Over the past six months we have undertaken an intensive programme of briefings, workshops, conferences and ongoing communication activity to equip the post-16 sector with information about the extension of EMA.

We have collected many questions through the EMA Extension conferences in November and February and our dedicated mailbox emaextension@lsc.gov.uk. We have endeavoured to answer these questions through EMA Extension Update, in our guidance on www.direct.gov.uk/ema and at our events.

One topic that has generated more questions than any other is the issue of benefits. And we haven’t been able to cover them all in previous issues of EMA Extension Update. So, to set the record straight, we have created this EMA Extension Update Benefits Special which will deal only with your questions about benefits, and how they relate to the extension of EMA to learners on LSC-funded Entry to Employment and courses that lead to an Apprenticeship.

While we have made every effort to ensure this information is accurate, this is a highly complex area. You must therefore contact the appropriate authority if you have any more detailed questions about benefit entitlement (Jobcentre Plus for Jobseekers Allowance and Income Support queries, and Her Majesty’s Revenue and Customs for Child Benefit and Child Tax Credit). The information in this summary relates to England and sources of further information are given at the end of this document.

I hope you find this a useful summary.

Greg Burke
Head of EMA Unit
Young people in learning may be able to get Income Support if they are:
- a lone parent looking after their own child,
- sick or disabled or registered blind,
- an orphan who nobody is looking after,
- unlikely to be able to get a job because of a severe disability,
- not living with their parents or being supported by them,
- not in touch with their parents,
- separated from their parents for reasons that cannot be avoided and where nobody is looking after the learner in their place.

Young people who are claiming IS due to their long-term disability or because they are living away from their parents/carers qualify for the higher rate of IS (£44.50 at 05/06 rates). The lower rate is £33.85 and is for any other group in receipt of IS. Young people claiming IS may wish to check they are being paid at the correct rate.

Some of my potential learners are claiming JSA(SH), rather than IS. Are they eligible for EMA?

JSA(SH) is a safety net of welfare arrangements for this age group, so that young people in genuine need and hardship are not left destitute. A learner must NOT combine JSA and EMA. However, we wish to avoid potential delays for JSA(SH) claimants who want to enter learning. Rather than asking them to change their claim to IS before submitting their EMA application, we have asked the Assessment and Payment Body to accept EMA applicants from JSA(SH) claimants which are accompanied by a letter from a Connexions adviser certifying that the learner is in receipt of JSA(SH). However these learners MUST switch their claim before they can get EMA payments. This should be confirmed on their Learning Agreement. This will be communicated formally to Connexions colleagues in a Action Note to be circulated very shortly.

Are Jobcentre Plus benefits changing as a result of the 16-19 financial support review?

No. The 16-19 financial support review carefully considered how Government could recognise young people’s de facto independence without encouraging them to leave the family home. It concluded that “greater trust should be put in the young person’s word, and, if corroboration is necessary, accepting the evidence of third party professionals” (Supporting Young People to Achieve, March 2005 page 7). This was already the case for 16/17 year old Income Support claimants, but is less true of JSA(SH) claimants. The 19 year old cut off will also be removed for IS, in the same way that it is being removed for Child Benefit/Child Tax Credit.
What does this mean for estranged young people?

Except in special circumstances, young people aged 16/17 are unable to claim benefits. One exception is when the young person becomes estranged from their family or carer’s home and would suffer severe hardship if JSA was not paid.

If a 16/17 year old is Not in Education, Employment or Training (NEET) at the point where they leave the family home, they will be put on JSA(SH). If they cannot work (due to health, childcare or being in learning) the young person will be put on Income Support. The same principles on assessing estrangement will operate in both JSA (SH) claims and IS.

Guidance for decision makers has been revised to improve and simplify the JSA claims process, and states that:

- the young person’s own evidence should be believed unless it is ‘self-contradictory or inherently improbable’;
- if supporting evidence is appropriate, trusted third parties can include Connexions advisers and voluntary and community sector organisations;
- there is no need for confirmation from the young person’s parents or carer.

If third party corroboration is required, Jobcentre Plus must “always ask for permission from the Young Person before contacting any other third party if corroboration of their statement is required, and they may refuse if there is a good reason”. Only information needed to decide on their claim is required; and no information that will allow them to be traced will be released without their permission. (Jobcentre Plus JSA SH guidance)

What happens if a young person wants to work whilst claiming Income Support and receiving EMA?

Young people can combine Income Support and EMA, but if they want to work too the position is a bit more complex, because any earnings will be discounted from their Income Support.

Because receipt of Income Support is used as proof that a young person is entitled to EMA, if a learner stops getting Income Support they may not be entitled to EMA anymore.

What happens if a young person delays their claim for IS? Can they backdate their claim?

It is really important that a young person gets in contact with Jobcentre Plus as soon as possible to make a claim: they will not be able to backdate their claim before the point of application. Connexions/ Careers Service colleagues have a role in supporting a young person with their application.

Under what regulations can a young person combine IS and EMA?

EMA payments are made under Section 14 of the Education Act 2002. The regulation which sets out that any EMA payments should be disregarded when calculating any entitlement to Income Support is the IS (General) Regulations 1987 Schedule 9 para 13.

How have these messages been communicated to Jobcentre Plus staff?

These messages have been communicated to Jobcentre Plus staff through updated guidance and circulars. However, in the event that your Jobcentre Plus contacts are not aware of these changes, or appear not to be implementing them, please notify your local EMA Co-ordinator, Liaison Officer or the EMA extension mailbox (emaextension@lsc.gov.uk) with details of the issue and the Jobcentre Plus office involved, and we will progress it with DfES/ DWP colleagues.

Changes to Child Benefit and Child Tax Credit

How has Child Benefit been adapted to the needs of E2E/ PLP learners?

The Child Benefit regulations have introduced a new definition of a qualifying young person, which in England includes those on LSC funded E2E and PLP.

Child Benefit continues to be paid to the ‘terminal date’ (4 set end dates throughout the year). Payment can be extended and paid for a period of up to 20 weeks from when they left education or training where the Young People has registered for work or training.
How does a household start a claim for Child Tax Credit?

If a family has at least one child, an income up to £58,000 a year (or up to £66,000 a year if there’s a child under 12 months old) and meets other qualifying conditions – they may be able to get Child Tax Credit. Child Tax Credit (CTC) is an income assessed allowance for a person responsible for at least one child or qualifying young person in full-time non-advanced (secondary, comprehensive or grammar) education, which from 10 April 2006 will include LSC funded E2E/PLPs.

Parents/Carers can access the form online at HM Revenue & Customs (HMRC) Tax Credits website or can get an application form from the Tax Credits helpline on 0845 300 3900, textphone 0845 300 3909, open seven days a week, 8.00 am to 8.00 pm.

How are the HMRC changes to Child Tax Credit and Child Benefit being communicated?

For delivery partners/ stakeholders, HMRC colleagues are issuing an Up-rating letter to all Child Benefit beneficiaries which will inform stakeholders of the new Child Benefit rates but also mentions the extension of entitlement to E2E/PLP programmes and the extension to the age cut-off to enable payment to continue for 19 year-olds until they either complete their course or attain age 20.

A HMRC press release has been issued to announce the revised Child Benefit Regulations which were laid before Parliament on 3 March 2006, and the changes have been highlighted on the HMRC website.

For parents, the message will be cascaded through the Child Benefit form which will be sent to all parents with children who will reach 16 during the current academic year between January and June. The form asks parents to advise the Child Benefit Office what the young person’s intends to do from September.

The form includes a leaflet entitled Child Benefit for young people aged 16 and over, which has been revised to reflect the April extensions to entitlement.

The Notes issued with claims packs for both Child Benefit and tax credits along with the Notes sent with the Tax Credit Renewal forms have also been amended to explain the changes (you can download these from the HMRC website [http://www.hmrc.gov.uk/childbenefit/chfte-notes.htm](http://www.hmrc.gov.uk/childbenefit/chfte-notes.htm))

Other Benefits

What other benefits can the parents or carers of E2E/ PLP learners access now these programmes are eligible for EMA?

Households of E2E/ PLP learners will be able to access Child Benefit and Child Tax Credit as a result of the Child Benefit Act 2005 and amended regulations, which were measures arising from the 16-19 financial support review. The review group will consider what further reforms may be necessary, and what opportunities may exist, to extend other support to unwaged trainees in the UK including child support arrangements administered through the Child Support Agency, free prescriptions and dental treatment. No benefits administered by DWP/Jobcentre Plus are affected by receipt of EMA.

16/17 year old learners can claim Housing Benefit rate if they are lone parents, disabled or claiming IS/ JSA. This is a very complex area. More detailed summaries are available at the websites listed below, and from your local authority.

How does EMA affect other allowances, such as Adoption Allowance, Care Leaver’s Allowance, Fostering Allowance etc?

As a general rule EMA does not affect other household benefits, including Adoption Allowance, Care Leaver’s Allowance and Fostering Allowance. In administering these allowances, Local Authorities should disregard EMA payments. In the event, should it occur, that any Local Authority appears to be taking EMA into account please contact your EMA Co-ordinator, Liaison Officer or EMA extension e-mail address, and we will follow up separately. You should not contact the Assessment and Payment Body helplines, who are not able to advise on benefit.

What is the position on Bridging Allowance (BA)?

BA is paid to 16/17 year olds who have left a job or training and who are registered for work and training but not receiving Jobseeker’s Allowance (or are registered disabled). A bridging allowance should be claimed at Connexions Centre/ Careers Office or Jobcentre Plus. No young person can receive Bridging Allowance (BA) whilst they are in scope for Child Benefit. 16/17s who have gone into a job (remunerative work of not less than 24 hours a week) will generally be out of scope for Child Benefit. If they leave that job they may be entitled to BA, if they meet the BA criteria.
Other useful sources of information:

Jobcentre Plus: Customer facing overview of Jobcentre Plus Services, including information about making a benefit claim, and a high level guide to benefits. 
www.jobcentreplus.gov.uk

DWP: includes an overview of Jobcentre Plus Benefits, and an adviser guide to benefits, including access to the Decision Making Guide. www.dwp.gov.uk

HMRC: www.hmrc.gov.uk. Comprehensive information about all HMRC’s functions, including paying and administering Child Benefit, Child Trust Fund and Tax Credits.

Direct.gov: the Government website offers an overview of public services from a customer perspective, including a range factsheets in plain English on Housing Benefit, Tax Credits, Council Tax Benefit, Crisis Loans and more.

Hertfordshire County Council Money Advice Unit. Useful summary of the range of benefits available to 16/17 year olds as at April 2005. 

Financial help for young people leaflet: high level overview for young people and their parents/ carers which can be downloaded from the LSC website: http://readingroom.lsc.gov.uk/LSC/2006/learningopportunities/youngpeople/nat-financialhelpforyoungpeople-re-mar2006.pdf

EMA Extension Update is published monthly and is available online. It can be downloaded from our website (www.lsc.gov.uk) through the Documents section of our national home page by selecting Series on the menu bar.

We value your views, so please let us have your comments on the content and style, or any ideas on how you think we could improve LSC Extension Update at emaextension@lsc.gov.uk

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