

**Education Maintenance Allowance (EMA)
Update on national roll-out from September 2004**

Report of Keith Mitchell Director of Education

1.0 Purpose of the Report

1. To acquaint members of Cabinet with the latest position in County Durham regarding the roll-out of the Government funded EMA programme to be introduced from September.

2.0 Background

- 2.1 Members will be aware from previous reports that since September 1999 the Government has funded pilot EMA programmes in up to 50 LEAs. These have focused on various potential motivational aspects for post-16 staying-on including the amount payable to the young person (£30 or £40 per week), the EMA being targeted only on transport costs, on bonus payments available to the young person on completion of their course and on the actual payments being made to the parent/carer instead of the young person.
- 2.2. As a result of the significant concerns of Members that County Durham was not included in any of the first wave of pilots, Cabinet resolved to lobby the Government and the Learning and Skills Council, but unfortunately without success. More concerns were expressed by Cabinet in 2002 when a second round of pilot schemes was introduced in nearly all of the LEAs in the North-East, which inevitably was beginning to have a knock-on impact on people in County Durham.
- 2.3 When the County Council as LEA was inspected by OfSTED/Audit Commission in 2003 it was reported that County Durham had the worst post-16 staying-on rate in England. Raising attainment at Key Stage 4 and improving progression rates into education and training post-16 remains a key target for the County Council.
- 2.4 Members will be aware from separate reports that the post-16 staying-on rate in County Durham in July 2003 increased only marginally on the 2002 figure, which in turn represented only a marginal increase on 2001.

3.0 Current Situation

- 3.1 The Government completed an extensive two-stage evaluation of all the EMA pilot schemes in 2003 and decided to roll-out a national scheme in England with effect from September 2004. Despite strong pressure from the Local Government Association that LEAs were best placed to operate a means-tested EMA scheme in their area, the Government favoured a centralised model and awarded the contract to CAPITA in September 2003.
- 3.2 Local Forums led by local LSCs have been established to co-ordinate the promotion and marketing of EMAs. The membership of the County Durham EMA Forum is attached as appendix 2.
- 3.3 The DfES Implementation Team for EMAs has been holding regional and local events for secondary schools, colleges of Further Education, LEA officers and Connexions staff to raise awareness of the EMA scheme. Such an event took place in County Durham on Friday 6 February 2004.
- 3.4 Copies of documents on the DfES website are attached as Appendix 3.

4. Main Features of the EMA scheme

- To qualify for the EMA in September 2004 a young person must be 16 years old, ordinarily resident in England and starting a course or training programme of at least 12 “guided learning hours per week”.
- A young person can receive funding for up to 3 years but must sign a “learning contract” or agreement with the school or college concerned.
- EMA payments are means-tested against the Tax Credit thresholds as follows:-

Household income up to	£19,000	£30 per week
Household income	£19,001 - £23,000	£20 per week
Household income	£23,001 - £30,000	£10 per week
- No payment can be made to a young person where the household income is over £30,000.
- The weekly payments are made by CAPITA only into a registered bank account in the name of the young person concerned.
- Bonus payments of £100 for continuing in the learning programme are made in January and July of the academic year with an additional bonus in September for those young people returning for 2nd and 3rd years of study.

5.0 Next Steps

- 5.1 In conjunction with the local EMA Forums the DfES intends to market and promote EMAs to young people including extensive local and national radio and television advertising in the period February to April 2004. From May to August 2004 (when GCSE results are known) young people will be able to make application for an assessment to be made by CAPITA UK as to their residual income and their possible entitlement to an EMA. From September 2004 and onwards attendance on school and college courses will commence and the payment process will then be operating.
- 5.2 The DfES has written to Directors of Education asking that LEAs become involved at their local level in supporting schools and colleges and other local partners in promoting EMAs. Members will be aware (as set out in appendix 2) that representatives of the LEA are involved in the local EMA Forum but the initial administrative burden will be placed on schools and colleges as they are required to ensure a young person is registered on a course and that their details are forwarded to CAPITA for future processing. CAPITA are currently still developing the IT system to support this large movement of information. All young people must be entered onto the central database held by CAPITA by 30 September 2004 in order to receive payment. Payments cannot be amended after that date, even if the Tax Credit threshold income of a household subsequently changes.

6.0 Conclusions and Recommendations

Whilst the introduction of an EMA scheme across England is to be welcomed and it is anticipated that it is likely to have some impact on the staying-on rate post-16 in County Durham there are several matters of concern:

- The DfES timescale for implementation is too late to have a major impact on the current Year 11 cohort leaving school in July 2004. No promotional material has to date been made available to young people in County Durham.
- Schools and colleges will be in the front line of the administrative process and be responsible for registering all students and trainees mainly in the period May to September 2004, though a significant increase in applications will occur following the GCSE results in late August. Whilst the Government is making resources available directly to schools of £70 per registered trainee, headteacher representatives have already expressed concerns that they do not have the administrative staff nor the expertise at the present time and this will require urgent action by them to recruit new staff or to give additional duties and responsibilities to existing administrative staff.
- CAPITA has still to demonstrate that the national IT system will work in time to support this year's school leavers in all 150 LEAs.

- Although staff in the LEA's Student Award Section have extensive knowledge and experience of administering means-tested schemes there will be no direct involvement by them in the new EMA scheme.
- As the EMA scheme is extended to all LEAs across England the relative position of County Durham with its low staying-on rate is unlikely to be improved in 2004 and there will need to be concerted joint efforts by the key partners of LSC, LEA and Connexions Service and targeting on key areas of County Durham where local communities have no traditions of encouraging staying-on post-16 in education and training, if there is to be a step change.
- The payments of £30 per week need to be set in the context of higher payments being made available by young people leaving for low-skilled jobs but with no training element involved. Recent evidence from the Connexions Service data shows that the increased staying-on rate in East Durham was mainly as a result of young people moving into full and part-time employment and employment without training.
- The Key Stage 4 target of raising attainment remains as the crucial aspect of 14-19 progression in that young people are much more likely to stay on in education and training if they are moving into a course or a vocational programme which they find to be interesting and engaging and which has a clear progression pathway into further and higher education and training and full-time employments.

Members are requested to note the contents of the report and to comment on any further action which they consider necessary in order to progress the post-16 staying-on rate in County Durham.

Background Papers

1. Proposed new Post-16 provision in East Durham : Report on outcome of consultation – Report of Director of Education to Cabinet on 10th October 2002.
2. Review of Post-16 Education and Training provision in County Durham – Report of Director of Education to Cabinet on 7th November 2002.
3. Student support arrangements for schools and FE. Provision (16-19) – Report of Director of Education to Cabinet on 20th March 2003.
4. Strategy for 14-19 provision – Report of Director of Education to Cabinet on 20th March 2003.
5. Local Public Service Agreement – update on post-16 staying-on rate in Easington – Report of Director of Education to Cabinet on 1st May 2003.

Appendix 1: Implications

Finance

Not applicable

Staffing

Not applicable

Equal Opportunities

This is a Government initiative to support equality of opportunity for access to post-16 education and training.

Accommodation

Not applicable

Crime and Disorder

Not applicable

Environment

Not applicable

Human Rights

Young people will have a right of appeal to CAPITA if they feel their assessment for entitlement to EMA is wrong.

Localities

County-wide applicability

Young People

Impacts on all post-16 young people, but especially those currently in Year 11 of their secondary education.

Consultation

DfES consultation with schools, colleges, LEA, LSC and Connexions Service.

Raising Standards

Should impact on raising standards by motivating young people to remain in education and training and to achieve their learning goals.

County Durham EMA Forum

Membership

Learning and Skills Council County Durham – David Lane (Chair)

Learning and Skills Council County Durham – Sheila Collins

Learning and Skills Council County Durham – EMA Co-ordinator – Gail Tolfree

Durham County Council LEA – John Bowman

Durham County Council LEA – Stephen Laidman

Connexions County Durham – Jill Dickinson

DfES Regional Officer EMAs – Chris Hegerty

Durham Association of Secondary Heads – John Cotton

East Durham and Houghall Community College – Ian Prescott

Durham Johnston School – Richard Bloodworth

St. John's R.C. Voluntary Aided Comprehensive – Gerard Moran

Wellfield Community School – Jennifer Elliott