



national union of students scotland

**The Response of NUS Scotland to the Scottish
Government Consultation
'16+ Learning Choices: First Step Activity and
Financial Support'**

February 2009

 **submission**

NUS Scotland

NUS Scotland is a federation of local student organisations in Scotland, comprising over 60 local campus student organisations that are affiliated to the National Union of Students of the United Kingdom (NUS). NUS Scotland is an autonomous, but integral, part of the National Union of Students. The students' associations in membership of NUS Scotland account for 85 per cent of students in higher education and over 95 per cent of students in further education in Scotland.

Students' associations affiliated to NUS retain autonomy over all policy areas, and may choose to make individual students' association submissions based on local policy. NUS Scotland operates a democratic forum for policy and debate on national issues affecting students, and NUS Scotland's role is to reflect the collective position.

Introduction

NUS Scotland is supportive of the Scottish Government's ambition to better support young people who leave school in S5 and S6, particularly those from lower-income families. NUS Scotland believes that education can play a key role in strengthening young people's self-confidence and skills and, therefore, their ability and willingness to contribute to Scotland. NUS Scotland's own research has shown that students from the poorest backgrounds are twice more likely to consider dropping out of college or university because of financial hardship than those from richer backgrounds¹ and becoming part of the 'More Choices, More Chances' agenda.

In this consultation response NUS Scotland will only respond to those proposals in the consultation document that will affect our members - the changes to the Education Maintenance Allowance (EMA).

The purpose of EMAs

EMAs were piloted in 2001 and introduced nationally in 2004. It is a national (UK) programme that aims to provide a financial incentive to young people from low-income households to remain in full-time education beyond the minimum school-leaving age. In order to achieve this, the EMA offers financial assistance to 16 - 19 year olds from low-income households who continue in education after the end of compulsory school. To qualify, the student's household income is means-tested² and the student must sign a learning agreement that sets out what is expected of them during the course in terms of attendance, coursework and progress. Students receive bonus payments of £150 in January and June, when they can demonstrate satisfactory attendance and completion of their learning agreement.

The original intention of the EMA was to enable pupils to take advantage of the educational facilities available to them without causing hardship to themselves or their families and hence encourage more young people from low-income backgrounds to stay on at school or college to improve their qualifications. In Scotland, the EMA has recently been explored as a proactive mechanism that could prevent young people from dropping out of education, employment or training. The effectiveness of the EMA at achieving this

¹ Scotland's Lost Opportunities:
<http://resource.nusonline.co.uk/media/resource/Scotland's%20lost%20opportunities%20FINAL.pdf>

² EMA Means Tested Thresholds and Payments 2007-8:

£0 - £21,302 = £30 per week
£21,303 - £26,116 = £20 per week
£26,117 - £31,528 = £10 per week

was looked at in the recently published research ***Young People's Awareness and Experience of Educational Maintenance Allowances and Their Impact on Choices and Pathways***³ (hereafter referred to in this paper as the EMA research).

The EMA research found that the EMA was seen differently by school pupils and college students. Among school pupils, the EMA is seen as 'money for going to school', and was spent on non-essential items such as leisure and clothes. In college, the EMA is usually promoted to students as a form of financial assistance similar to a bursary. The research showed that, among college students, the EMA was '*widely recognised as having a positive effect on attendance and that the funds generally "made life a lot easier" for these students*'. The allowance was used to pay for essential college expenses such as travel to college and study aids, as well as food and household items. Significantly, the research found that 42 per cent of the college students surveyed contributed to their household income.

The impact of EMAs

It is clear from the EMA research and from anecdotal evidence from individual NUS Scotland members that the EMA is extremely useful to college students. The research highlighted two key benefits of the EMA:

- Through the monitoring of attendances and by providing twice yearly bonuses, the EMA encourages students to take personal responsibility for their education and can be thought of as mirroring the work setting. It incentivises pupils to attend classes more regularly, and to take timely action to explain absences.
- The EMA reduces the need for students to take part-time work. While some continue to work part-time, they are not forced to work long hours to pay for essentials while they study. NUS Scotland has expressed concern that the level of student support in Scotland is not sufficient, forcing many students to work long hours – leading to poor grades and increased drop-out rates.

These findings are echoed by feedback NUS Scotland has received from college bursary officers through the Bursary Advisory Group. One officer stated: "*We believe that EMAs have had a positive impact on post-16 participation and retention.*"

³ <http://www.scotland.gov.uk/Publications/2007/07/30113243/0>

The impact of the EMA on participation is demonstrated to a limited degree by the ***National Statistics Publication for Scotland: Education Maintenance Allowances 2007-08***⁴. It shows that 66 per cent of students who were on the EMA scheme and attended for the full academic year received both bonuses and 86 per cent received at least one bonus. The proportion of bonus payments was highest for the lower payment rates of £10 and £20 with 72 per cent receiving both bonuses. Statements made by students in the EMA research indicate that the EMA helps to encourage young people from low-income backgrounds to participate more fully in their education. It should be noted that receipt of bonuses does not indicate retention as bonuses are allocated on the basis of a range of criteria including behaviour, attainment and attendance.

All the research and feedback NUS Scotland has reviewed agrees that the EMA, while improving the retention of students once they have chosen to stay in education, is not having as significant an impact on encouraging young people to make that choice, either at school or college, post-16 years. One bursary officer commented: *"As the amounts payable from EMA are so small now, this doesn't encourage young people to stay in education."*

A young person in education between 16 and 18 years old, with a parental income of £22,600 or less, will receive between £20-£30 EMA per week. However, the same young person can expect to receive more funding per week if they are 'on the dole' rather than in education. For example, the Jobseekers Allowance is £47.95 per week for a single young person under 25 years (while normally this benefit is for individuals 18 years or over, young people aged 16 or 17 are eligible for an income based job-seekers allowance if they fall within particular criteria, for example if they are in severe hardship). The EMA, unlike other forms of student support, is not taken into account when a young person is being assessed for benefits. Therefore, in theory the young person can receive both at the same time, thus increasing their total income. In practice this can be problematic. Full-time students under 20 years old are usually exempt from most forms of benefit unless they are, for example, a parent, disabled, not living with parents, or have caring responsibilities. Part-time students cannot receive benefits if they study more than 12 hours per week (this is known as the 12-hour rule).

The problems caused by the low level of funding provided by the EMA are further exacerbated by its disparity with support from the Further Education Bursary, which is available to further education students over 18 and is also means-tested. A student on the bursary whose parents earn less than £22,600 will receive £65 a week compared to the

⁴ <http://www.scotland.gov.uk/Publications/2009/01/23112534/10>

maximum of £30 from the EMA. EMA students studying alongside older students on the same course are likely to be very aware of this difference in student support. This disparity presents a further barrier that will discourage young people from remaining in education.

EMA payments

This consultation response has illustrated that the EMA is an important source of financial support for college students. It encourages and provides the opportunity for those students from low income backgrounds who have decided to remain education to fully take part in their course. Unfortunately, the level of EMA payments is simply not high enough to encourage those individuals who have potential, yet lack the means, to remain in education – particularly when compared to the level of financial support a young person could receive on benefits.

Unlike the English EMA system, the Scottish EMA's thresholds have increased since its introduction in 2004. However, unlike every other student support mechanism in Scotland, the payment levels have not increased. NUS Scotland strongly believes that EMA payments should be increased in line with inflation. Many bursary officers echo this opinion. One told NUS Scotland: *"They [EMA payments] need to be increased in line with inflation over the years since EMAs were introduced. £30 per week barely pays for their lunches at college, never mind anything else."* At a recent consultation event organised by NUS Scotland for students in Scotland on fairer funding, students identified the cost of learning as being *'transport £30 per month, food £150 per month'* – this does not include rent or hidden course costs such as books and stationary. Even on the highest EMA payment of £30 a week, a student will only receive part of what they need to fund their study. Had the £30 payment increased with inflation, it would be nearly £40. Indeed, in the initial pilots the highest payment of the EMA was £40.

The EMA research identified another proposed change to EMA payments that NUS Scotland would support. Stakeholders and young people suggested that when parental income was being assessed, family income should be discounted to take into account any additional children. This would bring the means testing of the EMA in line with other forms of student support in Scotland. NUS Scotland is aware from the many enquiries it receives from concerned parents and students, of the costs of putting more than one young person through further education, particularly for low-income families. We believe that this change would make the EMA more equitable and beneficial to low-income students.

EMA delivery

NUS Scotland is broadly supportive of the way the EMA is currently delivered. We particularly welcome the fact that student representation is accepted as an authorised absence. However, we believe that delivery could be improved when evidencing authorised absences from college.

Unlike school, there is much greater student fluidity at college which can make it harder to monitor attendance. In addition, methods of monitoring can vary from college to college and class to class. Some colleges require their EMA students to carry attendance cards, while others rely on tutors to report attendance. NUS Scotland has encountered consistent problems regarding obtaining attendance evidence. Because of the payment intervals, attendance needs to be reported weekly. Delays in identifying periods of authorised absence have led to payments being delayed for a month or more, and this can have a detrimental impact on the student's finances, and cause them to drop out of college.

There are two main reasons for delays in recognising authorised absences. These are:

- Staff delaying reporting the student's attendance to the student support team/college.
- Delays in the student presenting evidence to the college of authorised absence.

NUS Scotland accepts that there will always be some issues with the monitoring of attendances, and that staff and students must take equal responsibility to ensure that the student support team receives the information they need to process payments. However, NUS Scotland is aware of best practice taking place, as identified by EMA research and student support officers, and believes that the Scottish Government and Scottish Funding Council (SFC) could do more to promote and encourage this best practice. For example, Dundee College provides clear and concise guidelines with all award notices advising that evidence of reason for absence must be submitted on the first day that the student returns to college. If this condition is met, there is unlikely to be a delay in payment.

The EMA research noted that attendance monitoring is much more effective when there are agreed protocols in place which clearly define roles and responsibilities within the EMA process, and agree methods of collating and recording the information needed.

Conclusion

NUS Scotland believes that, in colleges, the EMA is effective at preventing young people who wish to continue their studies, but are concerned about the cost of continuing their education to their families, from dropping out. It enables those from low-income families to purchase study essentials and to contribute to their household. However, because of the low level of support available through the EMA, and the fact that the payment amounts have not increased since 2001, the EMA does not provide motivation and reason enough for any young people who are considering leaving education for personal reasons to stay. For the EMA to remain effective, and to encourage more young people to remain in education, the weekly payment amounts should be increased.

The Government consultation proposes phasing out the £20 and £10 payments in order to make the EMA more focused on young people who are in greatest need of support. However, NUS Scotland is concerned that removing these payments will lead to the 7,395 young people who benefited from these payments in 2007-8 either dropping out, or ceasing to attend classes regularly. We have similar concerns regarding the impact of reducing the maximum income threshold for qualification for the EMA from £21,835 to £19,835. We believe that the three payments should remain and be increased to a level that will motivate young people, and that the thresholds should continue to increase in line with inflation. Should the suggestion to scrap the £20 and £10 payments become a firm proposal, NUS Scotland would urge the Government to research what the impact of this change would be on the individuals concerned, and to discuss the changes in greater detail with relevant stakeholders.

For the EMA to remain effective, the Government should also explore ways to make the EMA more responsive to the needs of the students and their individual backgrounds. This should include taking into account any other children in the household when means-testing the level of support the student should receive.

Finally, NUS Scotland would encourage the Government and SFC to do more to promote good practice amongst colleges, and to monitor absences more effectively. This could prevent young people from losing their EMA and dropping out.

Submitted by and on behalf of the Scottish Executive Committee

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