

Vote to Save EMA January 19, 2011



About Education Maintenance Allowance (EMA)

Education Maintenance Allowance (EMA) is currently paid to over 635,000 learners to help them stay in education after the age of 16. Around 80% of those young people receive £30 per week – that means their household income is below £20,800 per year. No new applications will be taken for EMA as of January, 2011. Those who receive EMA now will only do so until the end of the academic year. Around 300,000 students who will be halfway through their courses will see their financial support disappear.

The cut

The overall EMA budget is currently £574 million. The proposed replacement for EMA will receive around £75 million in funding - a cut of around £500 million.

The government says support will be 'targeted' but with 80% of the claimants on the top payment band (their household income is less than £20,800) and such a huge funding cut, not everyone who receives support now will do so in the same way.

The new system

EMA will be replaced by an 'enhanced discretionary learner support fund'. This discretionary learner support fund already exists as a hardship fund.

The 'enhanced' support system will be managed by institutions and not as a national scheme. There will be no national system and no set expectation for young people and their families about what help they can get. It will be a postcode lottery and this hinders access, just the problem that was identified by the 1998 Lane Report which introduced EMAs.

The 'deadweight' argument

Ministers have often claimed that 90% of EMA payments are 'deadweight' – they say young people would have stayed on in education anyway so the money is wasted. We do not believe that helping young people to stay in education is a waste of money, but regardless of that, their 'deadweight' argument is flawed.

The 90% deadweight figure is based on one report with an unrepresentative sample. The sample used to back up this policy overrepresented high achievers, underrepresented those from BAME backgrounds (91% of the sample were white) and did not speak to young people in further education colleges (where EMA is an important lever for encouraging participation in education). The sample does not accurately represent the student body who currently receive EMA.

EMA pays for itself. The Institute for Fiscal Studies were clear in saying that EMA increases participation and pays for itself in the long run. IFS said that even if the deadweight costs were accepted 'the costs of EMA are completely offset' by the costs to the Treasury of young people who do not enter education in benefits and ultimately lost tax revenue.

Things you may not know about EMA

Despite coming from the poorest families and in some cases having low level qualifications, EMA students miss fewer classes and are more likely to stay in education than students from higher income families.

Retention rates of those on EMA are very high. Data shows that 95% of young people at City and Islington College completed their course (compared to 90% of those not eligible for EMA). Data from Lambeth College in London showed that students receiving the EMA were more likely to stay the course (90 per cent compared with 75 per cent of other students) and more likely to pass (94 per cent compared with 81 per cent).

EMA is not something young people in education automatically receive. Students enter into a 'learner agreement' to receive EMA. This is essentially a contract saying that they will attend, be punctual, meet education targets and behave appropriately. If they don't do these things, they don't get EMA.

The debate on Wednesday

The government have provided no clear plans for the replacement to EMA – we know simply that funding will be reduced by around £500 million and support will be administered locally. There are a number of questions MPs should be asking. Among them are:

- Where is the equality impact assessment on the scrapping of EMA? Without one, how will we know what the impact is?
- Young people who receive EMA signed a learner agreement saying that in order to receive EMA they would attend, be punctual, behave well and study. Is it fair to remove their funding halfway through their courses when they have kept their side of the deal?
- What happens if a student is 'in need' but the college has run out of learner support funding?
- Will funding be allocated on a 'first come, first served' basis?
- Will there be any requirements placed on students in order for them to receive funding?
- Students in year 11 are already planning what they will do from this September onwards – when will young people know what funding they can expect next year?
- Cuts to local authority budgets already mean reductions in transport subsidies for young people. What support will be put in place for those who need help with travel costs?
- How will payments be timed? Ministers say this will be decided locally but can students expect a weekly/regular payment that affords them the stability they need to study?
- Will there be any national guidelines for administering the scheme? If not, how will young people know what they are entitled to or what they can expect?
- Will students be able to apply for funding before they start their course? How will they know if they can afford to study?
- Will scrapping EMA breach any contracts with those who administer the scheme? How much will that cost the government?
- Funding for further education is being cut. Institutions are scaling back student support services – will extra help be provided to colleges in order to administer this scheme effectively?

For more information

For more information about the campaign to save EMA and more examples of questions you could ask in the debate visit www.emacampaign.org.uk or contact Lisa Johnson at UCU on ljohnson@ucu.org.uk. To speak to someone at www.saveema.co.uk contact James Mills at james@saveema.co.uk.