, time-keeping and submission of homework/coursework. Consideration would therefore have to be given to how the EMA learning agreements could be revised to retain the benefits of the bonus payments through the weekly payment arrangements.

6.23 Under this option it would be possible to reinvest up to £2.7m elsewhere, for example in new services potentially for young people in the NEET category and for those with special educational needs.

Option 4: Immediate removal of the £10 and £20 bands. Retain the £30 band only and pay up to a maximum household income of £16,190 and retain bonuses totalling £150.

6.24 This option would see the removal of the £10 and £20 weekly allowances currently paid to learners and bonuses restricted to a maximum of £150 per annum rather than the current £100 returner bonus and two in-year £100 bonuses per annum.

6.25 The findings from the review indicate that the £10 and £20 payments have the least impact in terms of both the decision to remain in school and impact on engagement with learning. This option would be effective in terms of addressing the current weaknesses of the scheme by keeping the £30 payment band only for the most disadvantaged learners, at a household income threshold of £16,190 rather than the current £22,930 threshold. It would also retain the additional benefits of the bonus awards to the extent that they were identified in the review.

6.26 Under this option, it is estimated that by academic year 2014/15, 22,207 learners would be eligible for support compared to 26,500 currently on the scheme.

6.27 This option would not provide an opportunity for re-investment in other complementary areas.

Option 5: Immediate removal of the £10 and £20 bands. Reduce the £30 band to £25 and pay up to a maximum household income of £16,190 and retain bonuses totalling £200.

- 6.28 This option would also be effective in terms of addressing the current weaknesses in the scheme by keeping one payment band of £25 for the most disadvantaged learners up to a maximum household income of £16,190. Under this option, it is estimated that by academic year 2014/15 22,207 learners would be eligible for support compared to 26,500 currently on the scheme.
- 6.29 This option differs from option 3 with higher bonus payments, which recognises the benefits of the bonuses in terms of the learner's engagement with education through the learning agreements. The weekly award is £25, rather than £30 in option 3. This together with the income threshold of £16,190, as in option 3, is another means to better target and address current weaknesses in the scheme.
- 6.30 Under this option up to £2.2m would be available for re-investment, for example, in new services potentially for young people in the NEET category and for those with special educational needs.
- 6.31 The table below provides a comparison of the future options for the EMA scheme.

**Figure 1.10: Comparison of Future Options for EMA scheme**

	<b>Estimated Number of EMA learners in 14/15</b>	<b>Income Threshold</b>	<b>Weekly allowance</b>	<b>Bonus</b>	<b>Available for reinvestment</b>
<b>Option 1</b>	26,326	£22,930	£25	0	£2.8m
<b>Option 2</b>	26,326	£22,930	£25	£100	£0.3m
<b>Option 3</b>	22,207	£16,190	£30	0	£2.7m
<b>Option 4</b>	22,207	£16,190	£30	£150	0
<b>Option 5</b>	22,207	£16,190	£25	£200	£2.2m

### *Other policy considerations*

- 6.32 The NEET strategy includes a focus on prevention; that is, those actions to stop young people (under 16 years of age) from ending up in the NEET category in the first place. A major aspect of this strand of this work is with the Department of Education and the Department of Health and Social Services and Public Safety.
- 6.33 Crucially, the Executive wanted to consider what further action needs to be taken to improve the ways in which the young people themselves are linked or signposted into potential opportunities, and supported so that they can avail of them, dealing with their personal barriers. A 'mentor' approach has emerged as one of the most effective tools and is where, appropriately, the voluntary and community sector can often make an important and substantial contribution.
- 6.34 In addition to deciding upon the best option for the future structure of the EMA scheme, the EMA review has also highlighted other areas that will, going forward, require further consideration by DEL and DE.
- 6.35 Most notably, the review has suggested that there should be greater flexibility in the eligibility criteria for students with special educational needs. Currently, EMA recipients must be studying full-time at school or undertaking 15 hours of guided study at a Further Education college. Some stakeholders believe that it is difficult for children with special educational needs to fulfil this criterion.
- 6.36 Specifically, it was suggested that consideration should be given to the provision of Activity Agreements for such learners who are unable to meet the guided hours criteria of the scheme. This would be in line with developments in Scotland as outlined in paragraphs 5.6 and 5.7.

6.37 As shown above options 1, 2 and 4 provide savings some of which could be reinvested elsewhere, for example, in new services for the NEET category and for those with special educational needs.

### **Consultation Questions**

1. What are your views on the options outlined for the future of the EMA scheme?  
Given the consequences associated with each option, what is your preferred option?
2. In relation to the options which involve the removal of bonus payments, what are your suggestions on how the benefits of the bonus payments, such as behaviour and timely completion of course work, could be retained through the weekly payment arrangements?
3. Have you any other suggestions on how EMA could be better targeted towards those who need it most and where it will ultimately have the most meaningful impact, taking into account the current budgetary constraints?
4. If the scheme was better targeted at those most in need, what are your views on using savings to invest in services for young people not in education, employment or training or for those with special educational needs?



## 7 Equality Impact Assessment

7.1 An equality impact assessment to accompany this consultation paper has been prepared. It is available for public consultation for the same period as this document.

7.2 The equality impact assessment can be downloaded from the DEL and DE websites at the following locations:

DEL: <http://www.delni.gov.uk/index/consultation-zone.htm>

DE: <http://www.deni.gov.uk/index/about-the-department/public-consultations.htm>

## 8 Additional Information

8.1 This consultation document, the equality impact assessment and the response booklet can be downloaded from the DEL and DE websites at the following locations:

DEL: <http://www.delni.gov.uk/index/consultation-zone.htm>

DE: <http://www.deni.gov.uk/index/about-the-department/public-consultations.htm>



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