

Education Maintenance Allowance (EMA)

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Key Features of the Education Maintenance Allowance

Operation Date: 1999-2011

Target Population: 16-18 year-olds who were in full-time post-16 education and from lower income households

Purpose: : To support 16-18-year olds with the costs of post-16 education and to act as an incentive to increase attendance, retention and attainment

Introduction

The Education Maintenance Allowance (EMA) was introduced by the New Labour government in 1999 to support young people aged 16-18 with the costs of post-16 education, such as transport, equipment, and books (Department for Education and Skills [DfES], 2007). Students in post-16 education were eligible for EMA if their household income was below £30,810. Depending on the level of their household income, a payment of either £30, £20 or £10 a week was paid directly to students and they had the responsibility and freedom to decide how to spend it. The policy was brought in to raise attendance, retention and attainment rates in post-16 education. The independent and large-scale evaluation of the EMA pilot scheme showed it had some success in achieving these goals (Middleton et al., 2005). In 2010, the UK's Coalition government announced that they would end EMA in England due to a changed policy context which included the raising of the participation age to 18 and the austerity measures affecting most public spending. In its place, a new 16-19 Bursary Fund was introduced across England at a cost of less than a third of the previous EMA budget. It is targeted at a much smaller group of young people, including young people in care, care leavers and young people in receipt of income support (Department for Education [DfE], 2011b). The decision to abolish EMA in England coincided with the proposal to triple university fees and many students protested against both policy decisions. The involvement of many students to try to reverse the cut has lessons for policymakers on involving young people in policy development. EMA remains accessible to young people in Wales, Scotland and Northern Ireland.

Context

The areas of post-16 education and young people's transitions after school were key policy priorities for New Labour. In 1999, the government published a white paper, *Learning to Succeed*, which outlined several new policies to support young people in post-16 education, including the Connexions service and EMA (Department for Education and Employment [DfEE], 1999). These policies were part of a universal agenda to increase participation, retention and attainment rates in post-16 education among 16-18-year-olds, together with a targeted agenda to tackle social exclusion through reducing the number in this group who were not in education, employment or training (NEET) (DfEE, 1999). EMA was brought in to encourage more young people from lower-income families to stay in education after year 11. Prior to EMA, there was a complex system of financial support through eight different organisations with different criteria depending on the young person's living situation, family background, type of course or education institution (Social Exclusion Unit [SEU], 1999).

A study on the impact of students' income and expenditure on participation in further education in the 1997/98 academic year (Callender, 1999), found that student financial support was unequal and did not sufficiently reach all students who needed it, with less than one in ten students receiving student financial support (from a nationally representative sample of 1,000 students of all ages enrolled on both full- and part-time courses). Furthermore, two-thirds of students in the sample had no information about the availability or the eligibility requirements of student support (Callender, 1999). The New Labour government felt the different funding streams were not enough to support some young people to stay in education after age 16 and wanted to make student financial support less complicated through the introduction of EMA (SEU, 1999). EMA was first trialled as a pilot scheme in 1999 to assess if a financial incentive would increase participation, retention and attainment in post-16 education. Several different models were trialled and evaluated before EMA became a national scheme in 2004 after evaluation results showed increased participation and retention rates among the eligible population (Ashworth et al., 2002). At the peak of the scheme in 2009/10, 643,000 young people received EMA (representing nearly half of 16-18 year olds in full-time education in England) at a total cost of £580million (Bolton, 2011).

The Coalition government came into office in May 2010 and in October they announced that EMA would be abolished in England at the end of that academic year (Bolton, 2011). This was one of many funding cuts undertaken as part of a government agenda of austerity to cut public spending in the wake of the global financial crisis. EMA was viewed by government as too expensive (DfE, 2011a) and as having a high 'deadweight' cost, as a result of many students stating they would have stayed in education even without the payments (Britton and Dearden, 2015). Furthermore, the government argued EMA was not needed as an incentive to stay in education, as the school leaving age was due to rise to 18 (House of Commons Education Committee, 2011). EMA was replaced with a new 16-19 Bursary Fund which started in September 2011 and continues today. The new Fund, with a significantly reduced budget, is administered at the discretion of colleges and training providers, who can decide their own schemes within the parameters of the Fund. This differs from EMA which provided direct payments to young people, for which they could apply before opting for a specific post-16 education course or institution. The government set out that the Bursary Fund should be targeted at the most disadvantaged learners who needed financial support for post-16 education, such as young people in care (DfE, 2011b). For other learners from low-income backgrounds, it is up to colleges to decide how to award bursaries and the type of payment that young people will receive.

Evaluation

EMA was extensively evaluated by a consortium of external research partners through a large-scale and longitudinal study of the pilot scheme. The evaluation was led by the Centre for Research in Social Policy (CRSP) in partnership with the Institute for Fiscal Studies (IFS), the National Centre for Social Research, the National Institute for Careers Education and Counselling, and the Institute for Employment Research (Maguire and Thompson, 2006). The final evaluation report, led by a team from the CRSP and IFS (Middleton et al., 2005), concluded that for eligible 16-year-olds in the pilot areas, participation in full-time education increased by 5.9 percentage points. The retention rate also improved, with EMA increasing the proportion of young people who stayed in education at both age 16 and 17 by 6.1 percentage points. This was even higher for young people from lower-socio economic groups, with the retention rate increasing by 9.1 percentage points (Middleton et al., 2005). The qualitative evaluation, by the National Centre for Social Research (Legard et al., 2001), highlighted young people's views on EMA through in-depth interviews. Researchers found that EMA had a positive impact on achievement as it motivated students to attend classes and hand in assignments on time. It also acted as an incentive for young people who were at risk of dropping out of education (Legard et al., 2001). In addition, research by the IFS found that EMA had a significant impact on increasing participation rates for eligible young people, by 4.5 percentage points for eligible 16 year olds in the first year and by 6.7 percentage points for eligible 17 year olds in two years of further education (Dearden et al., 2009).

Further analysis of the EMA scheme was conducted in relation to an impact evaluation of the 16-19 Bursary Fund to assess the impact of the replacement programme (Britton and Dearden, 2015). The evaluation found that full-time participation of year 12 students who would have been eligible for the maximum EMA award of £30 a week declined by 1.6 percentage points. In addition, Britton and Dearden (2015) conducted a cost-benefit analysis of replacing EMA with the 16-19 Bursary Fund to calculate the costs and benefits to the exchequer. They identified a short-run saving from the reduced cost of the 16-19 Bursary Fund and savings from a drop in student numbers. However, in the long-term, they estimated that the long-term costs from replacing EMA with the Bursary Fund outweighed the immediate savings of the Fund. The long-term cost was calculated by running a simulation under both EMA and the Bursary Fund to estimate the highest education qualification individuals would achieve, their expected lifetime earnings and their tax receipts to the exchequer. They found that lifetime tax receipts at a household level could potentially be reduced under the Bursary Fund due to people receiving less education and as a result, earning less over their lifetime.

The 'deadweight' cost of EMA, cited by the Coalition government as one of the reasons to abolish the scheme in England, came from a survey conducted by the National Foundation for Educational Research (NFER) which found that 12% of students who received EMA said they would have not stayed in education without it (Spielhofer et al., 2010). However, the NFER survey was designed to explore the overall barriers to participation and was not designed as an EMA performance measure. It reported that although finance would only stop 4% of young people (from a sample including young people not in receipt of EMA) from doing what they wanted to do in post-16 education, a quarter of young people felt finance was a constraint on their options. The finding on EMA came from a small sample of young people and the lead author of the NFER study told the House of Commons Education Committee in 2011, that he felt this finding had been misinterpreted by the Coalition Government to justify the decision to abolish EMA (House of Commons Education Committee, 2011). Evidence from the NFER survey, which was not widely publicised, highlighted how different groups of young people felt about EMA, most notably young people with learning difficulties and disabilities and young parents who were much more likely to say they would not have stayed in education without the support from EMA (Spielhofer et al., 2010). EMA remains operational in the UK devolved nations of Scotland, Wales and Northern Ireland where the school leaving age is still age 16. Their continuation of EMA highlights the increasing difference in education policy priorities between the different governments, with England taking its own path with the more limited Bursary Fund. An evaluation of EMA in Wales in the 2013/14 academic year found that EMA is well-established in Wales and helps to reduce the number of young people who are NEET as well as widening participation in further education (Bryer et al., 2014).

The Education Committee also raised the importance of listening to young people's views on EMA. Their inquiry into 16-19 year olds participation in education and training received 700 submissions from young people, parents and education and careers staff on EMA and the impact of abolishing it. Students reported that EMA helped them with the costs of travel, equipment and internet for post-16 education and that without it, they may have to undertake more paid work alongside their courses, thereby reducing the time they have to study (House of Commons Education Committee, 2011).

The Committee also heard evidence that young people were not properly consulted on the decision to remove EMA and in their conclusions and recommendations, the Committee stated that the delay of the Coalition Government to organise the replacement Bursary Fund left students unable to make informed decisions on their post-16 education options. There was a high-profile campaign by students to save EMA in England, often running alongside the campaign to stop the tripling of tuition fees, but it did not stop the government's decision to abolish the scheme in England.

Conclusion

EMA remains a popular policy with young people, as shown by its continuation in Scotland, Wales and Northern Ireland, and it has been shown through robust evaluation evidence to have a positive impact on post-16 education participation and retention rates among young people from lower-income families. However, these positive results were not enough to secure the future of the policy in England in the context of budget cuts under austerity. Although the post-16 education landscape has changed over the last decade in England, EMA still has important lessons for policymakers on the importance of listening to young people's views on policy, understanding how policy impacts differently positioned young people, and the need for a fair system of financial support for post-16 education costs. In the context of the pandemic, these lessons are more important than ever.

Through the evaluation of the EMA pilot, Education Committee evidence and youth-led action through protests and campaigns, many young people shared how important and valuable EMA was for helping with the costs of post-16 education. Youth-led campaigns to save EMA were an example of youth-led action in policy and although the Coalition government's youth strategy stated that young people had the right to have a say on decisions which affect them (HM Government, 2011), their voices were not heard on the importance of EMA to young people in England. The evaluation also raises the importance for governments to explore how differently positioned groups of young people are affected by a change in policy. The evaluation highlighted how EMA particularly helped different groups of young people, such as young people with disabilities and young people from lower socio-economic groups. As policy continues to adapt to the implications of the pandemic on educational opportunities and looks towards a post-pandemic context, it is important to understand how different groups of young people have been affected. For example, recent research findings from the Sutton Trust highlight that disadvantaged pupils have suffered the most due to disruption caused by the pandemic (The Sutton Trust, 2021). Consequently, any decisions around funding for disadvantaged pupils must be strongly evidence based and include their voices in the development of policy to understand the financial barriers or challenges they face in different post-16 education courses.

Finally, many young people still face extra costs to their learning in post-16 education, particularly on vocational courses which require specialist equipment or work placement expenses, which cannot solely be met through existing Bursary Fund provision. For example, a government consultation on the new T Level qualifications found that young people raised concerns about the costs and transport access to industry placements which are a requirement of the new courses (DfE, 2018). The pandemic has highlighted the issue of extra costs in education, with many students not having access to their own computers or internet at home to study remotely. The Bursary Fund does not reach as many students as EMA and as funding is decided and arranged by colleges, it echoes the pre-EMA policy context of uneven financial support which is not clear or accessible to all students who may need it. A discretionary, uneven and inconsistent form of funding in England, to support full-time post-16- learners, specifically young people from disadvantaged and low income backgrounds, is currently failing their needs.

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