



Evaluation of the Education Maintenance Allowance (EMA) Report

Research Summary

Social research

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This report, prepared by Old Bell 3 Ltd, is the first of three reports presenting the findings of an independent evaluation of Further Education (FE) student finance across Wales based upon a work programme carried out between December 2013 and June 2014. The report reviews the efficiency and effectiveness of the EMA Scheme and the extent to which it contributes towards Welsh Government policies of widening participation within further education.

Background

1. The EMA is a financial allowance available to 16, 17 and 18 years olds living in Wales to incentivise them to continue in education after compulsory school leaving age. The original aim of EMA was 'to address the link between low income, and low participation by providing a financial incentive to young people from low-income households to remain in full-time education beyond compulsory education'¹.
2. It was first introduced for 16 year-olds in 2004/05 and was extended to include 17 year-olds in the following year (2005/06) and 18 year-olds during 2006/07. It is currently a weekly allowance of £30 per student, linked to satisfactory attendance and achievement of agreed learning goals, paid fortnightly to eligible students attending recognised schools or further education institutions (FEIs) in Wales or elsewhere in the UK.

Welsh Government (2009) 'Investing in Skills: Sector Priorities Funding, Fees Policy and Financial Support for Learners' Consultation Document, p. 33

- 3 Household income is also a criterion for awarding EMA support and students are currently only able to receive funding if their household income is £20,817 or less (if they are the only dependent child in the household) or £23,077 or less if there are one or more additional dependents aged 16 or under or aged 20 or under and in full-time education or training and eligible for child benefit in the household.
- 4 The EMA was introduced in Wales to coincide with its introduction in the other three countries of the UK and it was agreed by representatives of the UK Government and all the devolved administrations that support from the EMA Schemes would be open to students from across the UK according to where they study, not where they were ordinarily resident. However the UK Government announced in 2010 that the English Scheme would be closed at the end of August 2011 (although it is still available in Scotland and Northern Ireland).

Method

- 5 The methodology and work programme underpinning this report has involved:
- An inception and scoping stage, which included accessing key documents, administrative data and Student Loans Company (SLC) student datasets;
 - Desk research which included reviewing UK and Welsh Government policies, other FE student financial support provision and other FE student finance evaluation reports;
 - Matching SLC student records to the Widening Access Database¹ and undertaking a comprehensive descriptive analysis and modelling of the data. The accuracy of the quantitative analysis was undermined by the difficulty of determining unequivocally whether or not a student was actually in receipt of EMA. This

¹ A linked database of school, further education and higher education data constructed by WISERD and used in an Economic and Social Research Council (ESRC)-/Higher Education Funding Council for Wales (HEFCW)- funded project that aims to chart the progression of students from compulsory education to higher education.

was due to the issues surrounding the coverage of EMA data (not all EMA recipients provide consent for their data to be used for the purposes of research) and the fact that it was not possible to match the records of all individuals. However, the match rate achieved was acceptable, at 66% (see the Technical Appendix for a full discussion of the issues encountered in the matching and analysis of data).

- Developing research instruments to use with stakeholders, learning centres and students as well as policy interviewees in England, Scotland and Northern Ireland. These research instruments are presented in Annexe D of the Technical Appendix;
- A package of fieldwork at 12 Welsh further education institutions (FEIs) and 11 schools which involved interviews with staff and various focus groups with EMA recipients and non-EMA recipients;

- Interviewing key stakeholders and a further two FEIs which did not have any EMA recipients²;
- A qualitative telephone survey of 30 previous EMA recipients (20 from FEIs and 10 from schools);
- A qualitative telephone survey with 16 parents of current EMA recipients;
- Visits to three English border institutions and interviewing staff as well as EMA recipients and non-EMA recipients.

Key Findings:

- 6 The EMA Scheme is a well-established scheme. Around half of all full-time students who fall within the EMA age criteria are supported via the EMA, with this proportion varying from a third within schools to two-thirds in FEIs. Our analysis found that EMA recipients are more likely to be female and to have been entitled to Free School Meals (FSM) as well as less likely to have achieved relatively high levels of

² The Workers Educational Association (WEA) and the Young Men's Christian Association (YMCA) Community College.

attainment at GCSE. 40 per cent of EMA recipients enroll for A-levels whilst 47 per cent enroll for vocational qualifications³ - 13 per cent for vocational qualifications at level 3 or 4 and 30 per cent for qualifications at Level 2 or below⁴.

- 7 £25 million was spent on the EMA Scheme in Wales during the last academic year (2012/13) supporting just over 30,000 recipients, equating to £826 per student supported.
- 8 Our review has found that the EMA supports and contributes towards a range of Welsh Government policies which are geared towards widening access to education, reducing the rate of young people who are NEET and addressing the current link between poverty and educational attainment. It is less well-aligned with the Welsh Government's objective

³ Due to limitations of the data matching exercise for the study, the course of study could not be identified for most of the remaining 13% of recipients.

⁴ The remaining students studied sixth form vocational or other vocational combination courses.

of improving progression into higher education.

- 9 In spite of the limitations surrounding the scope of the quantitative analysis, the analysis of the matched SLC and Widening Access database has provided, for the first time, a detailed picture of the characteristics and educational outcomes of EMA recipients. At the outset, being in receipt of EMA would in itself be expected to be a marker of economic disadvantage. In the same way that eligibility for Free School Meals is associated with lower educational performance among children attending compulsory education, recipients of EMA would also be expected to exhibit lower levels of educational performance than those who do not suffer such economic disadvantage. This is confirmed by the findings of the quantitative analysis summarised below.

- Recipients of EMA were more likely than non-recipients to enrol in further education (school or FEI) in the September following their year 11 year. Non-recipients were more likely to enrol after some time out of education;
- AS level students who received both FSM and EMA were less likely to progress to A-level than students who received neither of these allowances. Students who received EMA but who were not eligible for FSM occupy an intermediate position between these two groups, reflecting their relative economic circumstances. The same pattern is also observed in terms of attainment at A-level;
- Amongst students who undertake qualifications other than AS/A-Levels within FE, EMA recipients continued their FE studies for longer than non-recipients. In this non-A-Level group, students who were in receipt of EMA but who were not eligible for FSM again occupy an intermediate position between these two groups;
- EMA recipients who undertake qualifications other than AS/A-Levels within FE were more likely to achieve a Level 3 or higher award than non-recipients. Similarly, EMA recipients who undertook qualifications other than AS/A-Levels within FE were more likely than non-recipients to achieve qualifications beyond their original entry aim;
- Amongst students undertaking A-levels, EMA recipients were less likely to participate in higher education than non-recipients, again

reflecting their relative economic circumstances.

- 10 Our qualitative fieldwork revealed an overwhelming view that there was a definite need for the EMA Scheme to provide financial support to students from low income families in post-compulsory education. There was also a strong call for the continuation of the Scheme in the future, although this was mixed with a view from some research participants that a discretionary system based on the assessment of individual needs would be preferable (and a view from some students that EMA should be universally available). It was felt that only a very small proportion of students were enrolling onto their courses solely to receive EMA, rather than to enable them to learn. A few of this group were thought to be disruptive to other students.
- 11 Whilst the EMA Scheme was thought to be well-aligned with other further education financial support on offer there

was a strong call from the sector for the alignment of household income thresholds for Schemes such as EMA and ALG (FE).

- 12 The changes implemented to the EMA Scheme in Wales over the last few years (notably the removal of the lower allowances and the bonus payments) were not thought to have had a significant impact upon student participation in post-compulsory education. Contributors did however convey mixed views about the removal of the bonus payments previously available.
- 13 In the main we found that those students who are most at need were being supported via the Scheme although there is evidence to suggest that the Scheme could be better targeted in the future given some use of the funds towards non-essential purposes. Whilst there was a strong call within the sector for the funds to be allocated via a more individualised assessment

approach, it was widely recognised that household income means-testing was a practical and efficient method of allocating financial support.

14 The fieldwork revealed that the current single rate of allowance of £30 was reasonable and there was no appetite to see this rate reduced in the future.

15 Our research found that there was generally a good level of awareness of the EMA Scheme across both the school and FE sector and that appropriate promotional efforts had been deployed by learning centres to promote the Scheme. The application process was in the main deemed to be fairly straightforward, albeit that parents and guardians appeared to take on most of the responsibility for the EMA application itself. The submission of original evidence to support applications however posed more difficulties for EMA applicants.

16 We found that the EMA learning agreements signed between learning centres and EMA recipients were not regarded as particularly meaningful. Whilst attendance requirements to qualify for payments were felt by the majority of stakeholders, practitioners, students and parents to have a positive impact upon improving attendance and punctuality amongst recipients, we encountered significant differences between learning centres in terms of the attendance requirements set for students in order to receive payments. Furthermore learning centres adopted different attendance monitoring processes. For instance not all students involved in our research were able to access their attendance records in advance of payments being made or withheld. Issues relating to lesson registrations (where this led to non EMA payment) were the biggest source of discontent for EMA recipients who participated in our research. Conversely

learning centres identified the pressure put on them by EMA recipients and their parents to approve EMA payments despite issues of absenteeism.

- 17 Whilst EMA funds were found to be used for educational purposes in the main we did encounter some use of the funding for non-essential purposes, suggesting that the support can be a 'nice to have' for some students.
- 18 In terms of the difference made we found that whilst the potential offer of EMA was an important consideration for students, the majority of EMA recipients who contributed to this study (80%) would have enrolled on their course anyway – with those in sixth form more likely to have done so than those in further education. Contributors also thought that the EMA was having a positive contribution to widening participation (given its focus on those from low household incomes) and improving retention rates as

well as having a positive impact upon attendance and punctuality. More mixed views were conveyed as to whether the EMA was making a difference to student attainment and achievement – whilst our qualitative work did not present much concrete evidence in this respect practitioners were keen to highlight the fact that existing research across the student population more generally showed that higher attendance led to better achievement.

- 19 Finally a third of EMA recipients are known to progress into higher education. There was no evidence from either the qualitative fieldwork or the quantitative analysis for this study, to suggest that the offer of the EMA impacts upon progression into higher education.
- 20 Our review of financial support for 16 to 19 year-olds outside Wales, including key findings from robust evaluations

conducted across England⁵, Scotland and Ireland reinforces our main findings within this evaluation. These evaluations found that:

- EMA had a positive impact upon participation rates, increasing participation by between 4 percentage points and 9 percentage points, depending on the year group and study. The lower (e.g. £20 or £10) rates were generally not effective at incentivising participation;
- EMA is an essential source of financial support for only a minority of students who receive it. A high proportion of recipients would have enrolled in post-compulsory education anyway, particularly within the school sixth form setting. In fact EMA acts as a perverse incentive for a small minority of students (i.e. they appear to attend further education only for the purpose of receiving the allowance, rather than claiming the allowance for the purpose of supporting their education);
- EMA Schemes generally make a positive contribution to student retention rates, and there is no suggestion that there is any stigma attached to receiving the EMA allowance;
- The evidence of the impact of EMA on attainment levels is inconclusive, and there is no evidence to suggest that the EMA leads to higher rates of participating in higher education, however the allowance does tend to reduce the need for recipients to work part-time while studying.

⁵ E.g. Research Report 678: Evaluation of Education Maintenance Allowance Pilots: Final Report of the Quantitative Evaluation. Centre for Research in Social Policy (CRISP) and Institute for Fiscal Studies (IFS) for the Department for Education and Skills (2005), also EMA Evaluation of the East Ayrshire Pilot. Centre for Educational Sociology (CES), University of Edinburgh for Scottish Social Research: Summary (2002).

Recommendations

- 21 The report makes a series of eight recommendations namely:

Recommendation 1

That the EMA Scheme be maintained but that financial funding be better targeted at those students who are most in need. This could be achieved by lowering the household income threshold eligible for EMA support, in line with the income threshold for the WGLG (FE) Scheme⁶ (currently £18,371, nearly £2,500 lower than the EMA threshold). We recommend that the two-tier income threshold to account for siblings within the EMA Scheme be maintained but that this threshold be reduced in line with the overall drop. We also recommend that the financial savings incurred as a result of these changes be maintained within the student finance system, and distributed via a more individualised assessment approach, thereby retaining expenditure at its current level, yet allowing the targeting of the allowance to be improved. The Welsh Government should conduct impact analysis to identify the number of recipients that would be

⁶ The Welsh Government Learning Grant (Further Education) Scheme which has replaced the Assembly Learning Grant (Further Education) (ALG (FE)) Scheme from September 2014 onwards.

affected by this change, and the sum of money that would be released;

Recommendation 2

That the EMA Scheme continues to be made available to students across school and further education settings to maintain an equitable offer in both settings.

Recommendation 3

That the EMA allowance level be maintained at its current level of £30 per week and that this single rate of allowance be based upon both satisfactory attendance levels as well as the achievement of agreed learning objectives as set out in learning agreements.

Recommendation 4

That the application process for a range of student finance funds available across further education, in particular the EMA and FCF, be streamlined. We suggest that the application processes for FE student support be simplified so that an application as well as any supporting evidence submitted for any one scheme can be shared and automatically passported to others available across the FE

sector. We further recommend the adoption of an on-line application process and that consideration is given to how the SLC can share information relating to the status of a student's application with their learning centre.

Recommendation 5

That learning agreements are strengthened and made more meaningful. This would involve identifying what role each learning centre should play as part of the agreement and how the learning agreements relate to institutional codes of conduct. Learning agreements could also be strengthened by setting out the requirements for attendance within the documents.

Recommendation 6

That learning centres adopt more consistent policies in relation to EMA recipient attendance requirements as well as greater consistency in their practices to monitor attendance. This would result in a more equitable provision to EMA recipients, particularly around non-attendance resulting from illness. Furthermore we believe that there is further scope

for learning centres to draw upon some of the good practices that currently exist within the sector in terms of attendance monitoring.

Recommendation 7

That the performance indicator(s) associated with the EMA Scheme be re-examined and that future indicators better reflect the outcomes intended to be achieved by the Scheme – primarily in terms of completion and attainment rates for recipients. In turn we would expect learning centres to be required to monitor and collect these outputs in order to be able to report upon EMA recipient completion and achievements in post-compulsory education.

Recommendation 8

That issues surrounding making greater use of EMA data for the purpose of monitoring and research - including the possibility of requiring receipt of EMA to be flagged up directly in FE or school based administrative record - should be examined further.

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