



Department
for Education

Influence of finance on higher education decision-making

Research report

March 2018

**Sam Fagence and Josephine Hansom –
YouthSight**



This research was commissioned by the Department for Business, Innovation and Skills. Policy responsibility for this topic transferred to the Department for Education. As a result, the research is being published by DfE.

The views expressed in this report are the authors' own and do not necessarily reflect those of BIS or DfE.

Contents

List of tables and figures	6
Executive summary	10
Sample	10
Key findings	11
Chapter 1: Introduction	18
Background	18
Research objectives	18
Methods used	20
Sampling and quotas	22
Reporting and analysis	23
Chapter 2: Student finance status and attitudes	24
Chapter summary	24
Student finance application status	26
Information on the costs of university	34
Attitudes to debt	36
Chapter 3: The decision to go to university – considering alternatives	39
Chapter summary	39
Other options considered	39
Alternatives to university	40
Reasons for not considering further education colleges and apprenticeships	41
Chapter 4: Factors affecting the decision to go to university	46
Chapter summary	46
Influencing factors	47
Cost of university – applicant views	52
Elements of the student finance offer that help overcome cost deterrence	54
Evaluation of student support package	60
Chapter 5: The decision of which university to attend	64
Chapter summary	64
Most-cited major influences on choice of university	64

Student finance influences on choice of university	65
Chapter 6: Views on student finance	68
Chapter summary	68
Maintenance grants replaced with loans – Conjoint analysis	82
Chapter 7: (Non-London) student sample	90
Chapter summary	90
Self-reported student financial status	91
Information sources used to find out more about student finance	91
Attitudes to debt	92
Considering alternatives to university	92
Attitudes to the terms of the financial package available	93
Choice of which university to attend	94
Reactions to alternative funding scenarios	95
Chapter 8: Scottish student and applicant sample	97
Chapter summary	97
Student finance status	98
Information sources used to find out more about student finance	100
Attitudes to debt and finance	100
Considering alternatives to university	100
Attitudes to the current financial package available	101
Chapter 9: Conclusions	106
Annex A. Sample definition, quotas and weighting	108
Sampling	108
Margin of error	113
Statistical differences	114
Sampling limitations	114
Annex B. Definitions	116
Socio-economic groups (SEG)	116
University tariff	117
Compound variables	117
Annex C. MaxDiff module method	119

Annex D. Conjoint module method	121
Annex E. Questionnaire text	124
Annex F. Sample profiles	149
Year of entry into higher education	149
Age	149
Grant status (Bursary status for Scottish respondents)	149
Gender	150
Family status	150
Regional distribution (before university)	151
Ethnicity	153
Religion	154
Socio-economic group	155
Declared disabilities	158
University tariff	159
University accommodation	160
English sample university region	161
If bursaries for living costs are replaced with loans – alternative sources of funding available – F4	163

List of tables and figures

Figure 1: Applicants' anticipated sources of funding	31
Figure 2: Applicants' anticipated sources of funding, by socio-economic group	32
Figure 3: Applicants' anticipated sources of funding, by expected grant status	33
Figure 4: Sources of information about financing study used by applicants.....	35
Figure 5: Extent to which applicants agreed with each of the following statements concerning attitudes to debt.....	36
Figure 6: Options considered by those who considered an alternative to university	40
Figure 7: Reasons given for not considering an apprenticeship or FE college	42
Figure 8: Reasons given for not considering an apprenticeship or FE college, by socio-economic group	43
Figure 9: Factors influencing whether to go to university – Index scores line chart (MaxDiff method).....	51
Figure 10: Views on debt and applying to university, by socio-economic group	53
Figure 11: Extent to which 'put off' by living costs or by tuition fee costs, by socio-economic group	54
Figure 12: Which aspects of funding helped persuade you to apply to university despite being put off by costs – important and most important factors.....	55
Figure 13: Which aspects of funding helped persuade you to apply to university despite being put off by costs - important factors, by socio-economic group	57
Figure 14: Aspects of funding MOST important in helping to alleviate concerns about costs of university - AB socio-economic group only	58
Figure 15: Aspects of funding MOST important in helping to alleviate concerns about costs of university – C1–E socio-economic groups only	59
Figure 16: The appeal of the different terms of the student support package	61
Figure 17: The appeal of the different terms of the student support package, by socio-economic group	62
Figure 18: Influences on which university to apply to.....	66

Figure 19: Influences on which university to apply to, by socio-economic group	67
Figure 20: Applicants' intentions if maintenance grants were replaced with loans.....	72
Figure 21: Applicants' intentions if maintenance grants were replaced with loans, by socio-economic group	73
Figure 22: Applicants' intentions if maintenance grants were replaced with loans, by anticipated grant status.....	74
Figure 23: Applicants' intentions if maintenance grants were replaced with loans, by ethnicity.....	75
Figure 24: Applicants' intentions if maintenance grants were replaced with loans, by university tariff.....	76
Figure 25: Sources of funding used to support study if grants were replaced with loans, by socio-economic status	78
Figure 26: Whether would still intend to go to university if grants were removed or replaced with loans, by applicants (conjoint analysis)	84
Figure 27: Whether would still intend to go to university if grants were removed or replaced with loans, by socio-economic group (conjoint analysis).....	85
Figure 28: Whether would still intend to go to university if grants were removed or replaced with loans, by reported grant status (conjoint analysis.....	86
Figure 29: Top three aspects of funding that helped to alleviate concerns about costs of university for English students – important and most important.....	93
Figure 30: The appeal of the terms of the student support package among first year students	94
Figure 31: Which aspects of funding helped to alleviate concerns about costs of university in Scotland – important and most important.....	103
Figure 32: The appeal of the different components of the student support package in Scotland, by applicants and students	104

All tables in the main report are listed below.

Table 1: Factors of above-average importance on whether to go to university – Index scores, by socio-economic group (MaxDiff method)	49
Table 2: Factors of below-average importance on whether to go to university – Index scores, by applicants and by socio-economic group (MaxDiff method)	49
Table 3: Anticipated sources of funding to support study if grants were replaced with loans, by ethnicity and university tariff	79
Table 4: Anticipated sources of funding to support study if grants were replaced with loans, by age and grant status	80
Table 5: Anticipated sources of funding to support study if grants were replaced with loans, by gender and disability status.....	81
Table 6: Attributes and levels used in conjoint exercise	83
Table 7: Conjoint-derived estimated university application level if tuition fees were increased	87
Table 8: Conjoint-derived university application level if repayment thresholds were increased to £24,000 – overall and for lower socio-economic groups and those expecting to receive a full maintenance grant.....	88
Table 9: Conjoint-derived university application level if repayment thresholds were increased to £24,000 – by tuition fee scenario.....	89
Table 10: Main sources of student finance among Scottish students and applicants	99
Table 11: Quota targets	109
Table 12: Achieved sample, by respondent type	111
Table 13: Number of applicant invitations and response rate	111
Table 14: Number of student invitations and response rate.....	111
Table 15: Applicant weighting	112
Table 16: Student weighting	113
Table 17: Survey definition of each socio-economic group (SEG).....	116
Table 18: Compound variables defined	118

Table 19: Attributes and levels tested in conjoint exercise.....	122
Table 21: Regional distribution of English applicants.....	151
Table 22: Regional distribution of English students before starting university (universities other than London)	152
Table 23: Applicants' ethnicity	153
Table 24: Ethnicity (non-London students and Scottish sample)	153
Table 25: Applicants' religious affiliation	154
Table 26: Religious affiliation (non-London students and Scottish sample).....	155
Table 27: Applicants' socio-economic group.....	156
Table 28: Socio-economic group (non-London students and Scottish sample)	157
Table 29: Disabilities declared by applicant sample	158
Table 30: Disabilities (non-London students and Scottish sample).....	159
Table 31: Applicants' university accommodation	160
Table 32: University accommodation (non-London students and Scottish sample).....	160
Table 33: Applicants' expected university region	161
Table 34: University region (non-London students)	162
Table 35: Alternative sources of funding available where bursaries are replaced with loans – Scottish applicants versus students.....	163
Table 36: Alternative sources of funding available where bursaries are replaced with loans – by SEG and bursary status	164

Executive summary

This report has been prepared by YouthSight, a specialist youth research agency. It presents the findings of a survey commissioned by the Department for Business, Innovation and Skills (BIS)¹ to gain greater insight into the importance of financial factors in decisions about higher education.

YouthSight conducted a 20-minute quantitative online survey between 10 June and 6 July 2015 with university applicants and first year university students studying at universities outside London. This study excluded young people who had not applied to university.

Sample

The data presented in this report is based on a survey of:

- 1,427 applicants to higher education. This group is representative of English domiciles who had submitted a Universities and Colleges Admissions Service (UCAS) application to study at a publicly funded university in the UK for a full-time first degree in 2015/16 or 2016/17 (referred to throughout as applicants).
- 1,589 students currently in their first year of study at a publicly funded university in the UK (students at universities located in London were not part of the student sample); and
- 343 Scottish-domiciled students and applicants. Those in the Scottish sample had a permanent residence in Scotland and had applied to, or were in the first year of, a full-time first degree course at a Scottish university.

The sample was drawn from the YouthSight applicant panel and was weighted to 2012/13 Higher Education Statistics Agency (HESA) data by socio-economic group, gender and age.

¹ This research was commissioned by the Department for Business, Innovation and Skills. Policy responsibility for this topic transferred to the Department for Education. As such, the research is being published by DfE.

Key findings

Knowledge of student finance and attitudes to debt

- There was evidence that applicants found it hard to answer questions about student finance accurately. Almost one fifth of applicants (19 per cent) reported not knowing the amount they expected to take out in tuition fee loans. This might be because they were either unaware of or undecided about the amounts involved. Evidence from the survey of students (Chapter 7) shows that, even in their first year at university, 13 per cent of students did not know what amount of tuition loan they had taken out.
- Most applicants (93 per cent) felt that they knew at least a fair amount about the cost of attending university, with around one in five (22 per cent) feeling they knew a lot. With hindsight, however, fewer students than applicants considered themselves well informed about student finance before the start of their course (88 per cent).
- In general applicants were comfortable getting loan to cover their study costs but they showed some concern about getting into debt. Most applicants (76 per cent) expressed a preference for being able to access loans to support them through university, rather than not borrowing at all to avoid debt. This pattern is repeated across all genders, socio-economic backgrounds, ethnicities and disability statuses. However, some groups do express greater debt aversion than others, especially those planning to live at home whilst studying (35 per cent), those of a non-white ethnicity (30 per cent) and those from lower socio-economic group (26 per cent).
- This study did not follow applicants through to the point of participation in higher education, therefore we do not know whether debt-averse attitudes ultimately impacted on the decision to participate.

Anticipated sources of funding

- Almost nine in ten applicants (88 per cent) expected to receive a tuition fee loan and just over half of applicants (53 per cent) expected to receive at least some maintenance grant. This is a lower figure than the three in five students (61 per cent) that received a full or partial grant in 2013/14 according to the Student Loan Company (SLC)².

² Table 3A. [SLC Statistics: Student support for Higher Education in England 2014/15](#)

- Beyond maintenance and tuition fee loans, paid work was the most frequently anticipated source of funding to support study (72 per cent).
- Over three fifths of applicants expected to use parents (63 per cent) or savings (62 per cent) as a source of income, particularly applicants from higher socio-economic groups (75% and 70% respectively).
- Twenty-nine per cent of applicants expected to receive some financial support from the university to which they were applying, including bursaries, tuition fee waivers, help with accommodations costs or other payments in kind.
- Applicants from lower socio-economic groups (45%) were much more likely than higher socio-economic group applicants (22%) to anticipate using grants or funding from their university.

Whether to apply to university and the influence of finance

- University was the only option considered by the majority of applicants (75 per cent), especially those applying to the higher-tariff universities (78 per cent). This was consistent across socio-economic backgrounds. Getting a job and travelling were the main alternatives considered by applicants.
- Financial factors were not the biggest influence on the final decision to apply to university. The most important factors were the desires to be more employable, to achieve the qualification and to pursue an interest in a subject. This was the case for applicants from both the higher and the lower socio-economic groups.
- Lower socio-economic group applicants placed a higher importance on grants, bursaries and living costs than applicants from higher socio-economic groups, although finance still remained a secondary influence on their decision to apply to university.

Decisions on where to study

- The course offered (82 per cent of applicants), university reputation (58 per cent), and potential for high future earnings (41 per cent) were the most commonly cited major influences on applicants' choices about where to study.
- Differences in bursaries offered, tuition fees charged and the ability to continue living at home were secondary factors when choosing where to study. These factors accounted for three of the bottom four of eleven factors tested that might influence which

university to choose. However, they were more important for lower socio-economic group applicants.

Attitudes to the costs of university

- Around half of applicants (54 per cent) said they were 'put off' to some extent by the costs associated with university.
- Of those applicants who reported being put off by the costs of university, tuition fees were considered to be a bigger turn-off than living costs. However, the majority of applicants (75%) considered university to be a worthwhile investment despite the costs.
- For those applicants who were 'put off' by the costs of university, tuition fee loans, the repayment threshold and maintenance loans were considered to be the most important aspects of the student finance package that helped persuade them to apply to university despite the costs.
- The maintenance loan, repayment threshold and particularly maintenance grants and university assistance were more important to members of the lower socio-economic group than the higher socio-economic group in alleviating cost concerns.

Assessment of the student support package

- Applicants were asked to rate the appeal of the different components of the student finance offer. The most appealing elements of the package were the repayment threshold (88 per cent), the availability of a maintenance loan to cover living costs (87 per cent), and the fact that the loan was government-administered rather than commercial (82 per cent).
- Lower socio-economic group applicants were more likely than other groups to say that grants and bursaries were appealing (83 per cent).

Student maintenance support as a safeguard for applications

- Government support towards living costs appeared to have a strong effect on safeguarding applications to higher education. Applicants were asked survey questions in order to explore their sensitivity to purely hypothetical policy scenarios. In a scenario where no maintenance support was available (in the form of either grants or loans), 35 per cent of applicants reported that they would no longer apply to university.
- However, the proportion of applicants that reported they would no longer apply to university without any system of maintenance loans or grants rose to half of those from

lower socio-economic groups (50 per cent), 54 per cent of those aged 21 or over, 52 per cent of those expecting to get a full grant, 47 per cent of those applying to lower-tariff universities and 43 per cent of those declaring a disability. Thus the provision of student finance for living costs seems to help safeguard applications especially among these groups.

- Applicants were also asked what effect replacing maintenance grants with maintenance loans would have on their decision to attend university. Only a small proportion of applicants said that they would no longer apply to university (five per cent). However, eight per cent of applicants from lower socio-economic groups reported the same.
- Of the small proportion (five per cent) of applicants who reported they would no longer apply to university if maintenance grants were replaced with loans, around two-fifths (two per cent of the whole sample) stated they would completely drop the idea of attending higher education and would seek to get a job and the rest stated they would delay university or seek to study through a Further Education (FE) college or apprenticeship.
- Those applicants who indicated that they would still attend university if maintenance grants were replaced with loans envisaged using paid work as a source of replacement funding (especially applicants from lower socio-economic groups) or relying on their parents or savings (especially applicants from higher socio-economic groups).

Assessing different elements of the financial package

As well as survey questions on the extent to which changes in the financial package might affect their decision to go to university (reported above), a conjoint method was applied to test which elements of a series of hypothetical packages were more influential on applicant decisions. The component parts of the student finance package tested using the conjoint method were: loan amount available, grant amount available, tuition fee and repayment threshold.

If grants were no longer available but the rest of the financial support package stayed the same as in 2014/15

- If grants were no longer available but other elements of student support remained unchanged (and loans were not increased to cover any loss of grant), 91 per cent of applicants indicated that they would still aim to go to university. This is similar to the main survey findings where only five per cent of applicants stated that they would no longer apply to university if maintenance grants were replaced with maintenance loans.

- Lower socio-economic applicants were less likely (84 per cent) to indicate that they would still apply in such a scenario. Eight per cent of applicants from lower socio-economic groups in the main survey stated that they would no longer apply to university if maintenance grants were replaced with maintenance loans.
- Of those receiving the full grant, 83 per cent of applicants would still aim to attend.

Replacing maintenance grants with higher value maintenance loans³

- Conjoint analysis of the scenario in which maintenance grants were replaced with maintenance loans⁴ supported survey responses, and the results were on a noticeably similar scale. Only a small proportion of applicants reported they would no longer apply to university: 94 per cent would still aim to go to university, and, as with the results of the survey, this was less common among lower socio-economic groups (89 per cent).
- The analysis suggested that the impact of the additional loans offered would not significantly affect applicants' decision to apply to university.

Raising tuition fee cap

- The conjoint analysis also sought to explore the price-sensitivity of applicants' decision to apply to University, by testing purely hypothetical policy scenarios. Conjoint analysis suggested that raising tuition fees (hypothetically) to £10,000 per year would have a minimal one per cent negative impact on applications, though raising fees to £11,000 per year would have an eight per cent negative impact on applications.
- However, if a rise in tuition fees to a hypothetical £10,000 were combined with replacing maintenance grants with additional loans, the combined impact could be a drop of between ten and twelve per cent in applications, depending on whether an additional £1,000 or £2,000 were available in maintenance loans.

Loan repayment threshold

- Conjoint analysis also tested applicants' reactions to hypothetical repayment threshold levels, in order to provide a clearer picture of the relative importance of the threshold

³ This is the scenario that most closely resembles the 2016/17 student financial support package.

within the overall student finance package. The analysis suggested that an increased repayment threshold (to £24,000 per year⁵) had an expected positive impact of one to two percentage points on university applications where maintenance grants were unavailable or replaced with loans.

- The potential impact of a raised repayment threshold (to a hypothetical £24,000) if tuition fees were increased was a two to three percentage point positive effect at the £10,000 tuition fee level and around a three to five percentage point positive effect at the £11,000 level (depending on how much might be offered in loans to replace grants).

Scottish sample

A smaller sample of (343) Scotland-domiciled applicants and students applying to or attending Scottish universities were surveyed to offer an indicative comparison with the English sample and funding system. Given the lack of consistency between the sampling and weighting approaches of the English and the Scottish sample, comparisons are indicative only. Nevertheless, clear patterns emerged.

- Scottish students and applicants felt somewhat less well informed about the costs of university than English applicants did, and fewer of them claimed to have sought out detailed information.
- Far fewer Scottish students and applicants than English applicants reported applying for or intending to apply for maintenance loans. In Scotland, parental support, working and savings were all more commonly reported sources of supplementary funding than were maintenance loans.
- Perhaps as a result of funding differences⁶, Scottish students and applicants seemed to be more averse to taking out loans and a higher proportion than English applicants would prefer not to borrow at all. Scottish applicants and students were less likely than English applicants to be put off by the costs of university and concern over debt.

⁵ This figure was not based on projected plans or calculations, but represents an amount that respondents might consider to be meaningfully higher than the current £21,000 threshold and which may have an effect on their decision-making.

⁶ E.g. Scottish students are entitled to more generous non-repayable government bursaries than English students and tuition fees are lower for Scottish students at Scottish universities.

- A very small minority of Scottish students and applicants reported that they would no longer apply to university if government-provided bursaries were replaced with student loans (three per cent)⁷.

Conclusion

- This research with UCAS applicants in 2015 found that:
 - Financial factors were not the biggest influence on the final decision to apply to university (improving employment opportunities, achieving a qualification and pursuing an interest in the subject were the most important regarding applicants' decision to go to university);
 - Most students are not overly concerned about debt; however those from lower socio-economic groups were more concerned about the financial aspects of going to university than applicants from higher socio-economic groups;
 - Government support, especially towards living costs, was appealing to applicants and appeared to have a strong effect on safeguarding applications to higher education, particularly among lower socio-economic groups, and those aged 21 or over or those expecting to get a full grant.
 - Applicants are relatively price-insensitive; as both survey questions and conjoint analysis found little impact from hypothetical changes to fee rates, repayment thresholds and replacement of maintenance grants with additional loans.

⁷ Note the sample consisted of UCAS applicants and first year students and so did not cover those who had not applied to higher education at all.

Chapter 1: Introduction

This report has been prepared by YouthSight, a specialist youth research agency. It presents the findings of a survey commissioned by the (then) Department for Business, Innovation and Skills (BIS)⁸.

Background

The higher education (HE) sector experienced a considerable change in 2012, owing to major reforms in funding. These reforms aimed to support the continued expansion of the HE sector, make funding more sustainable, increase support for students' living costs, and ensure that only graduates who have benefitted financially from their higher education will be required to make repayments. This was done by raising the cap on tuition fees to £9,000 per year, whilst increasing the amount of loan and grant support and the annual earnings threshold for repayment of loans. Although the support package was improved to mitigate the increase in fees, ultimately the cost of higher education rose substantially for the individual. There was some concern that these changes would result in a drop in university application numbers, particularly among those from poorer backgrounds. However, despite a drop in applications in the year following the reforms, reflecting a reduction in deferred applications to avoid the fee increase, it now appears that the changes enacted have not reduced the demand for university education. This is the case at both an overall level and among those from disadvantaged backgrounds, participation in higher education has actually increased.

Although the reforms have not had a negative impact on the overall appetite for university attendance, they may have affected other applicant decisions, such as what and where to study, and whether to live at home or work whilst studying. Therefore, given changes in the financial support package, the influence of finance needs to be reassessed to help determine which elements are most important for ensuring and protecting continued university application.

Research objectives

The overall aim of this research was to understand the importance of financial factors to potential higher education students when they make their decisions about whether to go to university, and to understand whether and which specific elements of the post-2012 financial support package help support or protect university application rates.

More specifically, the research objectives of this project were to:

⁸ Policy responsibility for this topic transferred to the Department for Education. As such, the research is being published by DfE.

- Gain a greater understanding of whether and to what extent the financial factors concerning university were important to the decision-making of university applicants.
- Understand the extent to which applicants considered other options and whether financial factors influenced this.
- Determine which particular elements of a student support package were the keys to ensuring continued university application.
- Assess the extent to which changes in the type and level of student support were likely to affect participation in higher education.
- Analyse the differences between key groups of applicants or students.

At the time of research, financial support from the state consisted of tuition fee loans, maintenance loans and maintenance grants, as well as additional targeted support for those with disabilities, children or adult dependants. Funding could also be available from universities, in the form of bursaries, tuition fee waivers, help with accommodation costs or other payments in kind. In order to simplify the analysis, this research did not explore the additional targeted support available from the state or unpick the different types of funding available from universities.

Challenges resulting from the objectives

Addressing these objectives presented challenges with regard to the assessment of how applicant behaviours are influenced and how they might change. Decision-making is abstract and influenced by many factors and circumstances, and it's hard for individuals themselves to understand fully what affects decisions and behaviour. Reported or anticipated behaviour is not always the same as real-life choices.

In this case in particular, from increases in participation rates since the increase in tuition fees, with more disadvantaged students now entering the system than previously, we can observe that students and applicants do not always act in the way they say they will. Likewise, in this study those who were already attending university might not have been able to assess their reactions to student finance changes as accurately as applicants prior to commencing their first year of study. This is why the main focus of this report is on applicants' responses.

Conventional straightforward questioning is fairly effective at measuring conscious opinions but can be less effective in picking apart the exact relationships between decision factors of differing importance (for example, overcoming scale bias) and assessing actual likely behaviour rather than stated intentions.

To help address these challenges, advanced analytical tools were adopted to attempt to obtain derived, rather than stated, appeal or importance. So respondents were asked to choose between discrete choices to help assess what most likely influenced their decision to go to university and their preferences regarding amounts and packages of financial support (see the following Methods section, and Annexes C and D for more detail on the approaches adopted).

Methods used

In order to address the research objectives, YouthSight designed a quantitative online survey to examine how applicants made the decision to study at university. This survey was carried out between 10 June and 6 July 2015. Respondents completed a 20-minute questionnaire that asked them about their decision to apply/go to university, the alternative options they considered, the influences on their decision, the cost of university and their attitudes to debt, as well as an assessment of what student finance they expected to receive and the effect this would have if it were unavailable.

Some advanced analytical tools were included in the online questionnaire to test the importance of factors in the decision to go to university and to test the appeal of the different components in the student finance package offer. The exercises used were 'MaxDiff' and 'Conjoint'.

Both methods aimed to ascertain the relative importance of the factors under investigation, and were employed alongside direct questioning, including standard rankings and ratings.

Rationale for MaxDiff method

MaxDiff allows us to determine derived, rather than stated, importance, getting to the heart of how people make decisions and what they really value in products and services. The starting assumption for these analytical approaches is that consumers are often better at making a choice between alternative options than they are at unpicking, rating and ranking the choice components that drive their decisions.

While the conjoint method (see below) was employed to assess reactions to elements of the student finance package, the MaxDiff method was used to assess the relative importance of factors that might influence the decisions made (in this case regarding choice of *where* to study), including both financial and other factors.

MaxDiff is able to provide a detailed weighting of how important the different factors tested are in influencing the decision to go to university, relative to others. With more traditional rating scales, it can be hard for respondents to accurately rank a large number of factors and there is a greater potential for scale bias.

In addition, MaxDiff is able to assign an importance value to each factor so that different factors can be weighed against each other, which goes beyond the simple importance ordering available in ranking question formats.

Further explanation of this method is included in Chapter 4 and Annex C of this report.

Rationale for Conjoint method

The aim of the conjoint method is to carefully evaluate the importance of component elements of the student financial package (i.e. loan amount available, grant amount available, tuition fee and repayment threshold) to the participation decision among groups of applicants and students, and to assess the effects on decision-making of hypothetical changes to the amounts involved.

A benefit of this approach is that it helps us understand the effects of individual elements of student finance within the context of a wider package of measures rather than more simplistic reactions to (changes to) individual elements in isolation. This approach is also able to derive a utility score for each element, which expresses its relative importance in individuals' decision-making processes.

This is achieved through a trade-off model, presenting sets of three hypothetical financial packages at a time. Each package is made up of differing levels of maintenance loan, grant, and tuition fee and repayment threshold. A conjoint approach does not require respondents to evaluate the merits of each option independently, but by respondents making repeated choices between sets of three packages presented, the drivers of preference are identified through statistical analysis.

In this way, the conjoint method allows us to determine derived, rather than stated, appeal or importance, getting to the heart of how people make decisions and what they really value in products and services. The starting assumption for this analytical approach is that consumers are often better at making a choice between alternative packages than they are at unpicking, rating and ranking the package elements that drive their decision.

As each respondent has their own utility score for each element of the support package, a more nuanced assessment of sub-group differences and preferences can be achieved via aggregate analysis.

This method builds a detailed picture of the relative importance of each element of the student finance package, meaning that the analysis is able not only to assess reported effects of current financial changes on going to university but also to provide data that can be used to compare the potential impact of a large number of different scenarios.

Further explanation of this method is included in Annex D of this report.

Sampling and quotas

The data in this report is based on a survey of 1,427 applicants who are UK citizens domiciled in the UK and who had submitted an application through Universities and Colleges Admissions Service (UCAS) to study at a publicly funded university in the UK on a full-time first degree course. The majority (88 per cent) of applicants aimed to attend university in 2015/16 and nine per cent aimed to attend in 2016/17 (with the remainder unsure).

The sample was drawn from the YouthSight online research panel.⁹ To ensure that the achieved sample was broadly representative, interlocking quotas were set for socio-economic group, gender and age. In the absence of available population data on UCAS applicants, these quotas were based on Higher Education Statistics Agency (HESA) data on first-year student population figures (2012/13). As our final sample did not match our quota targets exactly, the final data file was weighted to HESA data by age, socio-economic group and gender according to the original targets.

The report focuses on UCAS applicants near the end of the 2015 application process, as they are close to the decision-making process and are most able to reflect on the influences on their decision. In addition, two other target groups were sampled in order to offer some broad comparisons:

- English students (n= 1,589): Students in their first year of study at a publicly funded university in the UK (except universities located in London), on a full-time first degree course in 2014/15, and domiciled in England before starting their course (referred to throughout as 'students'). This allows some comparisons to be made between applicants' and first-year students' views on student finance.¹⁰
- Scottish students (n= 153) and applicants (n=190) A combined sample of 343 Scottish students and applicants domiciled in Scotland before starting university, and studying or planning to study full-time at degree level in a Scottish public university. This allows some broad comparisons to be made between the English and Scottish funding systems.

⁹ All samples were drawn from the [YouthSight online research panel](#). This means that the sample is not randomly selected, in that members of the panel have self-selected to take part in research. For more details on the panel and sample please see Annex A and F, where a further summary of detailed sample demographic information including quotas and weighting is included.

¹⁰ Note the student sample did not include students studying at London universities. Appropriate weighting was applied to help address this but there may be unaccounted differences between the two samples, which limits direct comparability.

Owing to limitations in the ability to compare results directly against these groups, they are reported separately in Chapters 7 and 8. Annex F describes the key demographics of the samples covered in more detail.

Note that the study does not include those who had not applied to higher education at all.

Reporting and analysis

This report draws out the differences by socio-economic background, ethnicity, gender, age, expected grant status and university tariff (i.e. whether in the top third of universities by average UCAS tariff points required for entry, or not). Wherever applicable, socio-economic group is used as an overall framework, and gender, ethnicity, grant status, declared disability status and university tariff are analysed where sample sizes allow. Definitions of these groups are provided in Annex B.

Percentage score differences between sub-groups are included in the text of this report only if considered statistically significant through t-testing. The confidence level used for significance testing in this report is 95 per cent and is two-tailed unless otherwise noted. Statistically significant results in tables are marked with an asterisk (*). Further explanatory notes on statistical significance are placed at the bottom of charts and tables, as appropriate. The estimated margin of error for our applicant sample of 1,427 respondents in England is 2.59 per cent on all percentages reported, and 2.54 per cent for the student sample in England.

Chapter 2: Student finance status and attitudes

This section describes the expected funding status of applicants in terms of government maintenance and tuition fee loan amounts and whether applicants were expecting to receive a grant, or other bursary or scholarship. Responses are self-reported and based on expectations rather than actual amounts claimed. The aim of this chapter is to examine what student support applicants expected to get. Where possible, comparisons are made with Student Loan Company (SLC) data. In addition, anticipated student finance status was used to help filter and analyse other (attitudinal) questions in the survey.

This section also describes the sources applicants used to obtain information about student finance, their level of understanding of finance, and their attitudes to debt.

Chapter summary

- Just over half of applicants (53 per cent) in this sample reported that they expected to receive at least some maintenance grant. This is lower than the three in five students (61 per cent) that received a full or partial grant in 2013/14 according to the SLC¹¹.
- In this sample, almost nine in ten applicants (88 per cent) expected to receive a tuition fee loan. This is similar to the proportion that SLC data shows took out loans in 2013/14 (92 per cent)¹².
- There was evidence that applicants found it difficult to answer questions about student finance accurately. Almost one fifth of applicants (19 per cent) reported that they did not know the amount they expected to take out in tuition fee loans. This might be because they were either unaware of or undecided about the amounts involved. Evidence from the survey of students (Chapter 7) shows that, even in their first year at university, 13 per cent of students did not know what amount of tuition loan they had taken out.
- Beyond maintenance and tuition fee loans, paid work during the holidays was the most frequently anticipated source of funding to support their studies (72 per cent of applicants). Lower socio-economic applicants were slightly more likely than higher socio-economic applicants to anticipate holiday working (73 per cent versus 70 per cent) but no more likely to consider term-time working (58 per cent of applicants considered it overall). Non-white applicants were less likely to anticipate undertaking

¹¹ Table 3A. [SLC Statistics: Student support for Higher Education in England 2014/15](#)

¹² Chart 6. [SLC Statistics: Student support for Higher Education in England 2014/15 payments, 2015/16 awards](#)

paid work during either the holidays or term time (74 per cent versus 66 per cent).

- Over three fifths of applicants expected to use parents (63 per cent) or savings (62 per cent) as a source of income. As might be expected, those from the higher socio-economic group were far more likely than the lower socio-economic group to anticipate using their parents' funds (75 per cent versus 45 per cent) or their own savings for funds (70 per cent versus 50 per cent). Members of the lower socio-economic group were much more likely to anticipate using grants (67 per cent versus 27 per cent) or funding from their university (45 per cent versus 22 per cent).
- Twenty-nine per cent of applicants expected to receive some financial support from the university to which they were applying, including bursaries, tuition fee waivers, help with accommodation costs or other payments in kind. Twenty-three per cent of applicants expected to receive a bursary, more commonly older applicants (46 per cent of those aged 21 or over), those also expecting a full grant (42 per cent) and those in the lower socio-economic group (35 per cent).
- The majority of applicants (93 per cent) felt that they knew at least a fair amount about the costs of university, with around a fifth (22 per cent) feeling that they knew a lot. Groups more likely to feel they knew a lot about the costs of university were older (32 per cent of those aged 21 or over), living at home or in London whilst studying (28 per cent in each case), or those at lower-tariff universities (25 per cent).
- Sixty per cent of applicants agreed that they sought out detailed information about the costs of going to university. Groups more likely to seek detailed cost information were those aged 21 or over (70 per cent), those expecting a full grant (68 per cent) and those applying to lower-tariff universities (67 per cent).
- The most common sources of information on ways of financing university study were websites (cited by 61 per cent of applicants), teachers and tutors (57 per cent), the universities applied to/considered (54 per cent) and family members (40 per cent).
- Applicants had nuanced attitudes to debt, but were generally comfortable getting loans to cover their studies. A minority showed concern about getting into debt, but had still decided to apply to higher education. There were sub-group differences in attitude, with females showing more concern about debt. There was also some evidence that non-white, disabled and older applicants were more debt-averse and some small differences by socio-economic group.

Student finance application status

Please note: Data on application status here is self-reported.

At the time of the survey (end June / early July 2015), the vast majority of applicants sampled stated that they had already applied for at least one type of grant or loan (90 per cent). A further six per cent indicated that they had not yet applied, with the remaining four per cent indicating that they had no intention of applying.

Applicants from the higher socio-economic group were more likely to report not intending to apply for any student finance (five per cent versus two per cent from lower socio-economic groups), as were those aged 21 or older (eight per cent versus three per cent of younger applicants).

Just under half (48 per cent) of the small proportion of applicants not intending to use student finance claimed that they did not need it; just under one in three (31 per cent) claimed they were ineligible. A very small proportion of applicants who were not intending to use student finance claimed not to know how to apply (three per cent of that group).

Anticipated grant and loan status

Please note: Data here is self-reported. Questions were designed to help illustrate levels of awareness and expectations concerning student finance, and to help filter and analyse further questions. Please refer to the Student Income Expenditure Survey (SIES)¹³ and SLC data¹⁴ for robust figures on actual funding received.

Anticipated grant status

Just over half of applicants (53 per cent) stated that they were expecting to receive a student maintenance grant. This is lower than the three in five students (61 per cent) that received a full or partial grant in 2013/14 according to the SLC¹⁵. Among the applicants surveyed, those most likely to expect to receive a grant were from the lower socio-economic group (75 per cent versus 39 per cent from the higher socio-economic group), aged over 21 years old (67 per cent), applying to lower-tariff universities (66 per cent), non-white (63 per cent), or with a declared disability (60 per cent).

Looking specifically within the lower socio-economic group, non-white applicants and applicants to lower-tariff universities were significantly more likely than others to expect to

¹³ [DfE \(2013\) The student income and expenditure survey 2011/12](#)

¹⁴ [Catalogue of SLC statistics on student support for Higher Education in England](#)

¹⁵ Table 3A. [SLC Statistics: Student support for Higher Education in England 2014/15](#)

receive a student maintenance grant (74 per cent and 63 per cent respectively, versus 53 per cent of applicants overall).

Anticipated grant amount

Close to one third of applicants (32 per cent) in the overall sample reported that they expected to receive the full student maintenance grant.¹⁶ A further 21 per cent of applicants sampled expected to receive a partial grant. SLC data shows that 41 per cent of students were awarded a full grant and 14 per cent a partial grant in 2014/15.¹⁷ This might imply that applicants underestimated the amount of grant for which they were eligible.¹⁸

Anticipated maintenance loan status

The vast majority of applicants surveyed expected to take out a maintenance loan (85 per cent). This is slightly lower than the proportion of students that do take out the loan (90 per cent in 2014/15¹⁹). Applicants more likely to expect to take out a maintenance loan included those also expecting a grant (91 per cent), those in the lower socio-economic group (88 per cent), white applicants (87 per cent) and males (87 per cent). Looking specifically at those in the lower socio-economic group, white applicants and those expecting a grant were significantly more likely than others to expect to take out a maintenance loan (92 per cent).

¹⁶ Applicants were asked how much they expected to receive. Before answering, they were given the following information: 'A maintenance grant helps with your living costs while you're studying and the amount you receive depends on your household income. You don't have to pay this back. If your household income is £25,000 or less you can get the full grant of £3,387. Between £25,001 and £42,620 you can get a partial grant of between £3,387 and £5,000. The amount of maintenance grant you get affects the amount of maintenance loan you are eligible for.'

¹⁷ English domiciled, full-time, post-2012 system, awarded applicants to public providers in the academic year 2014/15. Source: SLC, Student Support for HE in England.

¹⁸ It could be that respondents answered this question in reference to the full grant available to them rather than the full grant available overall (see Annex E, question D1 for Question text). Nevertheless, the observation that they seem to underestimate the amount expected stands.

¹⁹ English domiciled, full-time, academic year 2014/15. Source: SLC, Student Support for HE in England.

Anticipated maintenance loan amount

Two thirds of applicants (66 per cent) expected to take out the maximum maintenance loan available to them.²⁰

As might be expected, applicants who expected to take out a full student grant were also more likely to expect to take out the maximum maintenance loan available to them (89 per cent in 2013/14). Those not expecting a grant were far less likely to take out the maximum loan available (40 per cent).

Other notable sub-group differences included: 77 per cent from lower socio-economic groups reported they would take the maximum loan available to them (versus 58 per cent from higher socio-economic groups); and 75 per cent of older applicants reported they would take the maximum loan available to them (versus 64 per cent of those aged under 21).

Applicants were expecting to take out a mean amount of £4,234 per annum,²¹ somewhat higher than the £3,980 provisional mean figure taken out by students in 2014/15.²²

Anticipated tuition fee loan status

The majority of applicants surveyed (88 per cent) intended to take out a full or partial tuition fee loan. (This matches fairly closely with SLC figures showing that 92 per cent of eligible students took out tuition fee loans in 2013/14.²³)

²⁰ This includes those who answered that they expected to receive the 'full loan' and those who expected to receive a 'partial loan to top up their grant'. It excludes those who said 'a partial loan without any additional grant'.

²¹ Applicants who expected to receive a maintenance loan were asked how much they expected to receive. Before answering, they were given the information shown below.

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income, the amount of grant you receive, your course and where you live and study.

- *The MAXIMUM is £5,740 a year if you live away from home and study outside London.*
- *The MAXIMUM is £8,009 a year if you live away from home and study in London.*
- *The MAXIMUM is £4,565 a year if you live with your parents.*

²² English-domiciled, full-time, post-2012 system, awarded applicants to public providers in the academic year 2014/15. Source: SLC, Student Support for HE in England.

²³ Estimated 92% take-up of tuition fee loans by those eligible among English-domiciled, full-time, in the academic year 2014/15. Source: [SLC, Student Support for HE in England](#).

Findings from the survey show that those most likely to intend to take out a tuition fee loan were those expecting to receive a full grant (93 per cent), males (92 per cent), those aged 16–20 (90 per cent) and those applying to higher-tariff universities (90 per cent). There were no significant differences by socio-economic group, disability or ethnicity.

Anticipated tuition fee loan amount

The majority of applicants (83 per cent) intended to take out tuition fee loans to cover the full fee cost and five per cent intended to take a loan to partially cover their fees. Those less likely to take out a tuition fee loan to cover their full fee cost were older (85 per cent of those aged 16–20 versus 67 per cent aged 21 and over), female (78 per cent), applying to lower-tariff universities (79 per cent), or not expecting to receive a grant (81 per cent). There were no significant differences by socio-economic status, disability or ethnicity.

SLC figures suggest that the mean tuition fee loan amount for full-time students is £8,220.²⁴ In this survey, a quarter of applicants (25 per cent) who expected to take out a tuition fee loan were not expecting to take out the full loan amount of £9,000 either because course fees were lower or because they expected to supplement their tuition fees with other sources of income.

Almost one fifth (19 per cent) of applicants expecting to take out a loan to cover (all or part of their) tuition fees reported that they did not know the amount they expected to take out in tuition fee loans. Those more likely to be unsure were applying to lower-tariff universities (24 per cent) or expecting to receive a full or partial grant (24 and 25 per cent respectively). There were no differences by age, ethnicity, gender or disability status.

Anticipated financial support from a university

Nearly three tenths of applicants (29 per cent) reported that they expected to obtain support directly from their university in the form of a bursary, fee waiver or accommodation discount. This was more common among older applicants (51 per cent of those aged 21 and over compared to 26 per cent of those aged 16–20), those expecting to receive a maintenance grant (50 per cent of those expecting to receive a full grant), those in the lower socio-economic group (40 per cent), non-white applicants (37 per cent), applicants declaring a disability (37 per cent) and those applying to lower-tariff universities (35 per cent).

A similar pattern emerges when looking at bursaries alone: 23 per cent of applicants expected to receive a bursary, which was more common among older applicants (46 per cent of those aged 21 or over), those also expecting to get a full grant (42 per cent) and

²⁴ Estimated among English-domiciled, full-time students, in the academic year 2014/15. Source: SLC, Student Support for HE in England.

those in the lower socio-economic group (35 per cent).

Analysis within the group of lower socio-economic applicants shows that university sources of financial support were more important to those who were from the poorer background and expecting to get a full grant, aged 21+ and non-white applicants (53 per cent, 52 per cent and 47 per cent respectively, compared with 29 per cent of applicants overall anticipating such support).

Anticipated sources of funding overall

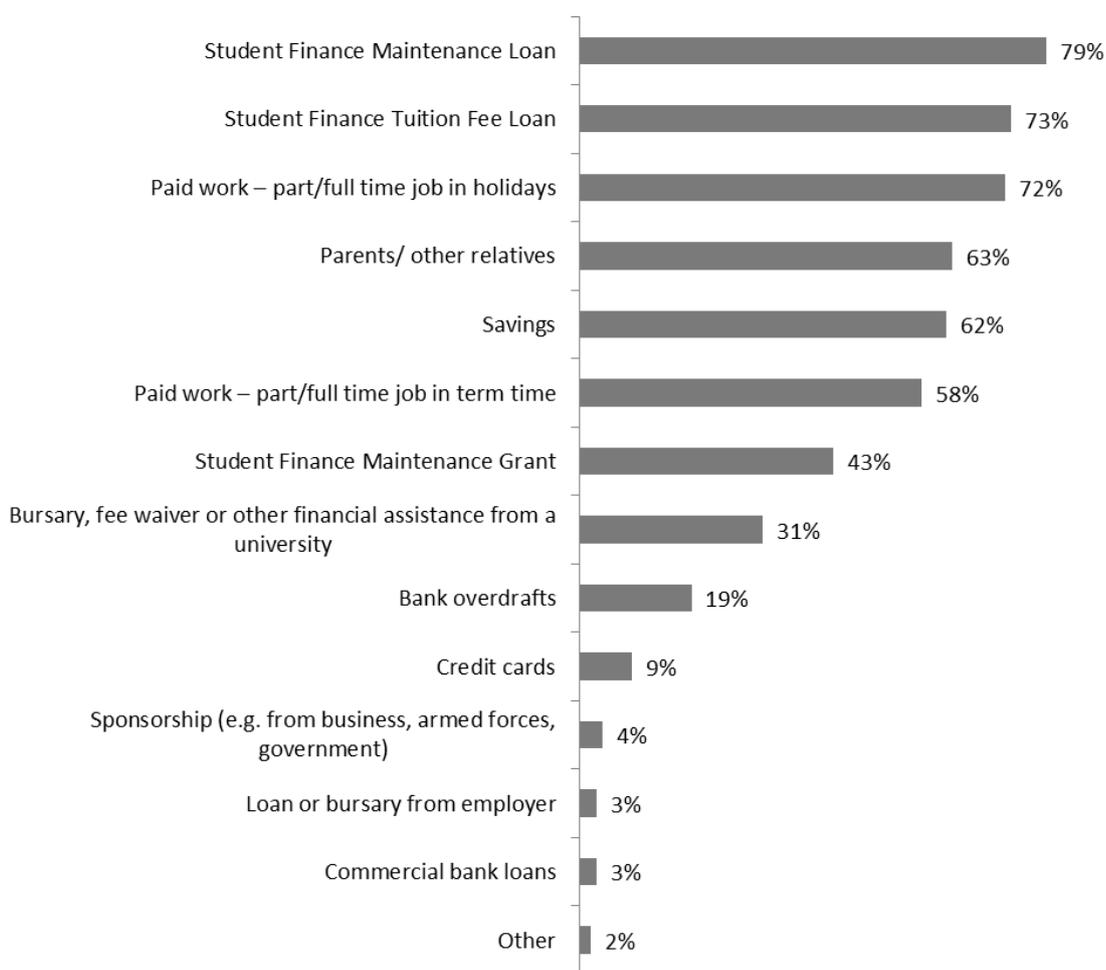
Applicants were asked further questions about other anticipated funding sources – beyond loans, grants and bursaries – to help support them in their studies, alongside the sources mentioned above.

Overall findings

As might be expected, the most popular sources of funding that applicants expected to use were maintenance loans and tuition fee loans.²⁵ Paid work in the holidays was also a popular source of anticipated income at university: 72 per cent of applicants expected to get a holiday job, and 58 per cent anticipated they would work during term time. Over three fifths of applicants (63 per cent) expected to use parents or savings (62 per cent) as a source of income (Figure 1).

²⁵ It is likely that there is some under-reporting of grants and loans in Figures 1–3. Therefore, proportions presented on grants and loans in those tables are useful for comparative purposes only. Please refer to the 'Anticipated grants and loans' sections above for more reliable information.

Figure 1: Applicants' anticipated sources of funding



Base: All English applicants (n=1,427)

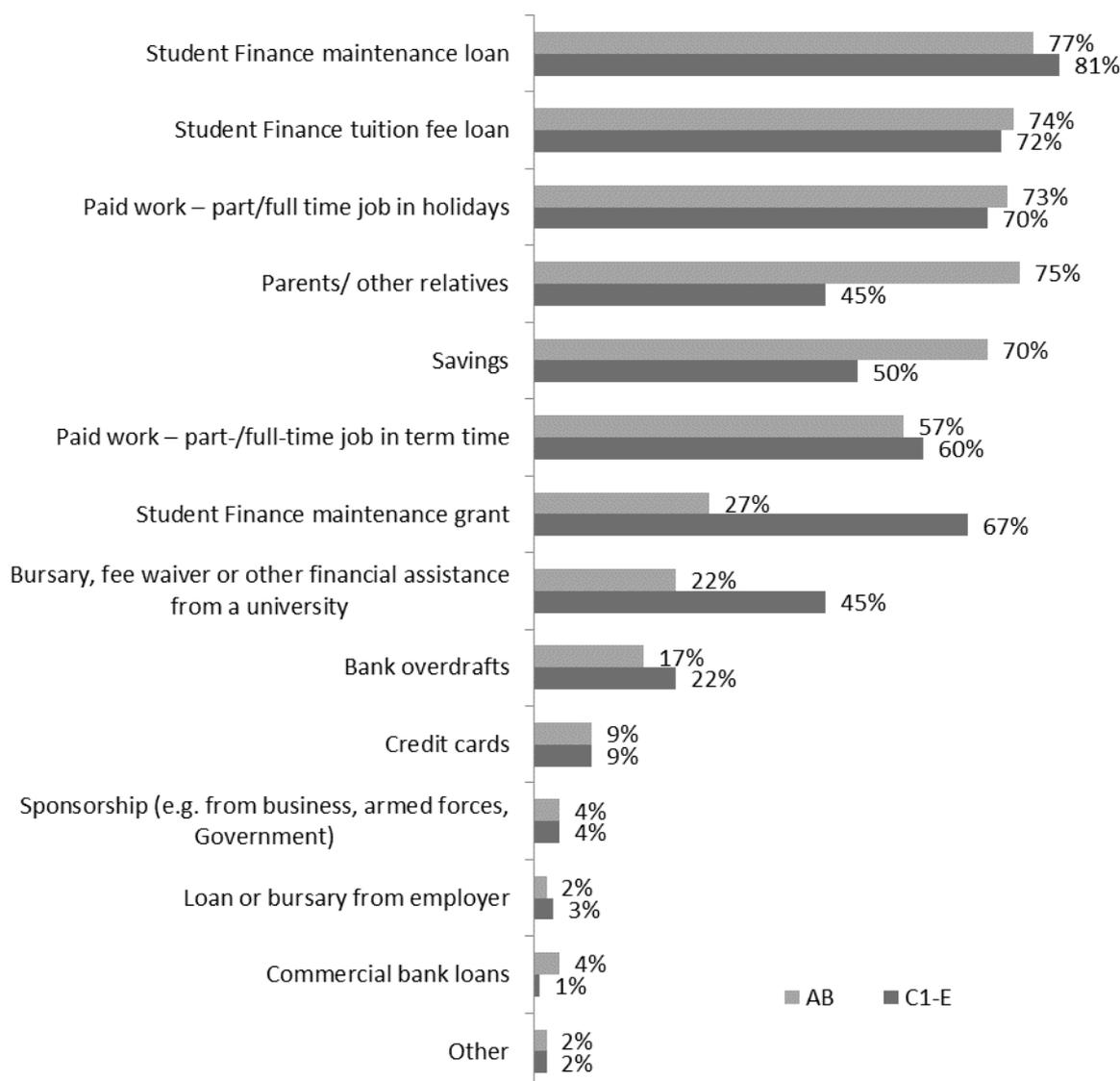
Question text: F1. What sources of finance do you expect to use whilst at university?

Note: It is likely that there is some under-reporting of grants and loans in Figure 1. Therefore, proportions presented on grants and loans in this figure are useful for comparative purposes only. Please refer to 'Anticipated grants and loans' sections above for more reliable information.

Differences by socio-economic group

As shown below (Figure 2), those in the higher socio-economic group (AB) were significantly more likely than those in the lower socio-economic group (C1–E) to expect their parents or savings to help support them at university. Applicants in the lower socio-economic group were more likely to expect to use maintenance loans, maintenance grants, support from their university and bank overdrafts to support their studies, compared with those in the higher socio-economic group.

Figure 2: Applicants' anticipated sources of funding, by socio-economic group



Base: All English applicants (AB n=734 and C1-E n=693)

Question text: F1. What sources of finance do you expect to use whilst at university?

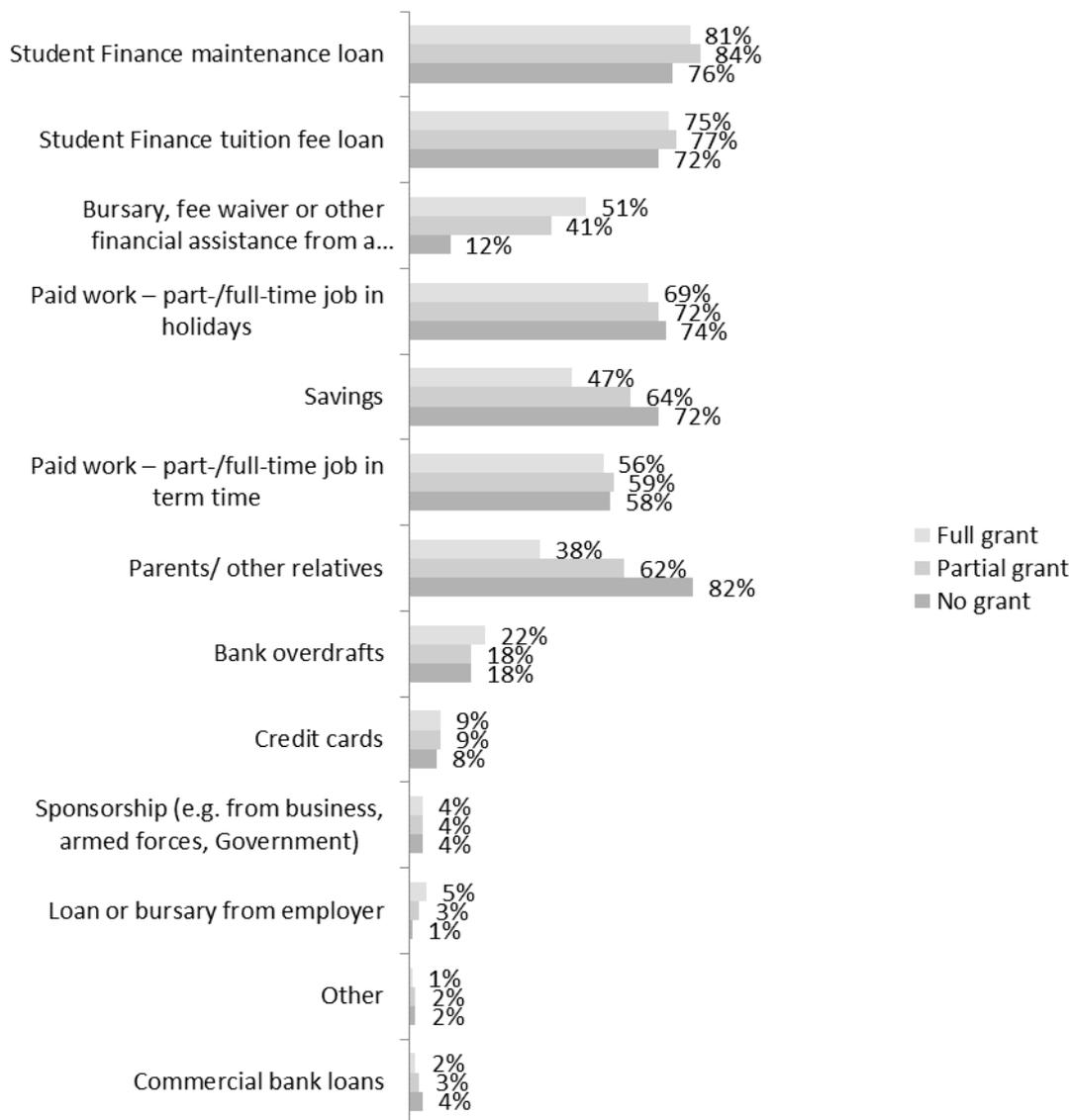
Note: It is likely that there is some under-reporting of grants and loans in Figure 2. Therefore, proportions presented on grants and loans in this figure are useful for comparative purposes only. Please refer to 'Anticipated grants and loans' sections above for more reliable information.

Differences by grant status

Figure 3 shows that applicants who didn't expect to receive a grant were significantly more likely to rely upon parents and savings. It is also notable that applicants who expected to receive a full grant were generally less likely than others to anticipate relying on other

sources of funding. Those expecting a grant were also more likely to anticipate drawing on direct assistance from their university, a loan or bursary from an employer, or a bank overdraft.

Figure 3: Applicants' anticipated sources of funding, by expected grant status



Base: All English applicants expecting full grants (n=483), partial grants (n=299) and no grants (n=540)

Question text: F1. What sources of finance do you expect to use whilst at university?

Note: It is likely that there is some under-reporting of grants and loans in Figure 3. Therefore, proportions presented on grants and loans in this table are useful for comparative purposes only. Please refer to 'Anticipated grants and loans' sections above for more reliable information.

Information on the costs of university

Applicants were asked about the sources of information and advice they had used for finding out about financing their study and the costs involved.

Seeking out information on student finance

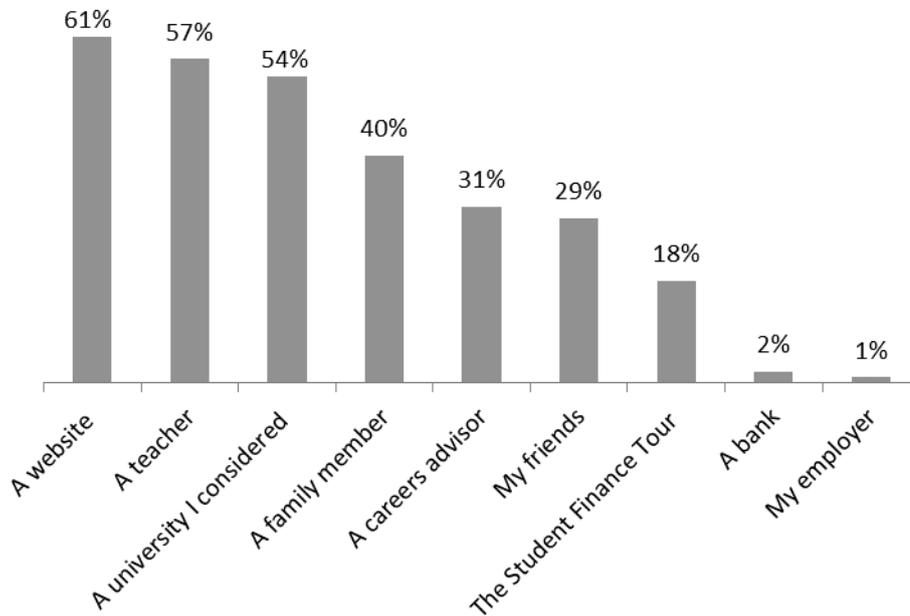
The vast majority of applicants (93 per cent) felt they were well informed, i.e. knew a fair amount or a lot of information about the cost of university. This was fairly consistent across sub-groups, although there were differences in the extent to which applicants felt they were well informed, i.e. felt they knew a lot. Overall, only around a fifth of applicants (22 per cent) felt that they knew a lot about the costs of university, but this was higher among older applicants (32 per cent of those aged 21 or over), those who lived at home (28 per cent) or those applying to lower-tariff universities (25 per cent).

Not all applicants, even among those who reported that they knew at least a fair amount, sought out detailed information about the cost of university. Sixty-one per cent of applicants had sought detailed information. Sub-group analysis showed that those applying to lower-tariff universities or those expecting a full grant were significantly more likely to report seeking such information (67 per cent and 68 per cent respectively).

Sources of information used

The most frequently cited sources of information and advice on financing university study were websites (cited by 61 per cent of applicants), teachers and tutors (57 per cent), the universities applied to/considered for application (54 per cent) and family members (40 per cent) (Figure 4).

Figure 4: Sources of information about financing study used by applicants



Base: All English applicants (n=1,427)

Question text: A1. When considering applying to university, where did you get information and advice about financing your study?

Analysis shows that higher socio-economic groups were significantly more likely to seek information and advice about the costs of university from their families (46 per cent) and from school/college careers advisors (34 per cent). Conversely, those from lower socio-economic groups were significantly more likely to use websites (64 per cent).

Family was also a more popular source of advice for younger applicants (43 per cent of those aged 16–20), males and applicants to higher-tariff universities (all 45 per cent).

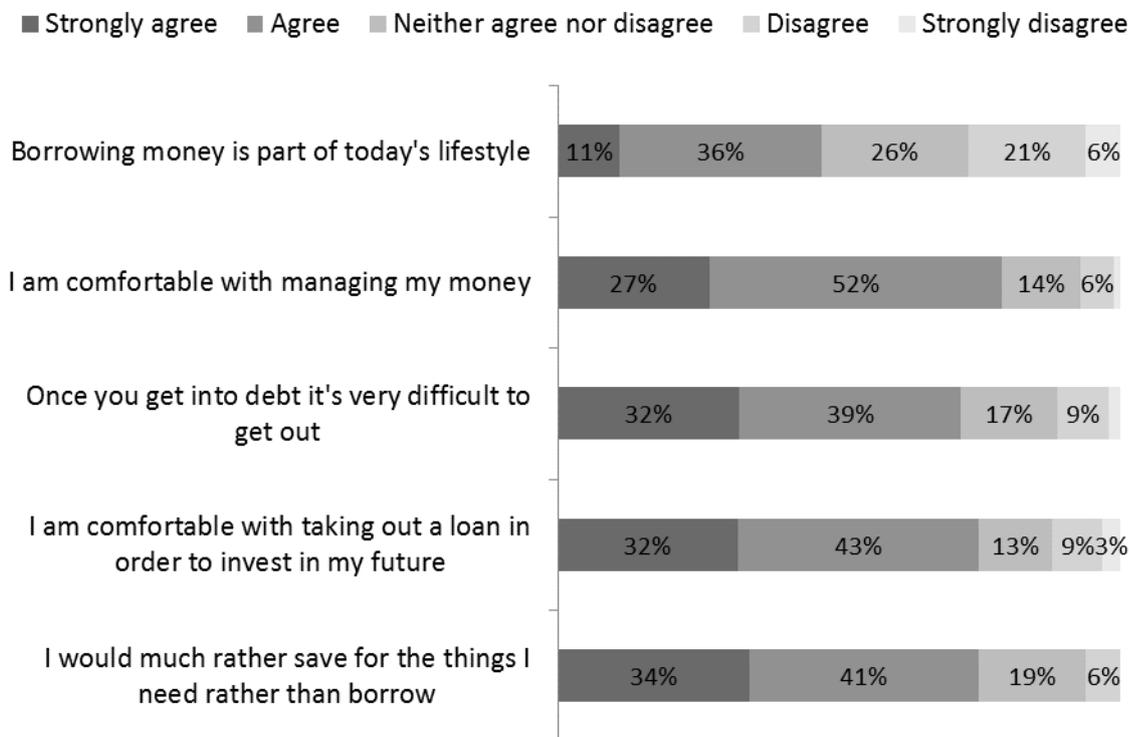
Younger applicants (those aged 16–20) were more likely than others to have consulted their teacher or tutor (61 per cent), the university they were considering applying to (56 per cent), a careers advisor (33 per cent) or a visiting Student Finance Tour (19 per cent).

Non-white applicants were more likely than average to seek information from a careers advisor at school or college (36 per cent). This was especially true for Asian applicants (39 per cent). Non-white applicants were also more likely to have consulted their friends (34 per cent).

Males were more likely than females to have consulted a teacher or tutor (61 per cent versus 54 per cent of females) and their friends (45 per cent). Disabled applicants did not differ significantly from the average in terms of sources of information and advice on costs.

Attitudes to debt

Figure 5: Extent to which applicants agreed with each of the following statements concerning attitudes to debt



Base: All English applicants (n=1,427)

Question text: G1. To what extent do you agree with the following statements?

Figure 5 shows that:

- Around half of applicants (47 per cent) agreed that borrowing money was part of today's lifestyle. Around a quarter (twenty-seven per cent) disagreed.

Further analysis shows that male applicants and those who didn't expect to receive a grant were more likely to agree with this statement (51 per cent and 52 per cent respectively). Applicants who declared a disability were most likely to disagree with this statement (35 per cent) as were non-white applicants (33 per cent per cent). There were no significant differences in level of agreement by socio-economic group, university tariff or age.

- Over three quarters of applicants agreed that they were comfortable with managing their money (79 per cent). Seven per cent disagreed.

- On further analysis, those who expected to take out a full grant or no grant at all were significantly more likely to feel comfortable managing their money than those who expected to take out a partial grant (82 per cent versus 75 per cent of those who expected a partial grant). Applicants with a declared disability were less likely to agree with this statement (73 per cent). Conversely, female applicants were more likely to disagree with the statement (eight per cent versus four per cent of males). There were no significant differences in level of agreement by socio-economic group, ethnicity, university tariff, age.
- Three quarters (75 per cent) of applicants were comfortable with taking out a loan to invest in their future. Twelve per cent disagreed.
 - Those most likely to agree were male (81 per cent) or white (77 per cent). However, some groups were less comfortable taking out a loan including non-white applicants and those who declared a disability. There was no difference in agreement by socio-economic group, grant status or university tariff. Though the majority of disabled applicants agreed with the statement (71 per cent), a significantly higher proportion disagreed (16 per cent versus 11 per cent of those not declaring a disability).
- Just under three quarters (72 per cent of applicants) felt that once you get into debt it is difficult to get out. Eleven per cent disagreed.
 - Asian applicants (79 per cent), females (75 per cent), and those expecting a full grant (75 per cent) were more likely to agree. There was no difference in agreement by university tariff, age or disability status. Those in the lower socio-economic group (eight per cent), white applicants (12 per cent) and black applicants (16 per cent) were the most likely to disagree.
- Three quarters (75 per cent of applicants) felt that they would much rather save for the things they need than borrow. Six per cent disagreed.
 - By ethnicity, black applicants were the least likely group to agree with the statement (63 per cent). There was no significant difference by socio-economic group, university tariff, age, gender, grant status or disability status.

Attitudes to borrowing – Trade-off statement

When asked to choose between two statements that most closely reflected their views, three quarters of applicants chose *I would rather have access to loans to support me comfortably through university* (76 per cent) whilst the other quarter would *rather not borrow at all in order to avoid debt* (24 per cent).

Lower socio-economic groups were slightly more likely to agree that they would rather have access to loans to support them comfortably through university (78 per cent).

Those reporting that they would rather not borrow in order to avoid debt were more likely to be expecting to live at home during term time (35 per cent), non-white (30 per cent) or from the higher socio-economic group (26 per cent). There was no difference by university tariff, age, gender, grant status or disability status.

Chapter 3: The decision to go to university – considering alternatives

This section describes alternative pathways that university applicants considered, including apprenticeships and further education (FE) colleges, going straight into employment or taking a gap year. It also examines differences between sub-groups.

Chapter summary

- Among our sample of UCAS applicants, university was the only future option considered by the majority (75 per cent) and the rate was slightly higher for those applying to higher-tariff universities (78 per cent). This was consistent across socio-economic backgrounds.
- Of those applicants who considered something other than university, most of them considered getting a job (63 per cent) or taking a gap year or travelling (50 per cent). Thirty-eight per cent had considered an apprenticeship and 15 per cent had looked into studying at an FE college.
- For most of those who had not considered an FE college or apprenticeship, this was simply because of their desire to go to university, though concerns about suitability for their chosen career and course quality were also factors.

Other options considered

University was the first and only option that the majority of our sample of UCAS applicants considered pursuing (75 per cent).²⁶ Applicants most likely not to have considered options other than university were those applying to higher-tariff universities (78 per cent) and those who expected to live at home during term time (77 per cent).

There were no significant differences by gender, socio-economic group, age, ethnicity, grant status or disability status. However, those within the higher socio-economic group and expecting a full grant were less likely to report that university was the only option considered (66 per cent).

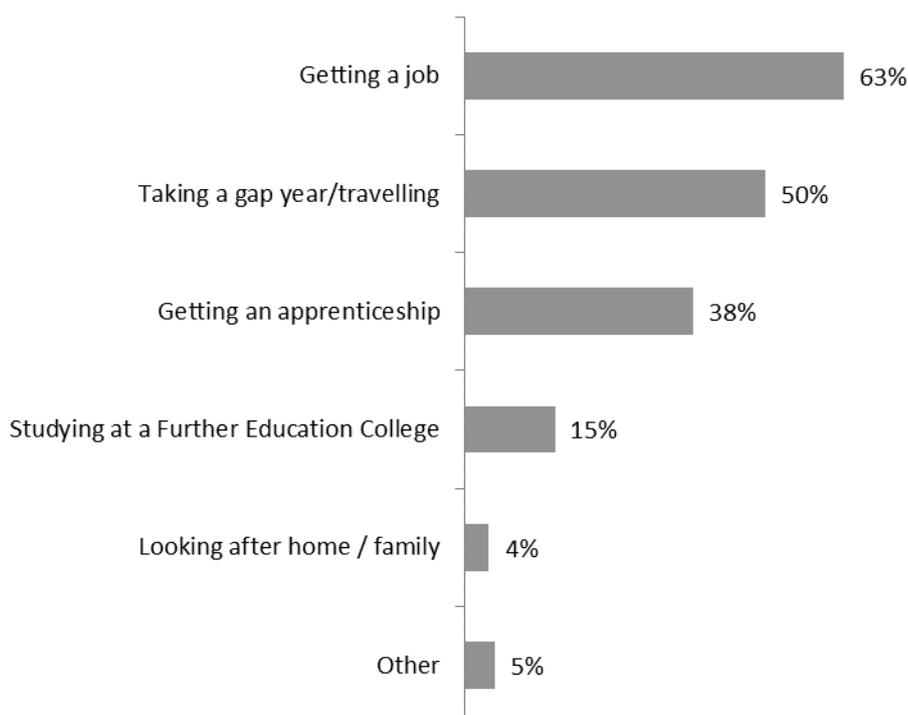
²⁶ I.e. they selected 'It is/was the first and only option I am considering/considered' from a number of statements describing their decision to apply to university.

The quarter of applicants who considered other options chose either: *university was my main preference but I considered other options* (21 per cent); or *university is one of the options I am considering* (three per cent). One per cent of applicants reported that they had considered other options before university (i.e. university was a second choice).²⁷

Alternatives to university

Of those applicants who considered something other than university, most of them considered getting a job (63 per cent). Those more likely to have considered this alternative were those from the higher socio-economic group (67 per cent). There were no other significant differences by age, gender, disability status, grant status, ethnicity or university tariff (Figure 6).

Figure 6: Options considered by those who considered an alternative to university



Base: All applicants who considered an alternative to university (n=341)

Question text: A5. What else are you considering/did you consider doing instead of attending university?

The second most frequently considered alternative was taking a gap year/travelling (50 per cent); more common among those applying to higher-tariff universities (55 per cent) and younger applicants (52 per cent of 16–20 year olds). Conversely, those applying to

²⁷ They selected the statement 'I am considering/considered doing other options first'.

universities outside the top third tariff were significantly more likely to consider an FE college (21 per cent).

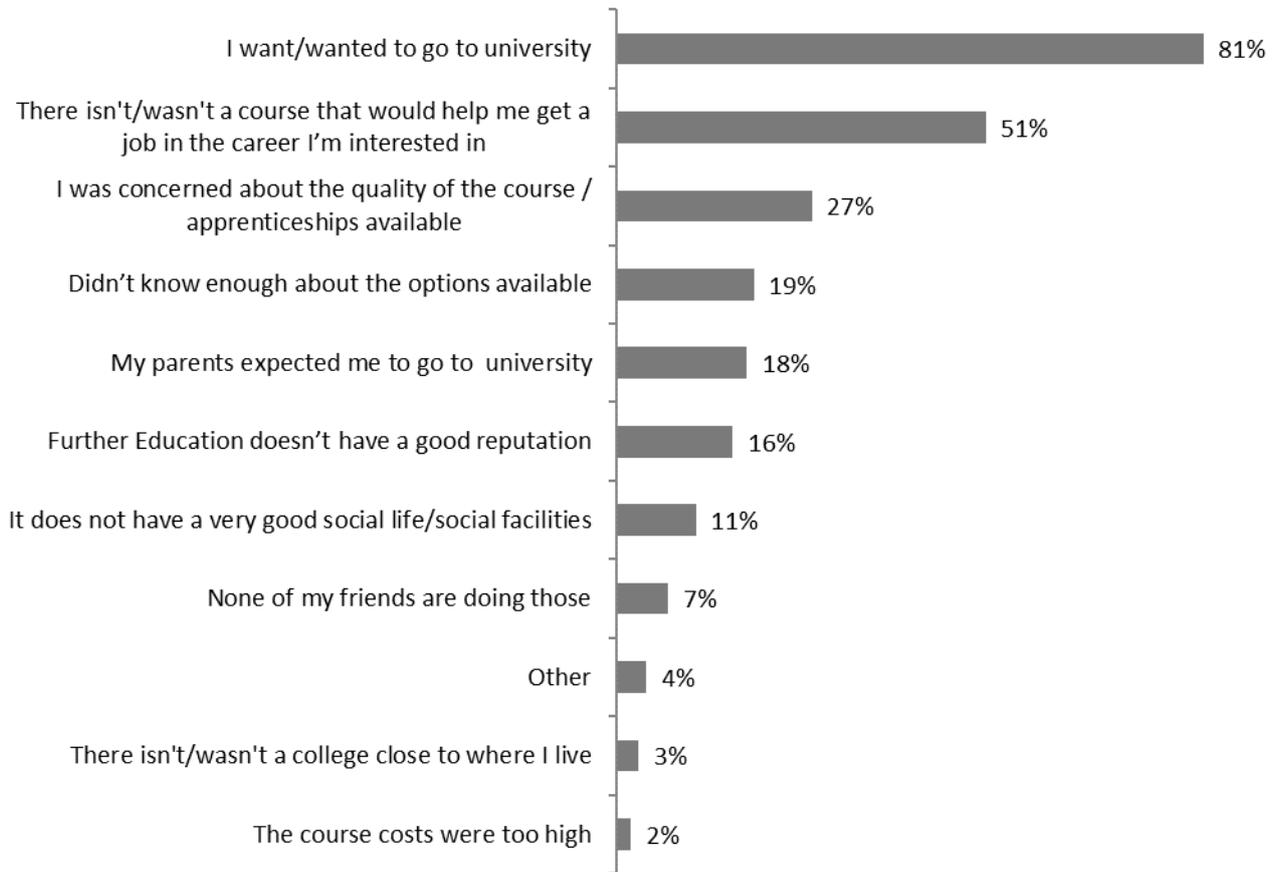
Thirty-eight per cent of university applicants who had considered an alternative had considered an apprenticeship; more commonly non-white applicants (52 per cent). Fifteen per cent had considered an FE college. There were no other significant differences across any sub-groups.

Reasons for not considering further education colleges and apprenticeships

Over a third of applicants who had considered something other than university had considered an apprenticeship (38 per cent). Interest in attending further education (FE college) was lower, with 15 per cent reporting that they had considered this.

Of the remainder who had not considered an apprenticeship or studying at an FE college, the overwhelming majority reported that they just wanted to go to university (81 per cent) and half reported that these options would not lead to their chosen career (51 per cent). Groups more likely to cite this reason were students of Medicine/Dentistry and Life Sciences (67 per cent and 58 per cent), females (57 per cent) and white applicants (53 per cent) (Figure 7).

Figure 7: Reasons given for not considering an apprenticeship or FE college



Base: All applicants who did not consider an apprenticeship or studying at an FE college as an alternative to university (n=1,250)

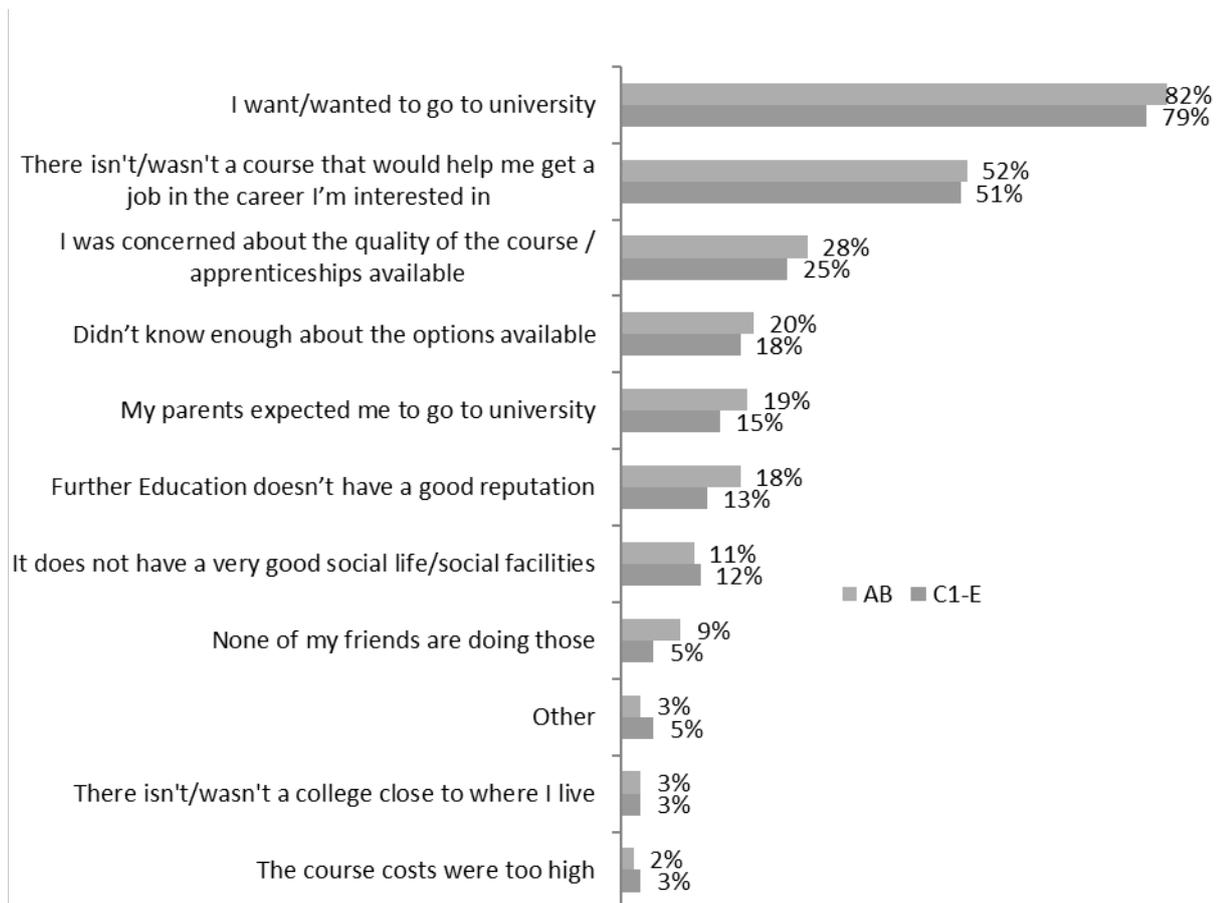
Question text: A6. Why are you not considering/did you not consider doing an apprenticeship, or studying at an FE college?

The third most frequently cited reason for not considering an FE college or an apprenticeship – for around a quarter of non-considerers – was the perceived quality of the courses.

Socio-economic group

Figure 8 shows that those from the higher socio-economic group were more likely than others to cite concerns about the quality of the course or reputation of further education. They were also more likely to want to go to university and to have parents who expected them to go, and reported not knowing enough about other options or having friends who took these options.

Figure 8: Reasons given for not considering an apprenticeship or FE college, by socio-economic group



Base: All applicants who did not consider an apprenticeship or studying at an FE college as an alternative to university, including AB respondents (n=648) and C1-E respondents (n=602)

Question text: A6. Why are you not considering/did you not consider doing an apprenticeship, or studying at a further education college?

Gender

Females were more likely to report that they did not consider an apprenticeship or FE college because it did not fit with their career plans (57 per cent versus 45 per cent of males). Males were more likely to cite the perceived poor reputation of FE (20 per cent versus 12 per cent) and poor social life (13 per cent versus nine per cent).

Ethnicity

Those who identified as non-white were more likely than white applicants to cite parental expectation (32 per cent versus 13 per cent), not knowing enough about the options available (24 per cent versus 17 per cent), and poor reputation (22 per cent versus 14 per cent) as reasons for not considering an apprenticeship or FE college. Conversely, White applicants were more likely to claim that FE would not help them to fulfil their career ambitions (53 per cent versus 46 per cent).

Tariff

Applicants applying to top-tariff universities were more likely than those applying to others to cite 'wanting to go to university' (84 per cent versus 75 per cent), parental expectations (21 per cent versus 12 per cent) and perceived reputation of FE (19 per cent versus 12 per cent). Those applying to other universities were more likely to consider the course costs of further education too high (four per cent versus one per cent of applicants to lower-tariff universities).

Age

Younger applicants (aged under 21) were more likely than those aged 21 and over to cite a variety of reasons for not considering an apprenticeship or FE college, including: wanting to go to university (83 per cent versus 66 per cent of older applicants), perceived quality of courses (28 per cent versus 16 per cent), parental expectations (20 per cent versus five per cent), perceived reputation of an apprenticeship or FE college (18 per cent versus four per cent), not having a good social life (12 per cent versus five per cent) and not having friends having chosen those options (eight per cent versus three per cent of older applicants).

Anticipated grant status

Those expecting a full grant were the least likely to state that the reason they did not consider FE or apprenticeships was that they just wanted to go to university (75 per cent versus 84 per cent of those not expecting a grant). This group was also more likely to cite the lack of an FE college in their local area as a reason (five per cent versus two per cent of others).

Those expecting either a partial or a full grant were more likely to cite FE course costs as being too high (three per cent versus less than one per cent of those not expecting a grant). Conversely, those not expecting a grant were more likely to cite parental expectations (20 per cent versus 14 per cent of those expecting a full grant) and the perceived poor reputation of FE (19 per cent versus 12 per cent of those expecting a full grant) as reasons for not considering other options.

Disabled applicants were more likely to cite FE course costs being too high than other applicants (five per cent versus two per cent).

Chapter 4: Factors affecting the decision to go to university

This chapter explores the factors that applicants considered when choosing whether or not to go to university, including both financial and non-financial aspects. It includes a MaxDiff analysis, along with an explanation of the MaxDiff method. It also contains an analysis of the extent to which applicants were put off by the associated costs of university, the factors that go towards alleviating these concerns, and an assessment of the various aspects of the student support package.

It is important to remember that the sample consisted of UCAS applicants and did not cover those who had not applied to higher education at all.

Chapter summary

- Compared with other factors tested, financial factors did not have the biggest influence on applicants' decision whether or not to go to university, though they were somewhat more important for those from a lower socio-economic background and for non-white applicants.
- The biggest influences on applicants' decisions were the desire to be more employable, to achieve the qualifications and to pursue interest in a subject.
- Around half of applicants reported that they were 'put off' to some extent by the costs associated with university, although only 13 per cent were put off to a great extent. They were more 'put off' by tuition fees (rather than living costs). However, the majority of applicants (75 per cent) considered university to be a worthwhile investment despite the costs.
- For those who were 'put off' by the costs of university, tuition fee loans, the repayment threshold and maintenance loans were considered to be the most important aspects of the student finance package that helped persuade them to go to university despite the costs.
- All elements of the student finance package were more important to members of the lower socio-economic group in alleviating cost concerns, especially grants and university assistance.
- With regards the general appeal of elements of the financial package, the repayment threshold, availability of loans for living costs and that the loan was government-backed rather than commercial were considered to be the most appealing parts of the financial offer overall (88 per cent, 87 per cent and 82 per cent of applicants respectively agreed these were appealing).

- Although the availability of grants was the least appealing element overall (68 per cent), lower socio-economic groups were considerably more likely to say that grants and bursaries were appealing (83 per cent).

Influencing factors

MaxDiff method

In order to assess the relative importance of the factors that influenced the decision whether or not to go to university, an advanced statistical analysis called MaxDiff was employed. The rationale for using this technique (making a series of trade-off choices) rather than through conventional questioning (rating or ranking scales) was to derive the relative importance of each factor in the decision to attend university with a higher level of specificity and accuracy. The technique helps to avoid scale bias and aims to achieve a more granular distinction of the relative importance of each factor, which is generally difficult to achieve with ranking or even rating scales when many factors are involved.

For a fuller explanation of the MaxDiff method, please see Annex C.

MaxDiff results are aggregated to provide a relative importance score (an index score) for each attribute. This is based on the number of times attributes are chosen as most and least important (when presented with lists of four different options, a number of times). The index scores derived for each attribute are standardised around a score of 100, which represents average importance. A score over 100 represents a higher than average importance (and the higher the score, the more relatively important) and a score under 100 indicates a lower than average importance (the lower the score, the lower the relative importance).

In this study, the following items were shown in blocks of four combinations according to a predefined rotation schedule. Respondents were asked to choose one item from the block of four that represented the most important influence on their decision to go to university, and one item that was the least important influence among those shown. The task was repeated ten times for each respondent, with them being shown a different combination of four items each time.

- The level of tuition fees
- Getting a non-repayable grant [*bursary in Scotland*] towards living costs
- Getting a student loan towards living costs
- Getting a bursary or financial help from a university
- Living costs
- Getting on to the course I wanted
- Getting the university I wanted

- Wish to pursue my interest in a specific subject
- My friends are/were going
- My parents expect(ed) me to
- Wish to experience a different way of life
- I just always expected to go
- Wish to improve my job opportunities/salary prospects
- Wish to delay getting a job
- Wish to achieve the qualification.

MaxDiff findings

MaxDiff analysis showed that the most important factors (from the list above) in making a decision on whether or not to go to university among university applicants was the desire to be more employable, to achieve the qualifications and to pursue interest in a subject. The least important factors were being close to friends, and delaying getting a job.

Compared with other factors tested, financial factors did not have the biggest influence on applicants' decision to go to university (the highest-rated financial factor, getting a student loan towards living costs, was attributed a below-average index score). Of the financial factors, the level of the tuition fees was least important compared with other aspects of the financial package listed.

There seemed to be some differences across socio-economic background. Lower socio-economic groups placed a slightly higher importance on financial factors than higher socio-economic groups, although it still remained a secondary influence on their choice to apply to university. This included:

- Getting a non-repayable grant towards living costs
- Getting a bursary from a university
- Getting a student loan towards living costs
- Living costs
- The level of tuition fees.

Conversely, higher socio-economic groups were more influenced by getting the university that they wanted, wishing to experience a different way of life and the expectation that they would go to university.

The full MaxDiff results are shown in Tables 1 and 2 below. The first table shows all those with above-average derived impact (i.e. scores above 100) and the second table shows all those with below-average derived impact (i.e. scores below 100). All factors related to finance are highlighted in grey.

Table 1: Factors of above-average importance on whether to go to university – Index scores, by socio-economic group (MaxDiff method)

Index scores from MaxDiff (100=average)	Applicants	Higher socio-economic applicants (SEG AB)	Lower socio-economic applicants (SEG C1–E)
Wish to improve my job opportunities/salary prospects	231	234	227
Wish to achieve the qualification	225	228	221
Wish to pursue my interest in a specific subject	222	226	217
Getting on to the course I want	215	219	208
Getting the university I want	174	183	162
Wish to experience a different way of life	119	123	112
Base: All English applicants (n=1,427)			

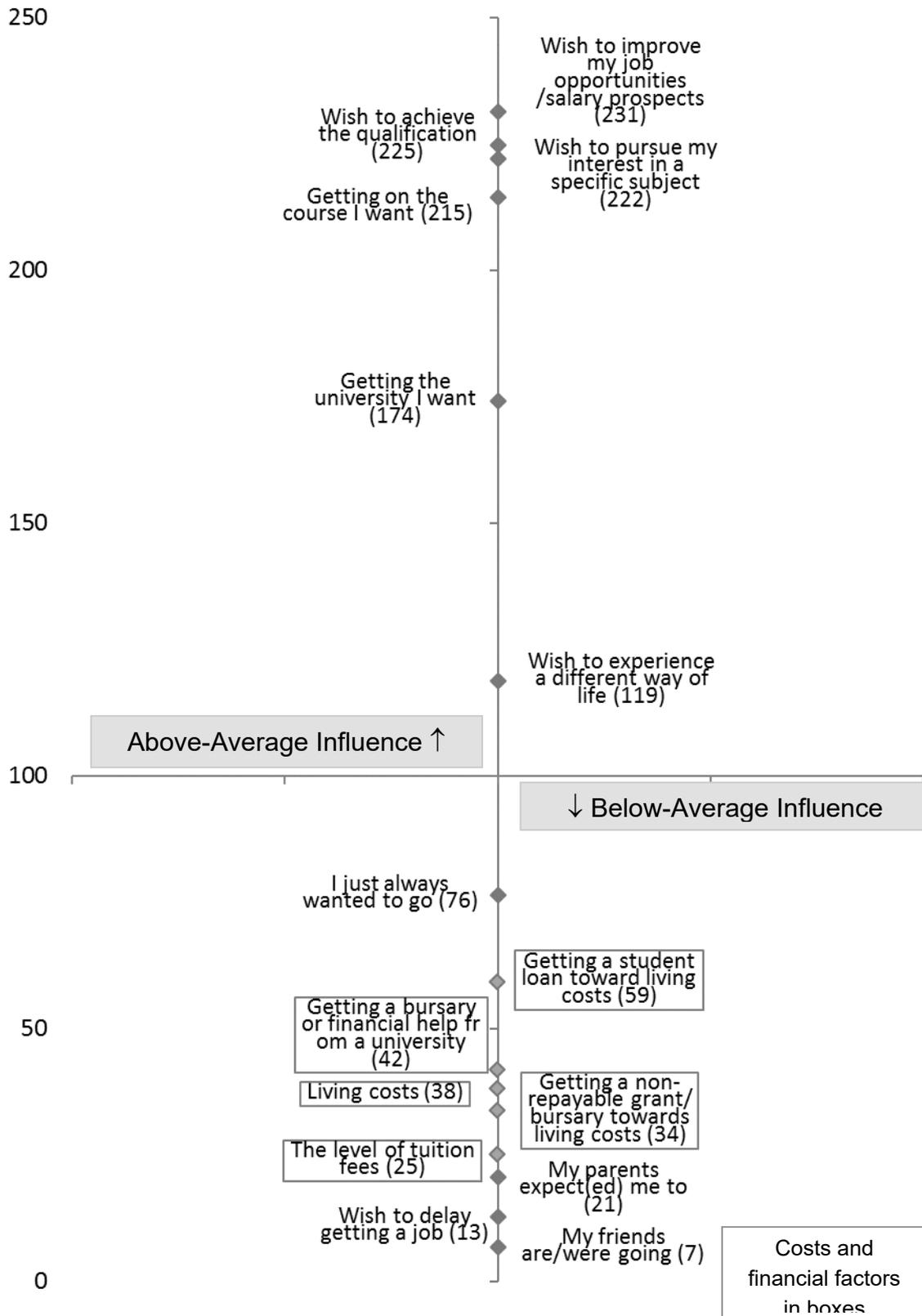
Table 2: Factors of below-average importance on whether to go to university – Index scores, by applicants and by socio-economic group (MaxDiff method)

Index scores from MaxDiff (100=average)	Applicants	Higher socio-economic applicants (SEG AB)	Lower socio-economic applicants (SEG C1–E)
I just always expected to go	76	86	62
Getting a student loan towards living costs	59	49	74
Getting a bursary or financial help from a university	42	30	59
Living costs	38	33	45
Getting a non-repayable grant/bursary towards living costs	34	24	48
The level of tuition fees	25	23	28
My parents expect(ed) me to	21	22	18

Index scores from MaxDiff (100=average)	Applicants	Higher socio-economic applicants (SEG AB)	Lower socio-economic applicants (SEG C1–E)
Wish to delay getting a job	13	14	12
My friends were/are going	7	7	7
Base: All English applicants (n=1,427) Note: Yellow indicates financial factors.			

Figure 9 shows the influence that different factors have on applicants' decision to go to university. The distance between the plotted factors illustrates how similar or dissimilar they are to one another in terms of importance ratings.

Figure 9: Factors influencing whether to go to university – Index scores line chart (MaxDiff method)



Base: All English applicants (n=1,427)

Differences by sub-group – MaxDiff

There were some noticeable differences observable by ethnicity. White applicants placed more importance on improving employability, wishing to achieve the qualification, wishing to pursue a subject and getting on the course than non-white applicants. However, these aspects were still valued highly by non-white applicants. Furthermore, the opportunity to experience a different way of a life was more important to White applicants.

Parental expectations were more important to non-white applicants and similarly the expectation that they would go to university.

Some financial factors were rated higher in importance by non-white applicants; however, financial factors still remained a secondary influence on their decision to go to university. Non-white applicants placed more importance on:

- Getting a bursary from a university
- Getting a non-repayable grant towards living costs
- Getting a student loan towards living costs
- The level of tuition fees.

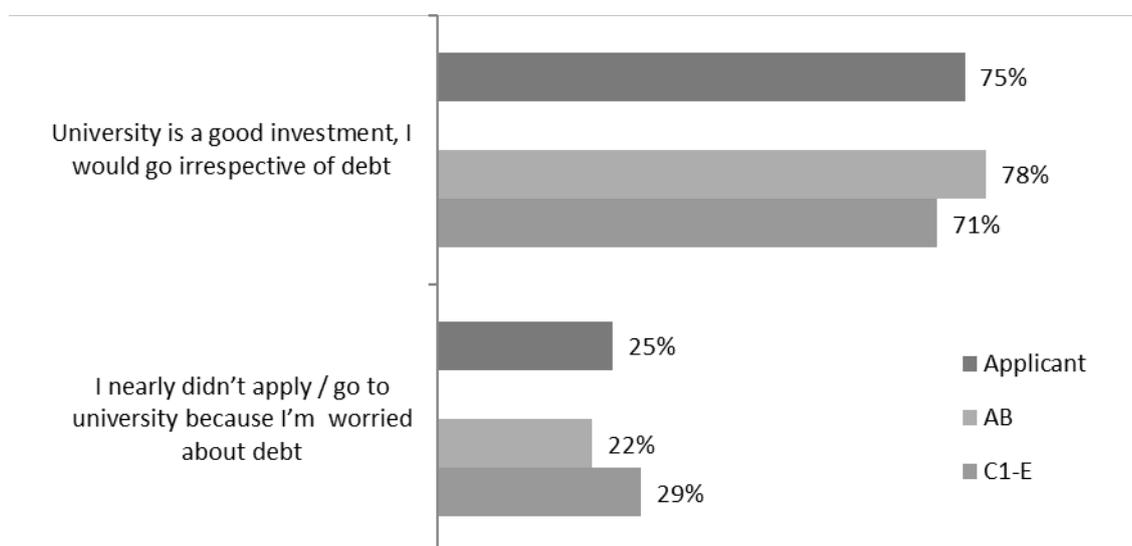
Cost of university – applicant views

All students in the sample were asked to choose which of two statements best represented their views, three quarters (75 per cent) of applicants chose 'university is a good investment; I would go irrespective of debt'. A quarter (25 per cent) chose 'I nearly didn't apply / go to university because I'm worried about debt' (Figure 10).

Those choosing the statement expressing more concern about debt were more likely to:

- Be older (chosen by 42 per cent of applicants aged 21 or over)
- Declare a disability (chosen by 37 per cent)
- Be expecting to attend universities outside the top third tariff (chosen by 33 per cent)
- Expect to receive a full grant (chosen by 30 per cent of those expecting to take the full grant)
- Be from the lower socio-economic group (chosen by 29 per cent) (Figure 10).

Figure 10: Views on debt and applying to university, by socio-economic group



Base: All English applicants (n=1,427)

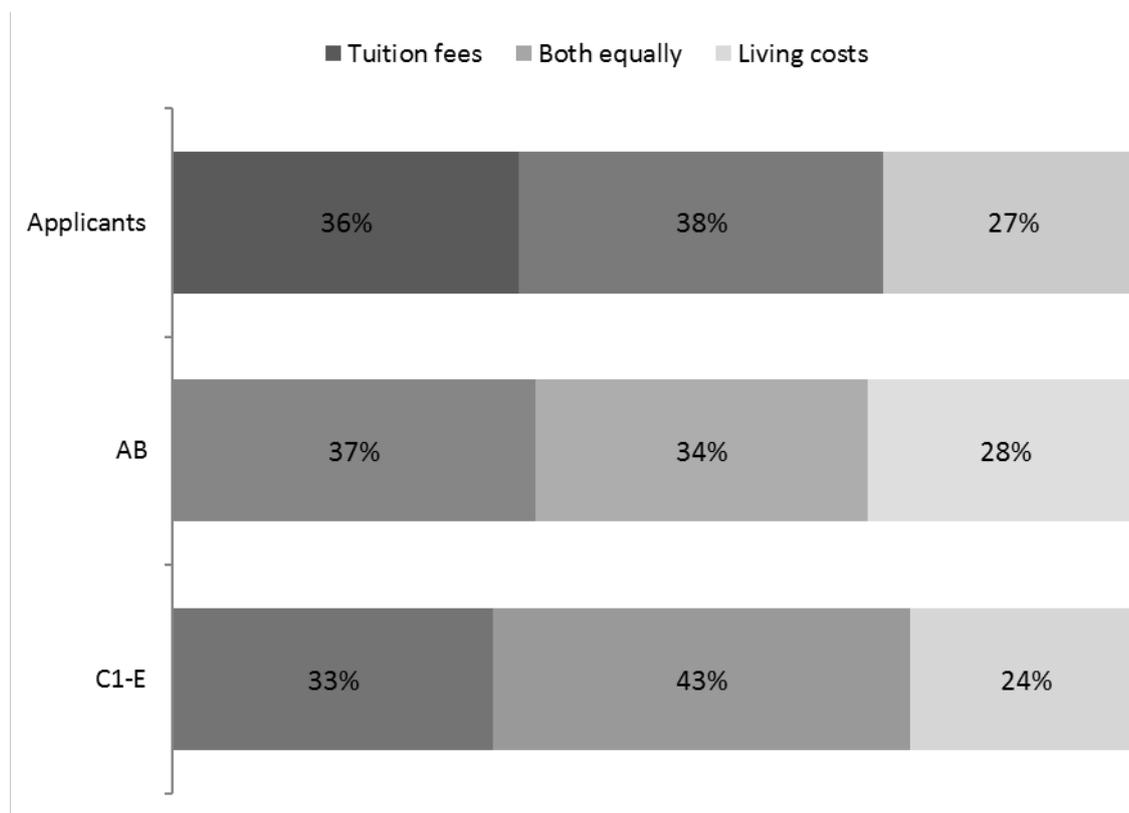
Question text: G2. Which of the following two statements best represents your view?

Around half of applicants reported that they were 'put off' to some extent by the costs associated with university (54 per cent). Applicants aged over 21 (62 per cent), those applying to universities outside the top third tariff (57 per cent), female applicants (56 per cent), and those expecting to receive a full grant (56 per cent) were more likely to be put off by the costs to some extent.

Similar patterns were seen in the sub-group analysis of the 13 per cent of applicants who reported they were put off 'a lot', although slightly more of the lower socio-economic applicants were put off 'a lot' (15 per cent versus to 11 per cent of the higher socio-economic group).

Applicants who reported being 'put off' by the costs of university were questioned further on whether tuition fees, living costs or both equally were more off-putting. Thirty-six per cent of these applicants considered tuition fees a bigger turn-off, while 27 per cent of these applicants reported that living costs were. The remaining 38 per cent of applicants were put off by both (Figure 11).

Figure 11: Extent to which 'put off' by living costs or by tuition fee costs, by socio-economic group



Base: All English applicants who were put off to some extent by the cost of university (n=774)

Question text: C2. And were you put off more by the cost of tuition fees or living costs, or both equally?

Those most likely to consider tuition fees a bigger turn-off than living costs were males (42 per cent), those expecting to receive a full grant (42 per cent) and non-white applicants (41 per cent). There were no sub-group differences by age, tariff group, disability or socio-economic status. White applicants (29 per cent) were the most likely to cite living costs as making them feel more 'put off'.

Elements of the student finance offer that help overcome cost deterrence

Those who reported that they were put off by the costs of university (i.e. 54 per cent of the overall sample) were asked what parts of the student finance offer persuaded them to apply to university despite the costs. The most frequently cited were:

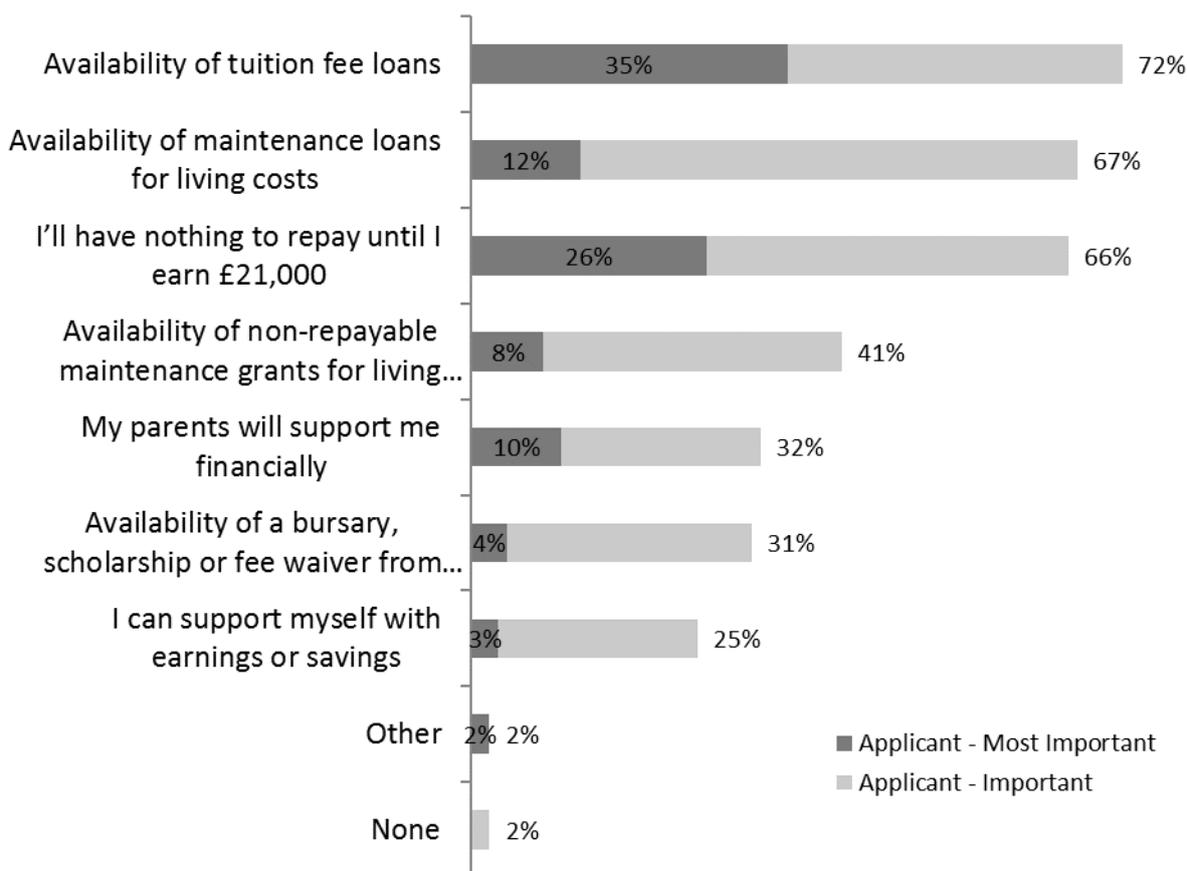
- Tuition fee loans (72 per cent)
- Maintenance loans (67 per cent)
- Repayment threshold (66 per cent)
- Maintenance grants (41 per cent)

Applicants were also asked which elements were *most* important: tuition fee loans (35 per cent) and the repayment threshold (26 per cent) were most frequently identified as most important in alleviating concerns about the costs. Applicants from higher socio-economic groups and those expecting to attend the higher-tariff universities (38 per cent in each case) were more likely to report that tuition fee loans were the most important part of the package (Figure 12).

The repayment threshold was most likely to be cited as the most important alleviating factor by those expecting to receive a full grant (31 per cent) and those from the lower socio-economic group (30 per cent) (Figure 12).

Figures 12 to 17 and the associated narrative below show a more detailed analysis of the overall and most important aspects of the financial package to overcome cost concerns, and highlights socio-economic differences.

Figure 12: Which aspects of funding helped persuade you to apply to university despite being put off by costs – important and most important factors



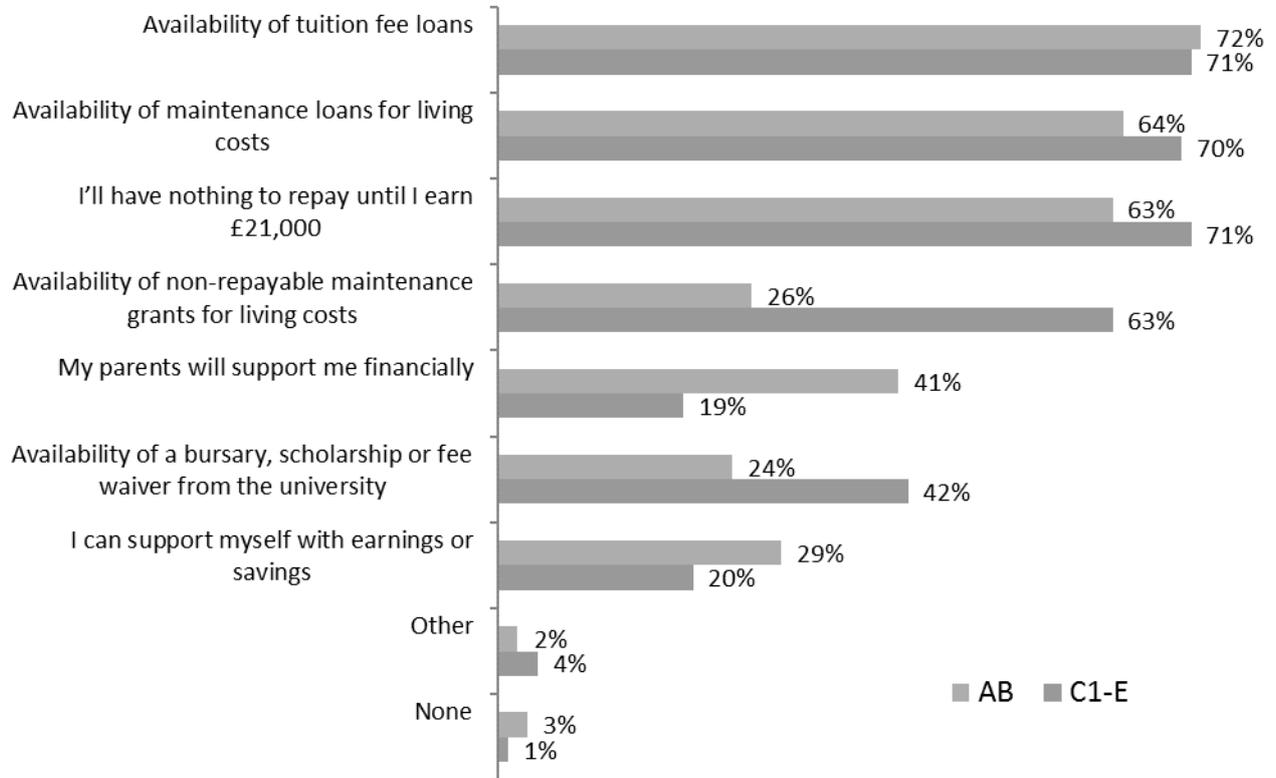
Base: Applicants who were put off by the cost of university (n=774)

Question text: C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs?

Elements of student finance overall – by socio-economic group

Lower socio-economic groups were more likely to credit the repayment threshold (71 per cent), maintenance loans (70 per cent compared), maintenance grants (63 per cent) and the availability of a bursary from the university (42 per cent) with persuading them to go to university despite the costs. Conversely, higher socio-economic groups were more likely to cite being able to rely on parental support (41 per cent) or their own earnings or savings (29 per cent) to overcome being put off attending university by cost (Figure 13).

Figure 13: Which aspects of funding helped persuade you to apply to university despite being put off by costs - important factors, by socio-economic group



Base: Applicants who were put off by the cost of university (AB n=398, C1-E n=376)

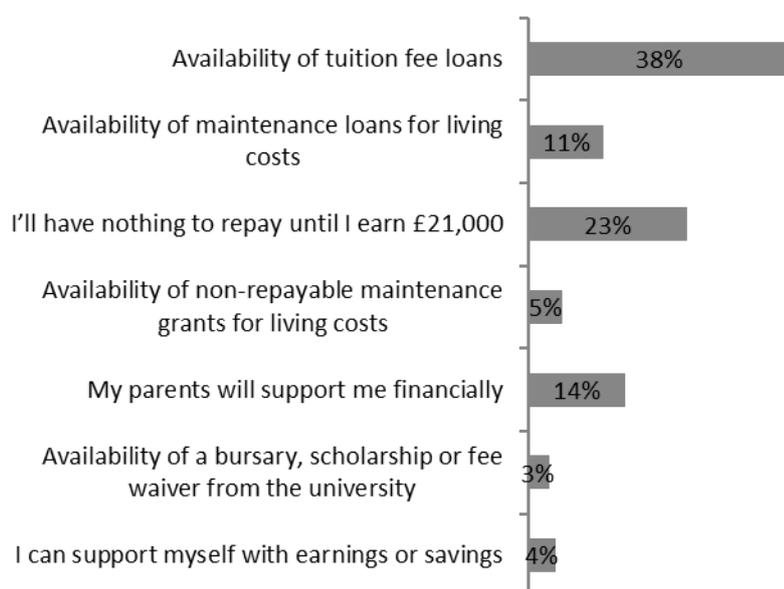
Question text: C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs?

MOST important elements of student finance – by socio-economic group

When asked which one element of the student finance package was the most important in helping overcome any cost concerns, tuition fee loans came out top, with repayment threshold second for both socio-economic groups (Figures 12 and 13). The second most important element for both high and low socio-economic groups was the repayment threshold.

The provision of maintenance grants was much more important in alleviating cost concerns among lower socio-economic groups. Among applicants who felt put off by the costs associated with university, not only did two thirds (63 per cent) of those in the lower socio-economic group report that maintenance loans helped persuade them to go to university despite the costs (compared with around a quarter of those in the higher socio-economic group), but 13 per cent of those in the lower socio-economic group cited it as the *most* important part of the financial package, (compared to five per cent of applicants put off by costs within the higher socio-economic group) (Figures 14 and 15).

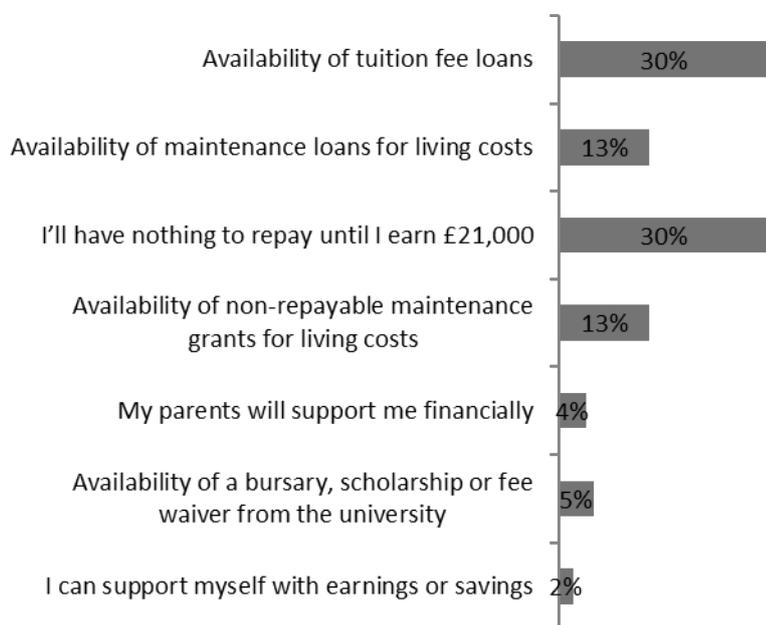
Figure 14: Aspects of funding MOST important in helping to alleviate concerns about costs of university - AB socio-economic group only



Base: All English applicants who are members of the AB socio-economic group and put off by the cost of university (n=389)

Question text: C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs?

Figure 15: Aspects of funding MOST important in helping to alleviate concerns about costs of university – C1–E socio-economic groups only



Base: All English applicants who are members of the C1–E socio-economic group and put off by the cost of university (n=372)

Question text: C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs?

Elements of student finance overall – other sub-group differences

Applicants from lower socio-economic groups, females and applicants aged over 21 were the groups most likely to cite the repayment threshold as important in helping persuade them to apply to university despite the costs. Around seven in ten in each case selected it as a reason and around three in ten in each case considered it to be the most important.

Non-white applicants were more likely to cite the importance of maintenance grants in overcoming being put off by university costs (51 per cent). In addition, white and Asian applicants were more likely to cite the importance of tuition fee loans in overcoming cost concerns (73 per cent and 74 per cent respectively).

Those attending or planning to attend universities in the top third by UCAS tariff were more likely than others to cite the importance of parental support (39 per cent). Conversely, those applying to universities outside the top third were most likely to cite the importance of maintenance grants (52 per cent).

Those aged 21 or over were most likely to cite the importance of grants (54 per cent) and university assistance/bursaries (42 per cent). Conversely, younger applicants were more

likely to cite the importance of tuition fees (73 per cent of those aged 20 or younger) and parental assistance (35 per cent).

There were no sub-group differences by disability status.

Most important elements of student finance – other sub-group differences

There were no differences by ethnicity in what the most frequently mentioned 'most important' elements were considered to be; though white applicants were more likely to consider maintenance loans the most important element of the financial package in overcoming being put off by university costs than non-white applicants (14 per cent versus eight per cent).

Though tuition fee loans and the repayment threshold remained the most important elements in both groups, those attending or planning to attend universities in the top third by UCAS tariff were more likely to consider tuition fee loans the most important factor in overcoming cost concerns (38 per cent). The same is also true of parental support (13 per cent). Conversely, those applying to universities outside the top third were most likely to consider grants most important (13 per cent).

A higher proportion of those aged 21 or over cited university assistance as the most important element of student finance in helping them overcome the costs of university compared to those aged 20 and younger (eight per cent versus four per cent respectively). Conversely, a higher proportion of younger applicants cited parental assistance as the most important factor (11 per cent).

Parental assistance was also more likely to be considered the most important element by applicants declaring a disability (11 per cent).

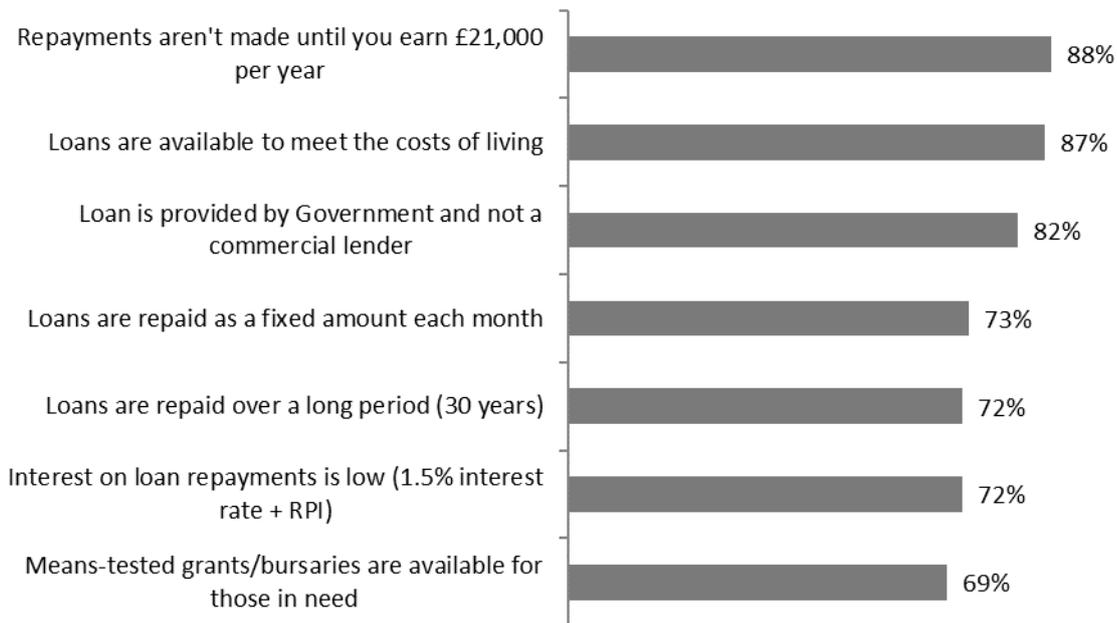
There were no sub-group differences by gender.

Evaluation of student support package

Applicants were asked to rate the appeal of the different components of the student finance offer. Overall, all of the different aspects of the student finance offer were found to be appealing (each aspect tested was considered appealing by at least 60 per cent of applicants).

The most appealing elements of the package were the repayment threshold (88 per cent), the availability of a loan to cover living costs (87 per cent) and that the loan was government-administered rather than commercial (82 per cent) (Figure 16).

Figure 16: The appeal of the different terms of the student support package



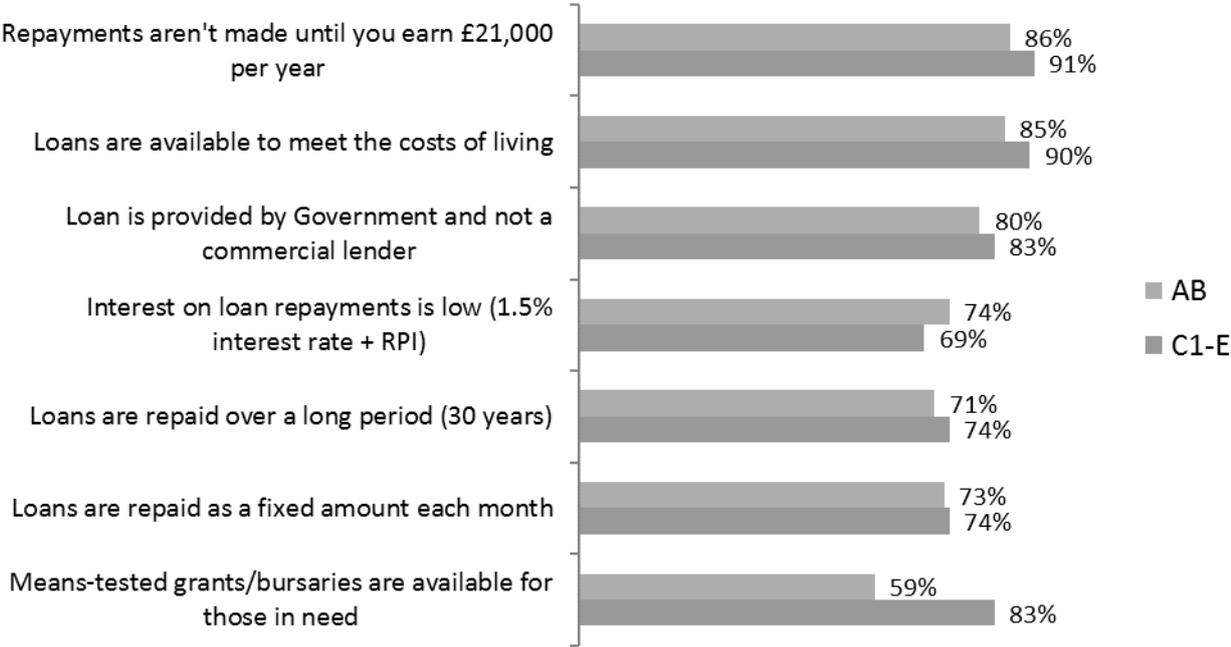
Base: All English applicants (n=1,427)

Question text: E2. How appealing are the specific terms of the student finance package to you?

While the repayment threshold remained the most appealing component for those in both socio-economic groups, those in the lower group were much more likely to report grants as appealing (83 per cent). In addition, lower socio-economic applicants were significantly more likely to regard the repayment threshold (91 per cent) and loans being available to meet the costs of living (90 per cent) as more appealing.

Conversely, those in the higher socio-economic group were more likely to find the low interest rate (74 per cent) appealing (Figure 17).

Figure 17: The appeal of the different terms of the student support package, by socio-economic group



Base: All English applicants (n=1,427)

Question text: E2 How appealing are the specific terms of the student finance package to you?

As regards ethnicity, white applicants were significantly more likely than non-white applicants to find every aspect of the financial package more appealing, except for means-tested grants: a significantly higher proportion of non-white applicants considered those to be appealing (76 per cent versus 66 per cent of white applicants).

Those applying to lower-tariff universities were more likely to find the repayment threshold (92 per cent) and means-tested grants (75 per cent) to be appealing aspects of the student finance offer (compared with 85 per cent and 65 per cent of their counterparts applying to higher-tariff universities).

Means-tested grants were also significantly more likely to be found appealing by those aged 21 years old or over and females (82 per cent in each case, versus 69 per cent overall). The repayment threshold was also significantly more likely to be seen as appealing by females (92 per cent versus 88 per cent of applicants overall).

Understandably, those who expected to receive a grant were significantly more likely to find means-tested grants appealing (88 per cent of those expecting a full grant, and 76 per cent a partial grant, versus 49 per cent of those not expecting a grant at all). Those expecting grants were also more likely than others to find maintenance loans appealing (93 per cent of those expecting a full grant and 91 per cent of those expecting a partial grant, versus 87 per cent of those not expecting a grant).

There were no significant differences in the proportion who found each element appealing by disability status.

Chapter 5: The decision of which university to attend

As well as understanding decisions about whether to go to university, the study aimed to explore decisions about the university chosen. Respondents were presented with a list of factors and asked what level of influence these had on their choice of where to study.

Chapter summary

- The course offered (82 per cent of applicants), university reputation (58 per cent), and potential for high future earnings (41 per cent) were the most commonly cited major influences on choices about where to study.
- Around two fifths (42 per cent) of applicants stated that the living costs in that area had *some* influence on their decision, but just over one in ten (13 per cent) considered this a major factor.
- Generally, financial considerations that might differ between universities were secondary factors in choosing between them. Bursaries offered, tuition fees charged and the ability to continue living at home accounted for three of the bottom four of eleven factors tested that might influence which university to choose. However, these considerations were relatively more important for lower socio-economic groups.

Most-cited major influences on choice of university

As shown in Figure 18, the most commonly cited major influence on which university to attend was the course offered (82 per cent). This group was more likely to be female (85 per cent of females) and those who were not expecting to receive a grant (84 per cent).

The second most frequently cited major influence was the university's reputation (58 per cent). Those more likely to cite reputation as a major factor were those applying to top-tariff universities (71 per cent), those not expecting to receive a grant (66 per cent), non-white applicants (65 per cent), those in the higher socio-economic group (62 per cent), those without a disability (60 per cent) and younger applicants (59 per cent of those aged 16–20).

The third most frequently cited major influence on where to go to university was the potential for high future earnings (41 per cent). Those more likely to cite high future earnings as a major factor were non-whites (50 per cent), those applying to top-third-tariff universities (44 per cent), those without a disability (43 per cent) and those aged 16–20 (42 per cent).

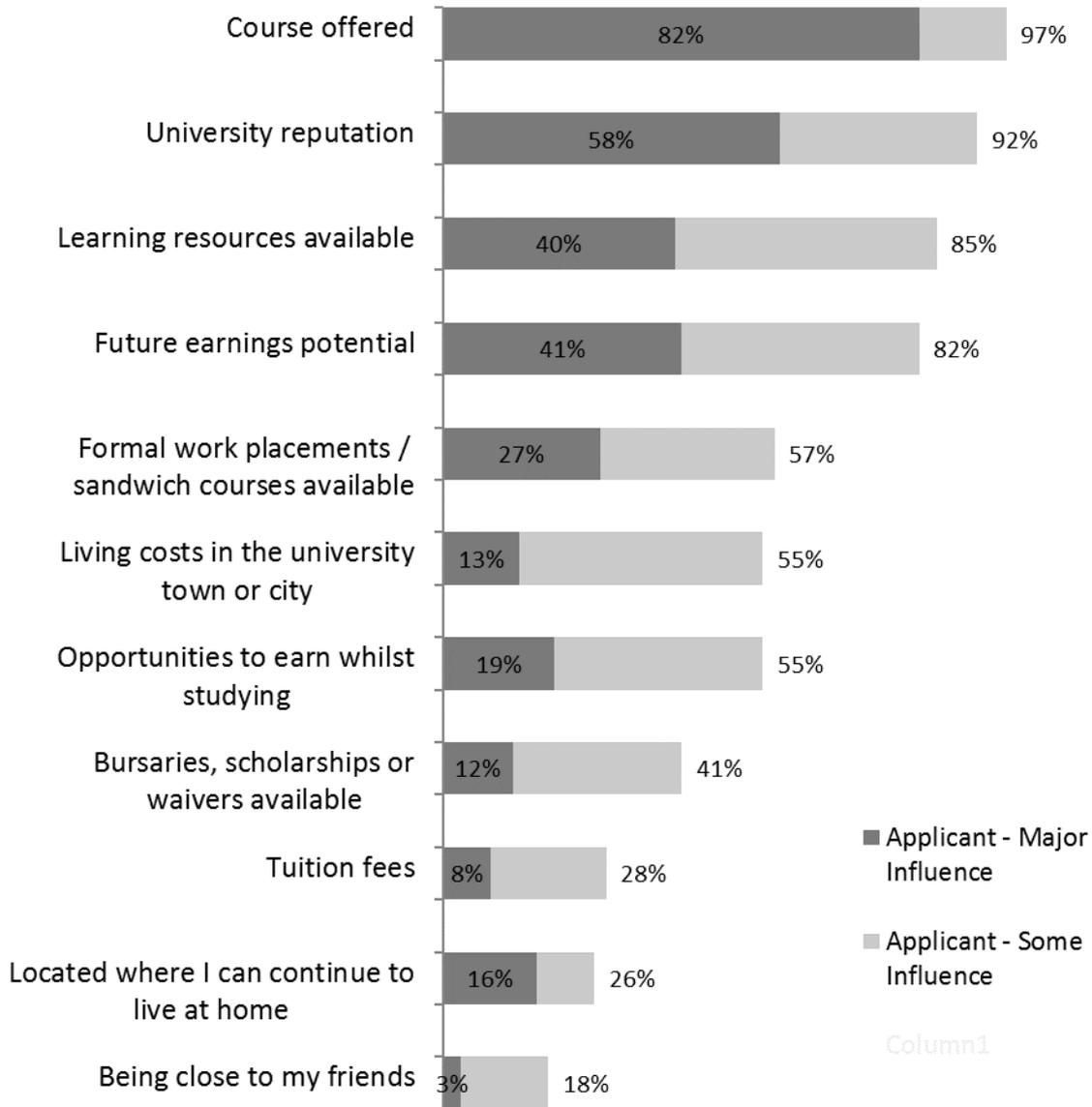
Student finance influences on choice of university

Factors related to student finance were less frequently cited as major influences on where to study, with around one in ten citing each factor (13 per cent citing living costs, 12 per cent citing the availability of bursaries, scholarships or waivers, and eight per cent mentioning tuition fees). A higher proportion of applicants (16 per cent) considered a university where they could also live at home (which has a financial aspect) as a major influence; this rose to a quarter (25 per cent) among applicants from lower socio-economic groups (Figure 18 and 19). Lower socio-economic applicants were also more likely to state that living costs were a major influence (17 per cent versus 11 per cent of higher socio-economic applicants) (Figure 19).

Looking beyond the major influences, living costs had at least some influence on where to study for around half of applicants (55 per cent). There were no differences by socio-economic group, although those applying to top-tariff universities or not expecting to receive a grant were less influenced by living costs (45 and 49 per cent respectively). The availability of bursaries, scholarships or waivers had at least some influence on where to study for 41 per cent of applicants. This rose to 54 per cent among lower socio-economic applicants. Other groups that were more likely to report that such university support influenced their decision on choice of university were those aged 21 or older (60 per cent), those expecting to receive a full grant (56 per cent), non-white applicants (51 per cent), and those applying to lower-tariff universities (49 per cent).

Tuition fees, which tend not to differ very much (or at all) between universities, remained a less important factor, having some influence on 28 per cent of applicants overall.

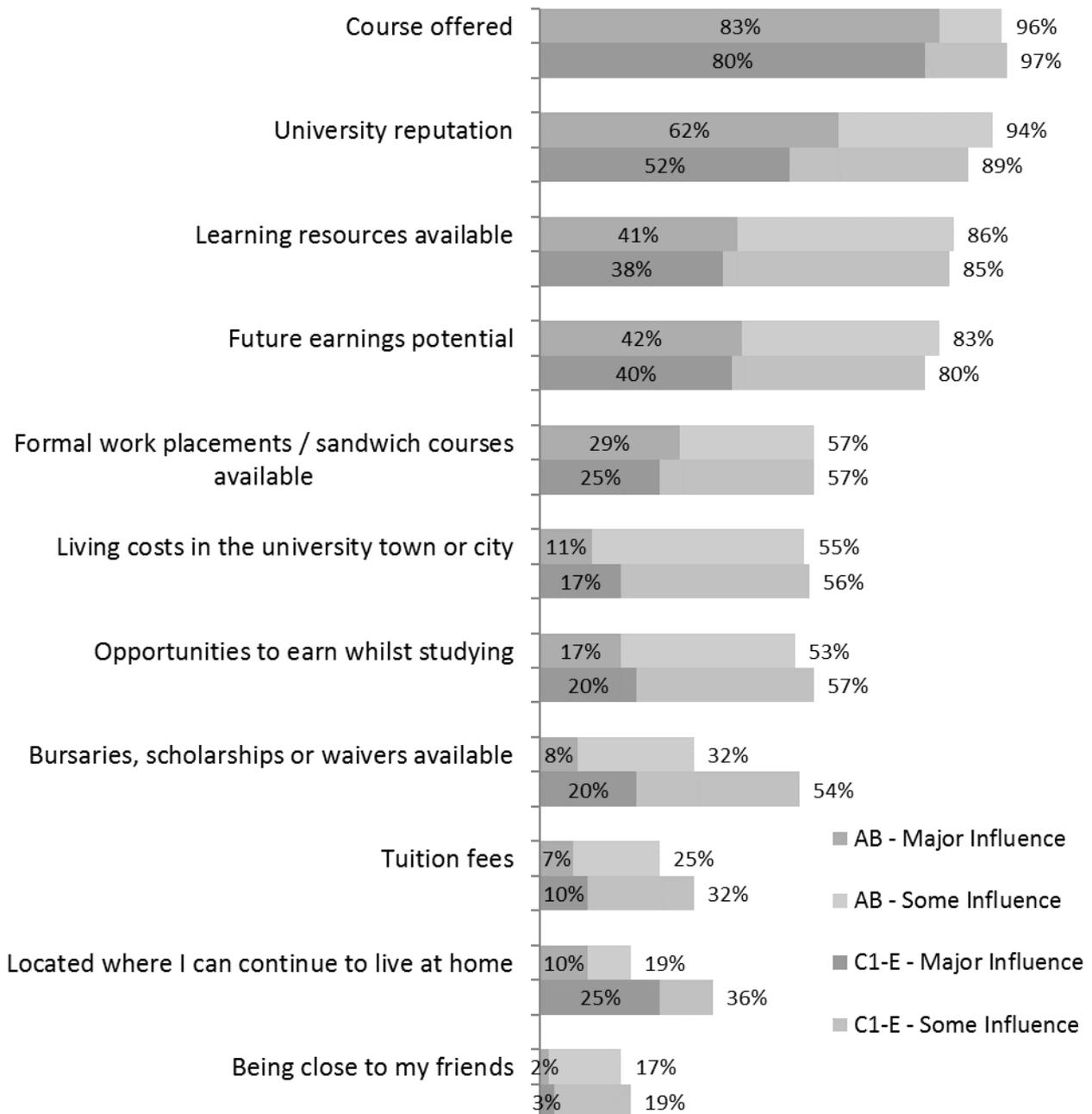
Figure 18: Influences on which university to apply to



Base: All English applicants (n=1,427)

Question text: B2. Thinking about your main choice of university/the university you chose to attend, apart from the entry requirements, how influential were the following in your final choice of WHERE to study?

Figure 19: Influences on which university to apply to, by socio-economic group



Base: All English applicants (n=1,427)

Question text: B2. Thinking about your main choice of university/the university you chose to attend, apart from the entry requirements, how influential were the following in your final choice of WHERE to study?

Chapter 6: Views on student finance

This chapter gives an assessment of how important elements of the finance package were in supporting applications to higher education and the extent to which changes in the financial package might affect the decision to go to university. In order to test applicants' sensitivity to various elements of the student funding system, they were asked to give their view on how they would respond to a series of purely hypothetical policy scenarios. Analysis is based on both survey questions and the conjoint method.

Chapter summary

Student financial support as a safeguard for applications

- Government support towards living costs appeared to have a strong effect on safeguarding applications to higher education. In a hypothetical scenario where no maintenance support was available (in the form of either grants or loans), 35 per cent of applicants reported that they would no longer apply to university.
- The proportion that reported they would no longer apply to university without any system of student maintenance loans or grants rose to half of those from lower socio-economic groups (50 per cent), 54 per cent of those aged 21 or over, 52 per cent of those expecting to get a full grant, 47 per cent of those applying to lower-tariff universities and 43 per cent of those declaring a disability. Thus the provision of student finance for living costs seemed to help safeguard applications especially among these groups.

Replacing maintenance grants with loans

- Results indicated that maintaining the existing levels of maintenance support but providing it wholly in the form of loans would preserve a large number of applications; all but five per cent of applicants reported that they would apply to university.²⁸ This was higher among those in lower socio-economic groups; eight per cent reported that they would not have applied to university if grants were replaced with loans (Figure 23). Other sub-groups less likely to apply were applicants expecting to receive a full grant (10 per cent, Figure 22), those applying to universities outside the top-third tariff (eight per cent, Figure 24), non-whites (eight per cent, Figure 23), and applicants aged 21 or over (14 per cent).
- Of the five per cent of applicants who reported that they would no longer apply to university if maintenance grants were replaced with loans, just over one third of that

²⁸ This figure is very similar to the six per cent estimated by conjoint analysis, presented later in the chapter.

group (less than two per cent of all applicants) claimed that they would completely drop the idea of pursuing higher education and would try to get a job. The remainder would delay university or seek to study through an FE college or apprenticeship.

- Those who would still attend university anticipated using paid work as a source of replacement funding (especially applicants from lower socio-economic groups) or relying on their parents or savings (especially applicants from higher socio-economic groups).
- Conjoint analysis suggested that the impact of the additional loans offered would not differ significantly whether an additional £1,000 or £2,000 were available in maintenance loans.

Tuition fees

- Conjoint analysis suggested that raising tuition fees (hypothetically) to £10,000 per year would have a one per cent negative impact on applications and raising fees to £11,000 per year would have an eight per cent negative impact on applications. There was little difference on this between higher and lower socio-economic group applicants.
- However, if a rise in tuition fees to a hypothetical £10,000 were combined with replacing maintenance grants with additional loans, the combined effect would mean that between 10 and 12 per cent of applicants would be dissuaded from applying to university (depending on whether an additional £1,000 or £2,000 were available in maintenance loans).

If grants were no longer available but the rest of the financial support package stayed the same as in 2014/15

- If grants were no longer available but other elements of student support remained unchanged (and loans were not increased to cover any loss of grant), 91 per cent of applicants indicated that they would still aim to go to university. This is similar to the main survey findings where only five per cent of applicants stated that they would no longer apply to university if maintenance grants were replaced with maintenance loans.
- Lower socio-economic applicants were less likely (84 per cent) to indicate that they would still apply in such a scenario. Eight per cent of applicants from lower socio-economic groups in the main survey stated that they were not longer apply to university if maintenance grants were replaced with maintenance loans.
- Of those receiving the full grant, 83 per cent of applicants would still aim to attend.

If the loan repayment threshold were raised

- Conjoint analysis suggested that an increased repayment threshold (to a hypothetical amount of £24,000 per year) would have only an expected one to two percentage point positive impact on university application, with the largest potential impact occurring among those currently receiving a full grant. This level is not based on projected plans or policies but represents a level that respondents might consider to be meaningfully higher than the existing threshold which might affect their decision-making.
- The potential impact of a raised repayment threshold (to a hypothetical £24,000) if tuition fees were increased was a two to three percentage point positive effect at the £10,000 tuition fee level and around a three to five percentage point positive effect at the £11,000 level (depending on how much might be offered in loans to replace grants). This suggests changes to repayment threshold may only have a limited impact on student decisions.

Student financial support as a safeguard for applications

To allow for an assessment of the effect of the availability of financial support towards maintenance costs on safeguarding applications to university, applicants were asked whether they would still have planned to attend university if both maintenance grants and maintenance loans had no longer been available.

Without such support, 35 per cent of applicants reported that they would not have applied to university. Thus the provision of student finance for living costs seemed to help safeguard this proportion of applications that would not otherwise have been made.

The effect would be most profound on those from a lower socio-economic background, where 50 per cent reported that they would not have applied to university (versus 25 per cent of applicants from higher socio-economic backgrounds).

Other groups more likely to drop their application if maintenance loans and grants were not available were those aged 21 or over (54 per cent), those expecting a full grant (52 per cent), those applying to universities outside the top-third tariff (47 per cent), and those declaring a disability (43 per cent). There were no differences by ethnicity or gender.

Maintenance grants replaced with loans

Applicants were asked what effect replacing maintenance grants with loans would have on their decision to attend university.

As shown in Figure 20, only a small proportion of applicants reported that they would no longer apply to university as a result of maintenance grants being replaced by loans (five per cent). This rose to 10 per cent of applicants expecting to receive a full maintenance grant and six per cent of those expecting a partial grant (at the time they applied to university).²⁹

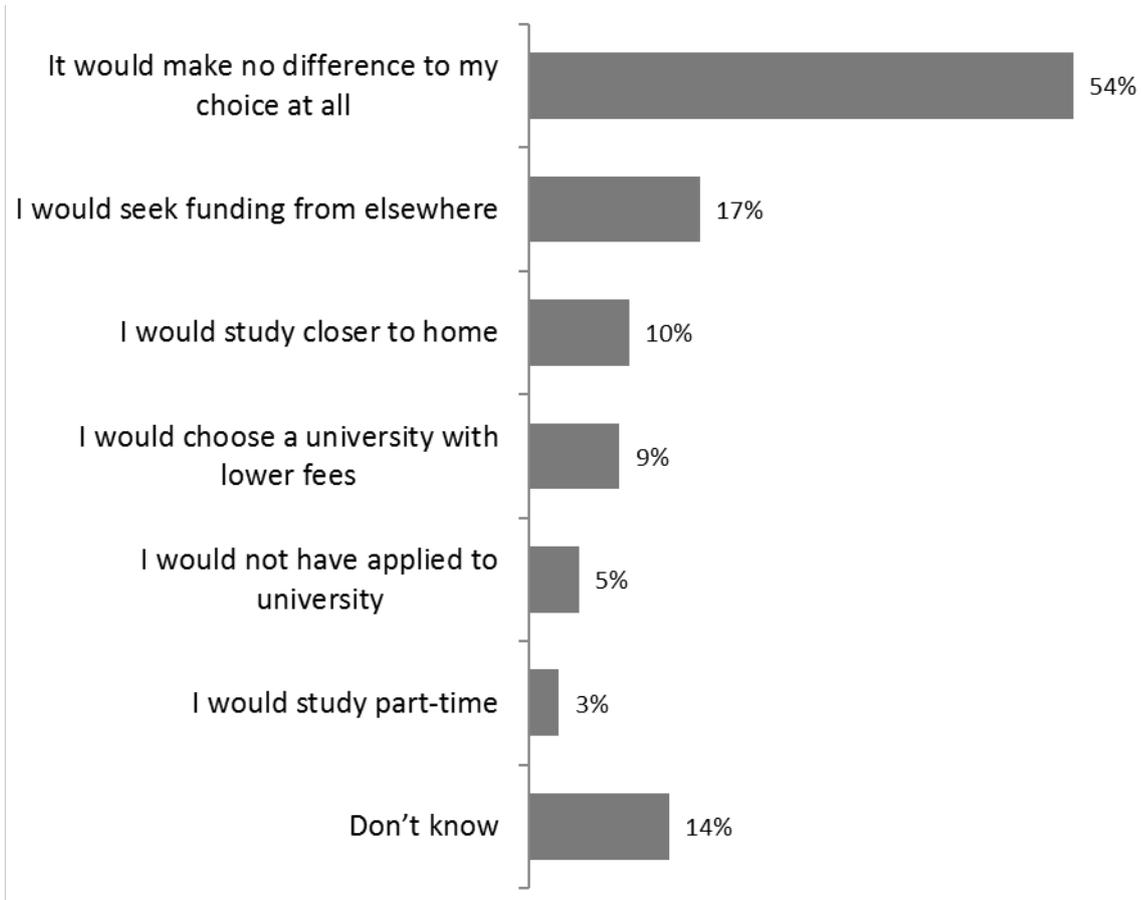
Reporting that they would no longer apply to university if grants were replaced with loans was most common among those aged 21 or older (14 per cent), Asian applicants (10 per cent), those applying to lower-tariff universities (eight per cent) and those from lower socio-economic groups (eight per cent). There were no differences by gender or disability status.

Replacing maintenance grants with maintenance loans would still have some effect on decisions about higher education among those who would still apply to university. Out of all applicants sampled, over a third would still apply but would otherwise make changes to their higher education plans (39 per cent). These changes included seeking funding from elsewhere (17 per cent), studying closer to home (10 per cent), choosing a university with lower fees (eight per cent) and studying part-time (three per cent) (Figure 20).

Applicants without a declared disability were significantly more likely to feel that replacing grants with loans would make no difference to their choice than applicants with a declared disability (55 per cent versus 46 per cent). The same is true of those aged 16–20 as against those aged 21 or over (57 per cent versus 37 per cent). Conversely, those aged 21 or over were more likely to report that they would not apply to university (14 per cent), would study part-time (seven per cent) or would not know what to do (19 per cent). There were no significant differences by gender (including between genders within each socio-economic group). Differences by sub-group are shown in Figures 21 to 24.

²⁹ These figures were significantly different from the two per cent of applicants not expecting to get a grant who reported the same.

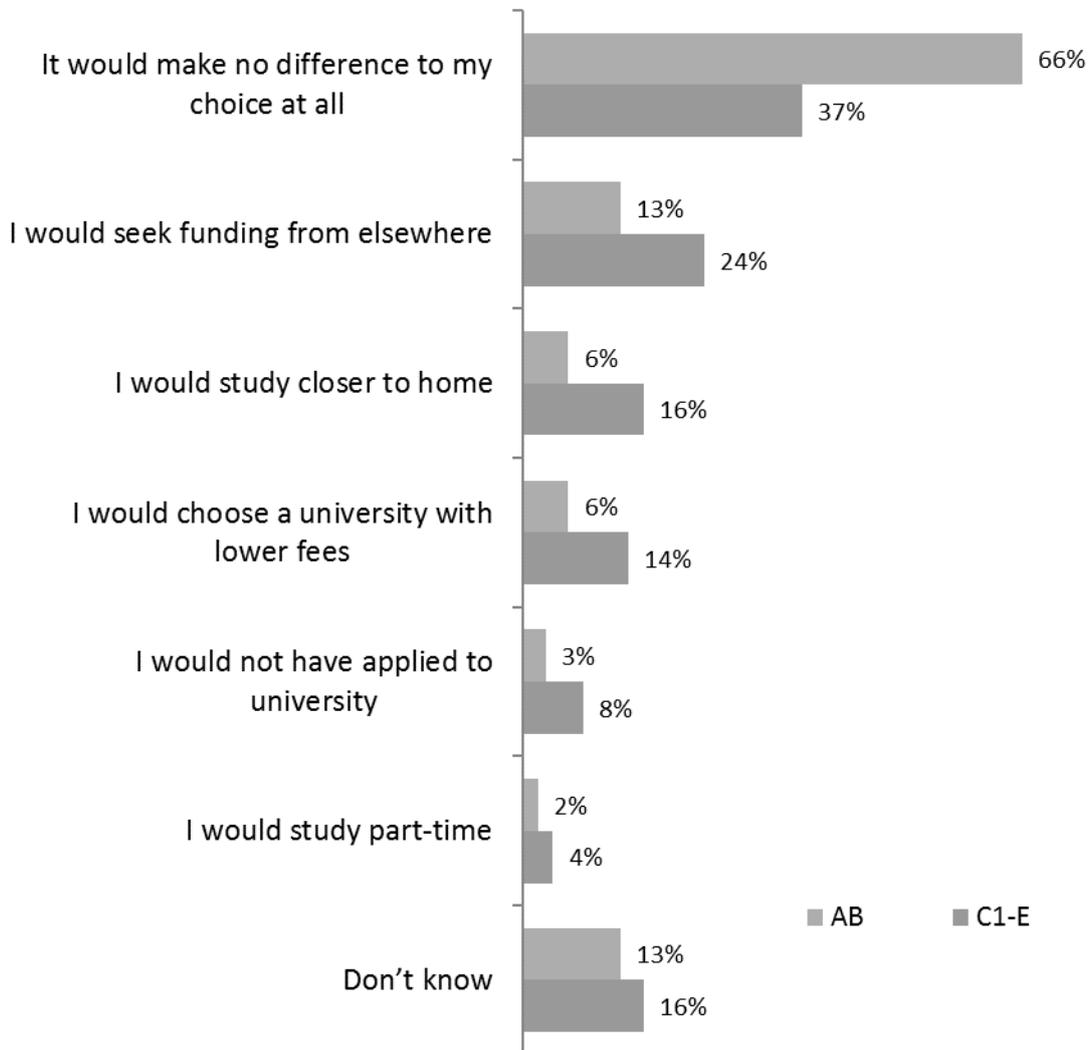
Figure 20: Applicants' intentions if maintenance grants were replaced with loans



Base: All English applicants (n=1,427)

Question text: F2. If the Student Finance maintenance grant/bursary for living costs were replaced with a student loan, would your decision to attend university be affected in any of the following ways?

Figure 21: Applicants' intentions if maintenance grants were replaced with loans, by socio-economic group

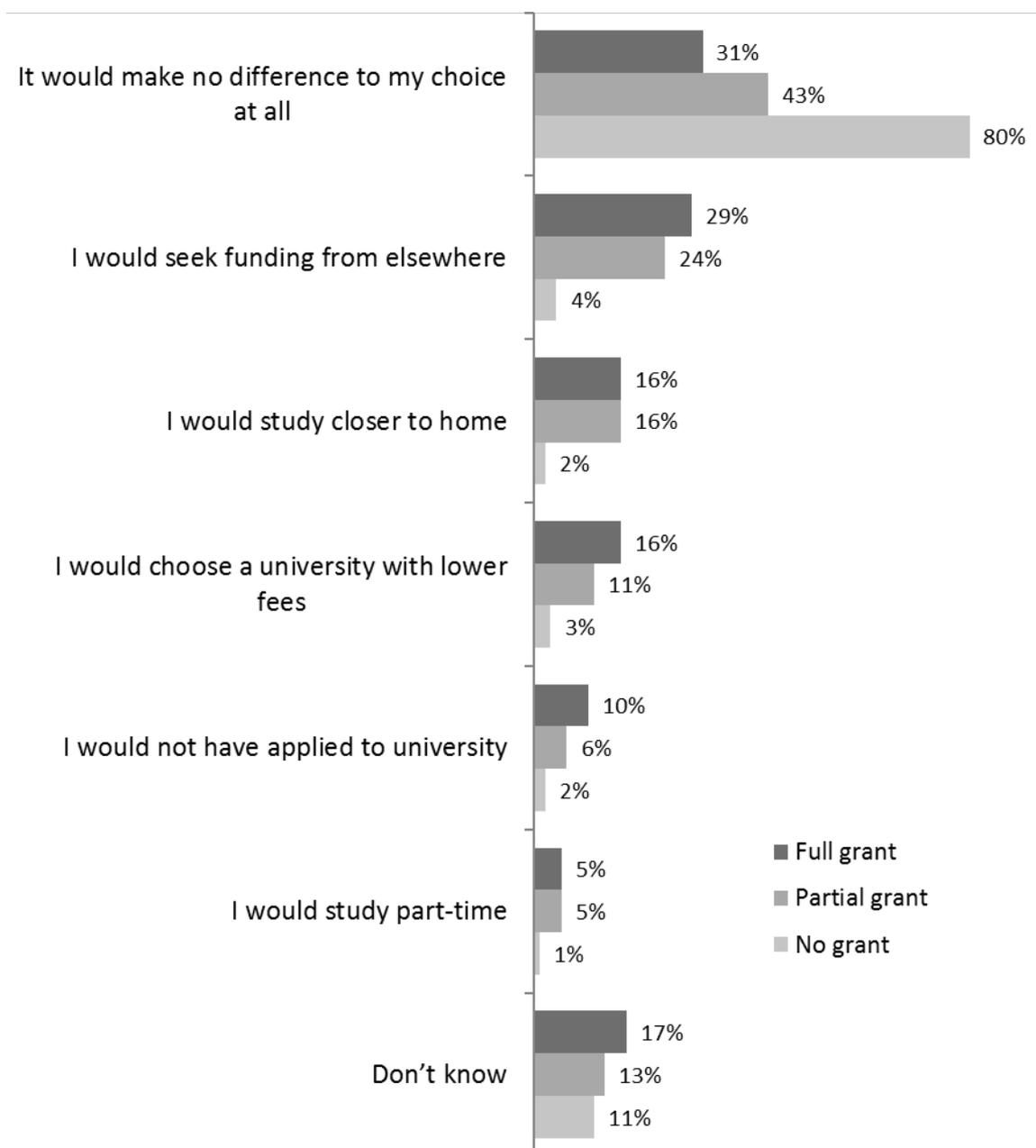


Base: All English applicants (n=1,427)

All differences between socio-economic groups presented are significant at the 95% level of confidence.

Question text: F2. If the Student Finance maintenance grant/bursary for living costs were replaced with a student loan, would your decision to attend university be affected in any of the following ways?

Figure 22: Applicants' intentions if maintenance grants were replaced with loans, by anticipated grant status



Base: All English applicants (n=1,427)

All differences between those expecting a grant (either full or partial) and those not expecting a grant are significant at the 95% level of confidence for all answers except 'Don't know'.

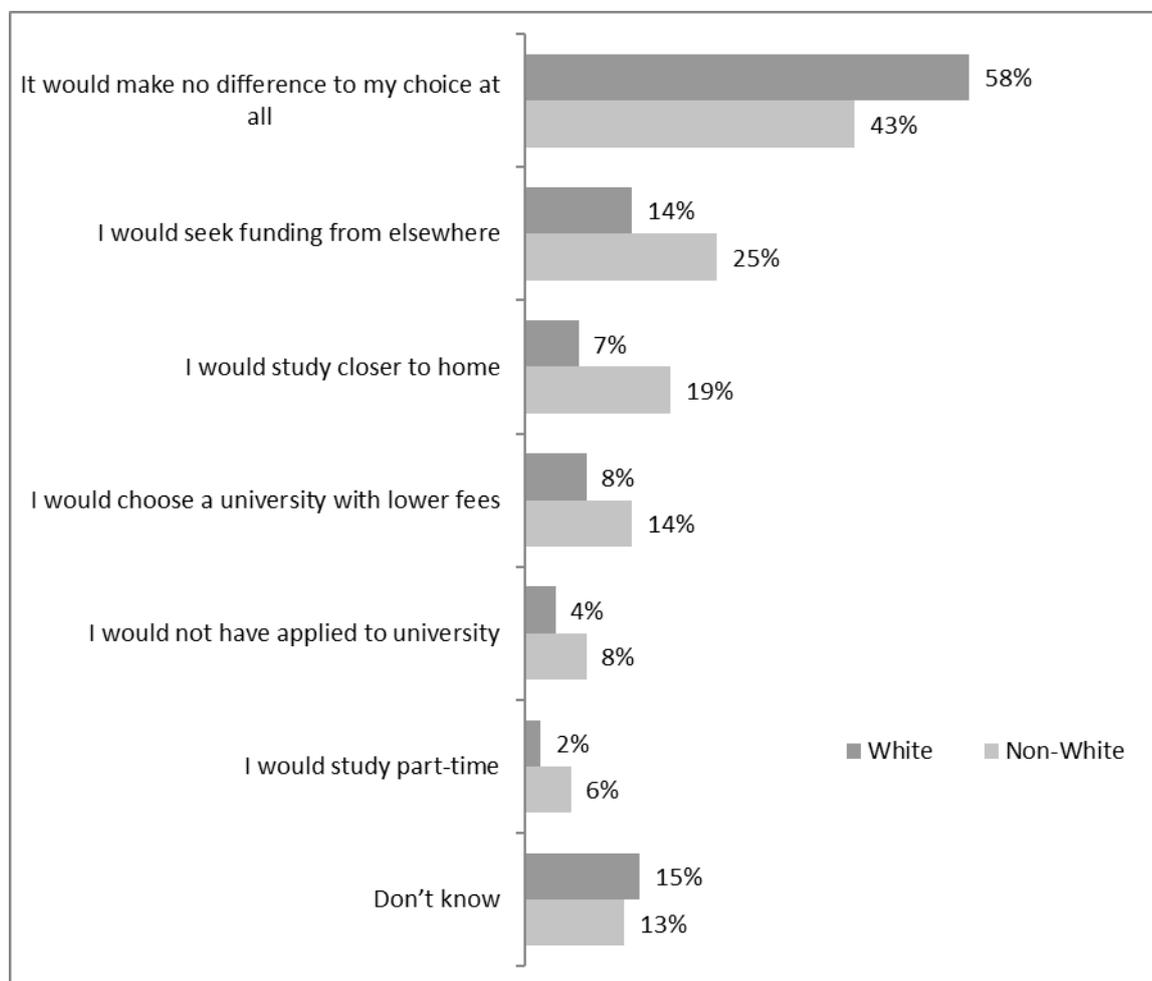
Question text: F2. If the Student Finance maintenance grant/bursary for living costs were replaced with a student loan, would your decision to attend university be affected in any of the following ways?

Figure 22 shows that those not expecting a grant were significantly more likely to report that if grants were removed and replaced with a loan this would make no difference to them, and those who expected to receive a full grant were the least likely to report this.

Applicants who reported that they expected to receive a grant were significantly more likely to state that if grants were removed and replaced with a loan they would seek funding from elsewhere, study closer to home, choose a university with lower fees, not apply to university or study part-time.

Those expecting a full grant were significantly more likely than those not expecting a grant not to know how the change might affect their decisions. Conversely, it is interesting to note that, rather anomalously, around a tenth of applicants who did not expect to receive a grant still reported that the change would affect their decision in some way, and a further tenth did not know how it would affect their decision.

Figure 23: Applicants' intentions if maintenance grants were replaced with loans, by ethnicity



Base: All English applicants (n=1,045 White and n=382 non-White).

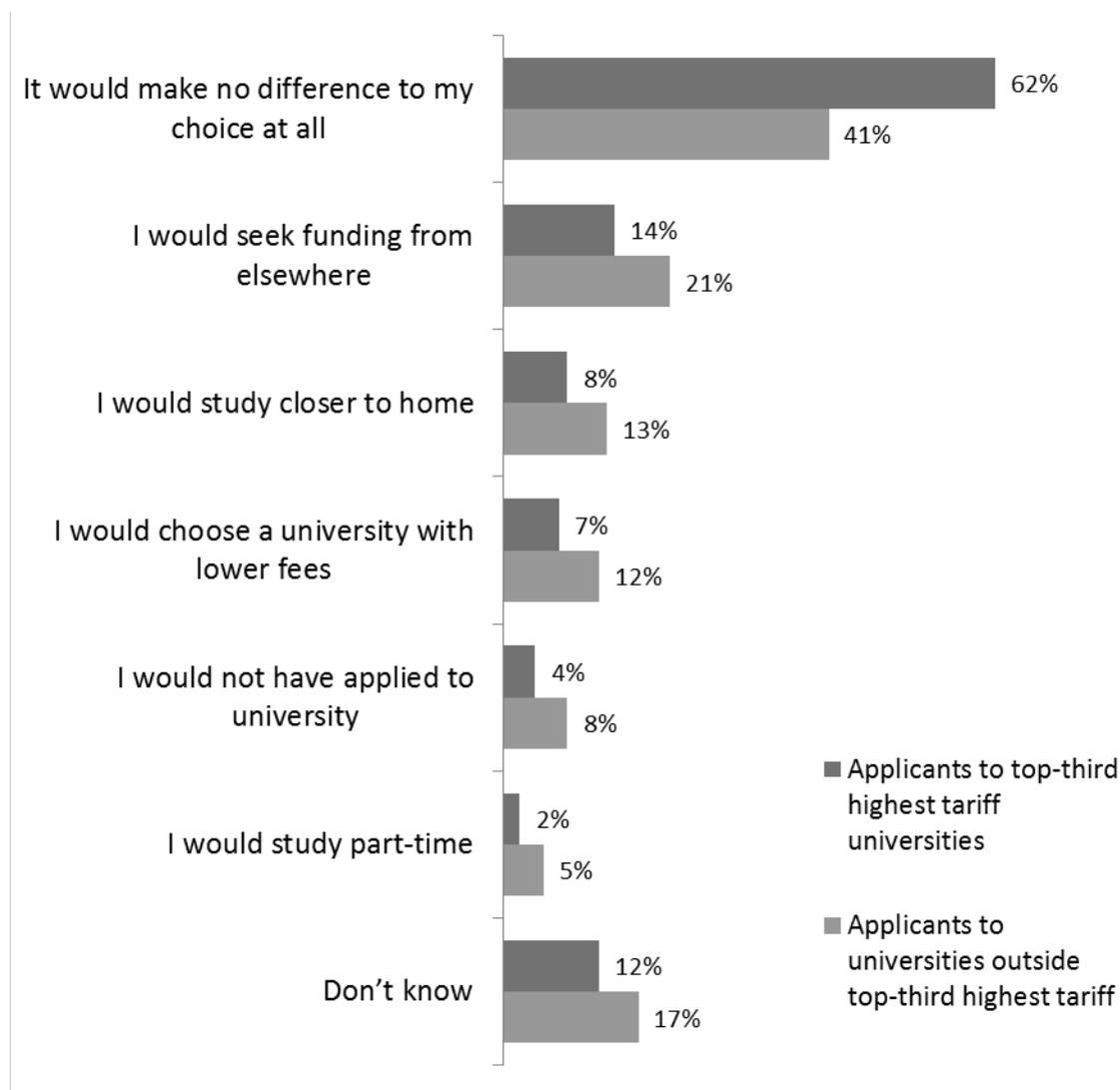
All differences between ethnicity groups presented are significant at the 95% level of confidence.

Question text: F2. If the Student Finance maintenance grant/bursary for living costs were replaced with a student loan, would your decision to attend university be affected in any of the following ways?

White applicants were significantly more likely to feel that the change made no difference to their choice (58 per cent) compared to non-white applicants (43 per cent). Non-white

applicants were significantly more likely to report that they would seek funding from elsewhere, study closer to home, choose a university with lower fees, not apply to university or study part-time (Figure 23).

Figure 24: Applicants' intentions if maintenance grants were replaced with loans, by university tariff



Base: All English applicants (n=856 top tariff and n=571 outside top tariff).

All differences between university tariffs presented are significant at the 95% level of confidence.

Question text: F2. If the Student Finance maintenance grant/bursary for living costs were replaced with a student loan, would your decision to attend university be affected in any of the following ways?

Those applying to the top third of universities by entrants' average UCAS tariff points were significantly more likely to feel that the change made no difference to them (62 per cent) versus 41 per cent applying to other universities. Those applying to other universities were significantly more likely than those applying to the top third tariff universities to seek funding from elsewhere (21 per cent), study closer to home (13 per cent), choose a

university with lower fees (12 per cent), not apply to university (eight per cent) or study part-time (five per cent) (Figure 24).

Student financial support as a safeguard for applications

As stated above, 35 per cent of applicants reported that they would no longer apply to university in a scenario where neither maintenance grants nor maintenance loans were available. In the case where maintenance grants were replaced by additional loans, the percentage that would no longer apply dropped to five per cent. This implies that the additional assistance offered by government funded student support helps to safeguard university applications, and that student loans largely preserves this effect.

Applicants who reported that they would not go to university

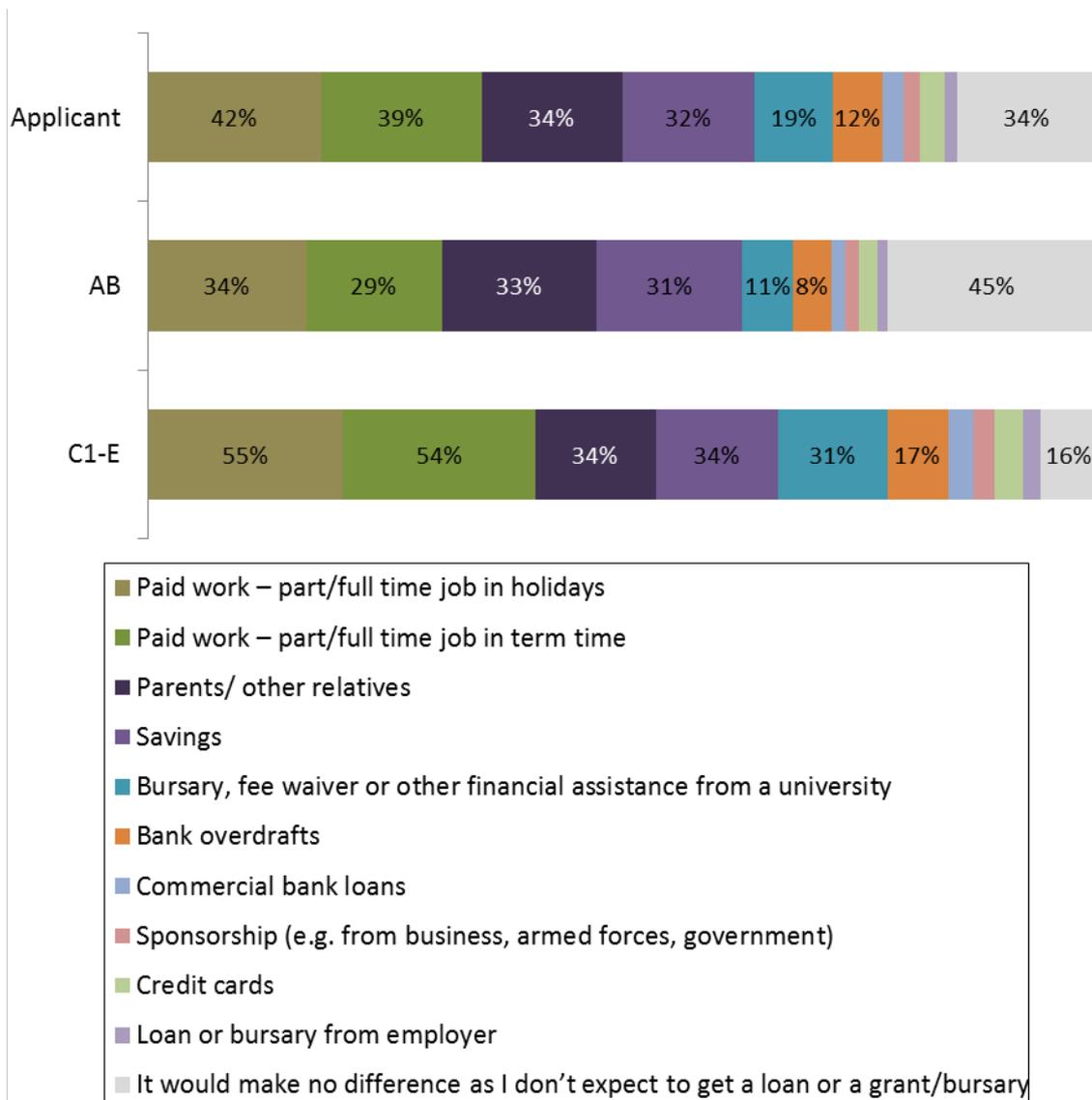
Note: This section is based on just 78 applicants and should be interpreted with caution.

Of the five per cent of applicants that reported they would no longer apply to university if maintenance grants were replaced with loans, just over two fifths (41 per cent) would completely drop the idea of pursuing higher education and would try to get a job. A smaller proportion reported that they would most likely delay university until they were able to gather enough money (30 per cent), and the remainder reported they would seek to study through an apprenticeship or FE college (28 per cent). Within the small proportion who reported that they would no longer apply to university, base sizes were too small for accurate sub-group analysis.

Applicants who reported that they would still go to university

Those who reported that they would still apply to university if maintenance grants were replaced with loans would use paid work, both during the holidays (42 per cent) and in term time (39 per cent) as the most likely source of replacement funding aside from further maintenance loans (Figure 25).

Figure 25: Sources of funding used to support study if grants were replaced with loans, by socio-economic status



Base: All those who would still apply to university if grants were replaced with loans (n=1,349 English applicants)

Question text: F4. What sources of funding would you expect to use instead of a maintenance grant/bursary to support your study?

Those still applying to university from the lower socio-economic group would be more likely than those from the higher socio-economic group to use each of the sources of replacement funding, except savings and parental support. Those from the higher socio-economic group were more likely to claim that the change made no difference.

Table 3 provides breakdowns by ethnicity and UCAS tariff and Table 4 by age and grant status. non-white, lower-tariff, older applicants and those expecting a full grant were all

more likely to anticipate working in the holidays or term time to support their study, and were generally more likely to rely on a wider set of supplementary sources of funding.

Table 3: Anticipated sources of funding to support study if grants were replaced with loans, by ethnicity and university tariff

	White ethnicity	Non-White ethnicity	Applying to top-third-tariff university	Applying to bottom two-thirds-tariff university
Paid work – part-/full-time job in holidays	40%	48%*	36%	53%**
Paid work – part-/full-time job in term time	37%	44%*	30%	53%**
Parents/other relatives	31%	41%**	33%	34%
Savings	32%	31%	29%	37%**
Bursary, fee waiver or other financial assistance from a university	16%	26%**	16%	23%**
Bank overdrafts	11%	13%	9%	17%**
Commercial bank loans	4%	6%*	4%	6%
Sponsorship (e.g. from business, armed forces, government)	3%	7%**	3%	6%
Credit cards	5%	7%	3%	10%**
Loan or bursary from employer	2%	6%**	2%	4%
It would make no difference as I don't expect to get a loan or a grant/bursary	37%**	25%	43%**	19%
Base: All those who would still apply to university if grants were replaced with loans (n=1,349 English applicants)				
Question text: F4. What sources of funding would you expect to use instead of a maintenance grant/bursary to support your study?				
* denotes that the figures are significantly different from other sub-groups within the same demographic category to the 95% confidence level.				
** denotes that the figures are significantly different from other sub-groups within the same demographic category to the 99% confidence level.				

Table 4: Anticipated sources of funding to support study if grants were replaced with loans, by age and grant status

	Aged 16–20	Age 21+	Expecting full grant	No grant expected
Paid work – part-/full-time job in holidays	41%	49%	62%**	19%
Paid work – part-/full-time job in term time	37%	51%**	61%**	15%
Parents/other relatives	35%	20%*	35%**	22%
Savings	32%	27%	37%**	19%
Bursary, fee waiver or other financial assistance from a university	17%	30%**	37%**	4%
Bank overdrafts	10%	23%**	21%**	5%
Commercial bank loans	4%	8%*	7%**	1%
Sponsorship (e.g. from business, armed forces, government)	4%	5%	8%**	2%
Credit cards	5%	13%**	7%*	3%
Loan or bursary from employer	3%	3%	5%*	1%
It would make no difference as I don't expect to get a loan or a grant/bursary	36%**	15%	6%	67%**

Base: All those who would still apply to university if grants were replaced with loans (n=1,349 English applicants)

Question text: F4. What sources of funding would you expect to use instead of a maintenance grant/bursary to support your study?

* denotes that the figures are significantly different from other sub-groups within the same demographic category to the 95% confidence level.

** denotes that the figures are significantly different from other sub-groups within the same demographic category to the 99% confidence level.

As shown in Table 5, females who still intended to apply to university were more likely to state that they would use paid work in term time or credit cards to cope with this change than males. Conversely, males were more likely to state an intention to get sponsorship or a loan from an employer.

Applicants who did not declare a disability were significantly more likely to state that the change would not make a difference than applicants who did declare a disability.

Table 5: Anticipated sources of funding to support study if grants were replaced with loans, by gender and disability status

	Male	Female	Declared a disability	Did not declare a disability
Paid work – part-/full-time job in holidays	41%	43%	41%	42%
Paid work – part-/full-time job in term time	34%	42%**	40%	38%
Parents/other relatives	34%	33%	33%	34%
Savings	33%	31%	32%	32%
Bursary, fee waiver or other financial assistance from a university	18%	19%	19%	19%
Bank overdrafts	10%	13%	13%	12%
Commercial bank loans	3%	6%	8%*	4%
Sponsorship (e.g. from business, armed forces, government)	6%**	3%	4%	4%
Credit cards	4%	7%*	5%	6%
Loan or bursary from employer	4%*	2%	4%	3%
It would make no difference as I don't expect to get a loan or a grant/bursary	34%	34%	26%	35%*
<p>Base: All English students receiving student support from a university (n=612) and English applicants (n=408) expecting to receive other student finance. Base: All those who would still apply to university if grants were replaced with loans (n=1,349 English applicants)</p>				
<p>Question text: F4. What sources of funding would you expect to use instead of a maintenance grant/bursary to support your study?</p>				
<p>* denotes that the figures are significantly different from other sub-groups within the same demographic category to the 95% confidence level. ** denotes that the figures are significantly different from other sub-groups within the same demographic category to the 99% confidence level.</p>				

Maintenance grants replaced with loans – Conjoint analysis

In the previous section of this report, it was observed that, when directly questioned, the proportion of applicants that reported they would no longer apply to university if maintenance grants were replaced with loans was five per cent. As reported behavioural intentions can often be hard to measure with traditional research questions (see ‘**Challenges**’ section in the Introduction), in this section conjoint analysis will be used to derive supplementary figures to help sense-check survey results.

Conjoint method

The Conjoint method is an advanced statistical analysis. The rationale for using this technique instead of conventional questioning was to discover the importance of each key element of the student finance package in university decision-making by asking respondents to make active choices between varying packages with regard to whether it would affect their intention to participate in higher education. This was done rather than relying on them to accurately report their preferences and behaviour through direct questions (see the ‘Challenges’ section in the Introduction of this report).

Using this method, the relative importance of four different elements of the finance package was tested. These were the: **Grant Amount**; **Maintenance Loan Amount**; **Repayment Threshold** and **Maximum Tuition Fee**. Between three and five varying levels were tested for each element of the package (Table 6).

Combinations of grant amount, loan amount, repayment threshold and tuition fee amount were packaged together into a series of hypothetical theoretical funding options, in order to explore applicant sensitivity to these elements of the student finance package. A set of three options at a time was presented to respondents and they were asked to select which of the three they found most attractive. Respondents were then asked whether they would still go to university under the finance package option that they selected. The exercise was repeated ten times for each respondent, according to a rotation determined by earlier responses.

Table 6: Attributes and levels used in conjoint exercise³⁰

Attributes	Levels
Grant amount*	<ul style="list-style-type: none"> - £1k <u>more</u> than <u>the maximum</u> you would currently get - The amount you currently (expect to) get - £1k <u>less</u> than amount you currently (expect to) get (or £0 if get less than this) - £2k <u>less</u> than amount you currently (expect to) get (or £0 if get less than this) - No grant available
Maintenance loan amount*	<ul style="list-style-type: none"> - £2k <u>more</u> than amount you currently (expect to) get - £1k <u>more</u> than amount you currently (expect to) get - The amount you currently (expect to) get - £1k <u>less</u> than amount you currently (expect to) get (or £0 if get less than this) - £2k <u>less</u> than amount you currently (expect to) get (or £0 if get less than this)
Repayment threshold	<ul style="list-style-type: none"> - Repayments will begin when earning at least <u>£18K</u> per annum - Repayments will begin when earning at least <u>£21k</u> per annum - Repayments will begin when earning at least <u>£24k</u> per annum
Maximum tuition fee	<ul style="list-style-type: none"> - Tuition fee of £8k per year - Tuition fee of £9k per year - Tuition fee of £10k per year - Tuition fee of £11k per year

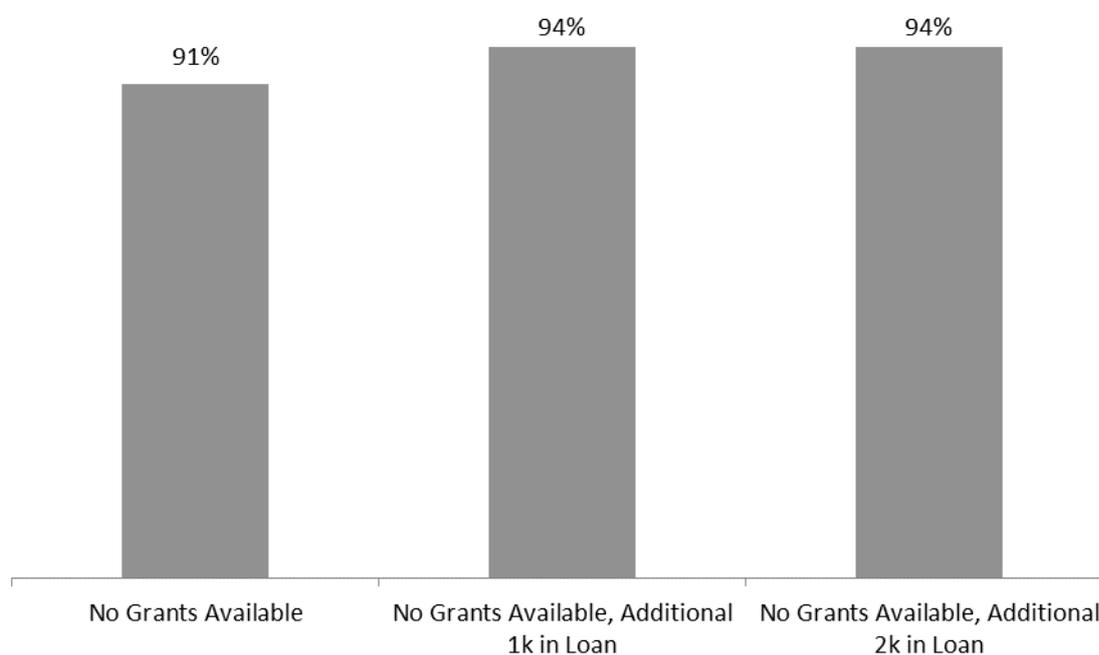
For a fuller explanation of the conjoint method, please refer to Annex D.

Three scenarios of loans and grants

The proportion of applicants that reported they would still continue with their university application for **three** different scenarios of grants/loan amount are shown in Figure 26.

³⁰ Please note that the levels of grant, loan, repayment threshold and fee amounts used are hypothetical and not based on any calculations or plans. The levels chosen were designed to be notably different from one another, in order to help respondents distinguish between the packages of support they were presented with.

Figure 26: Whether would still intend to go to university if grants were removed or replaced with loans, by applicants (conjoint analysis)

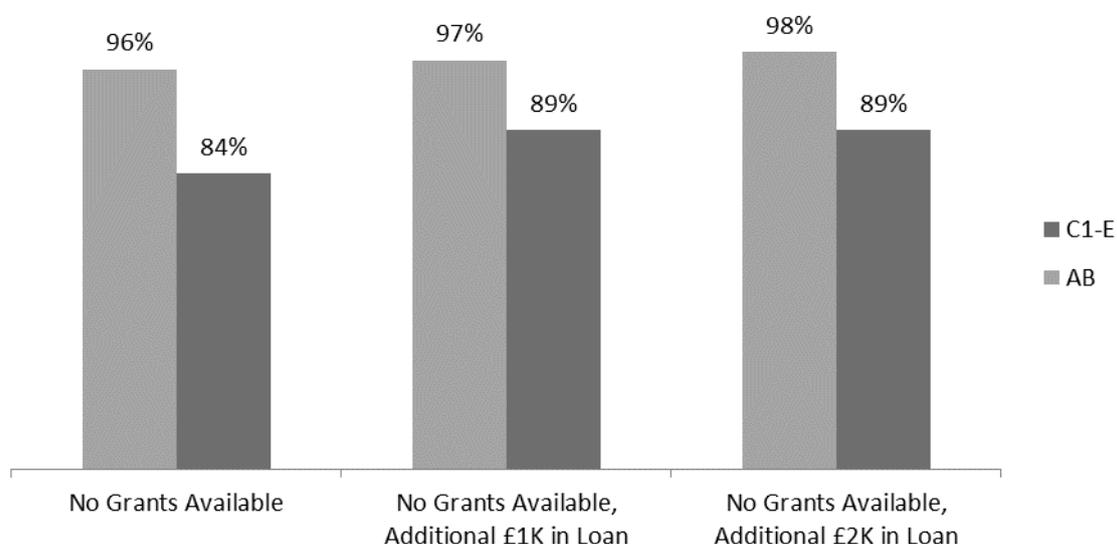


Base: All English applicants (n=1,427)

When a scenario was presented with no grants but an additional £1,000 or £2,000 available in maintenance loans, the proportion who thought that they would no longer apply to university (as derived by the conjoint analysis) was six per cent, similar to the proportion who reported that they would no longer attend when asked through more direct questioning (five per cent – see earlier section of this chapter). There was no difference at an overall level whether an additional £1,000 or £2,000 were available.

As a comparator, in a scenario where the maintenance loan amount remained the same as currently received but grants were no longer available, the proportion that indicated they would no longer apply to university as derived by the conjoint analysis was nine per cent (as shown in the first bar of Figure 26).

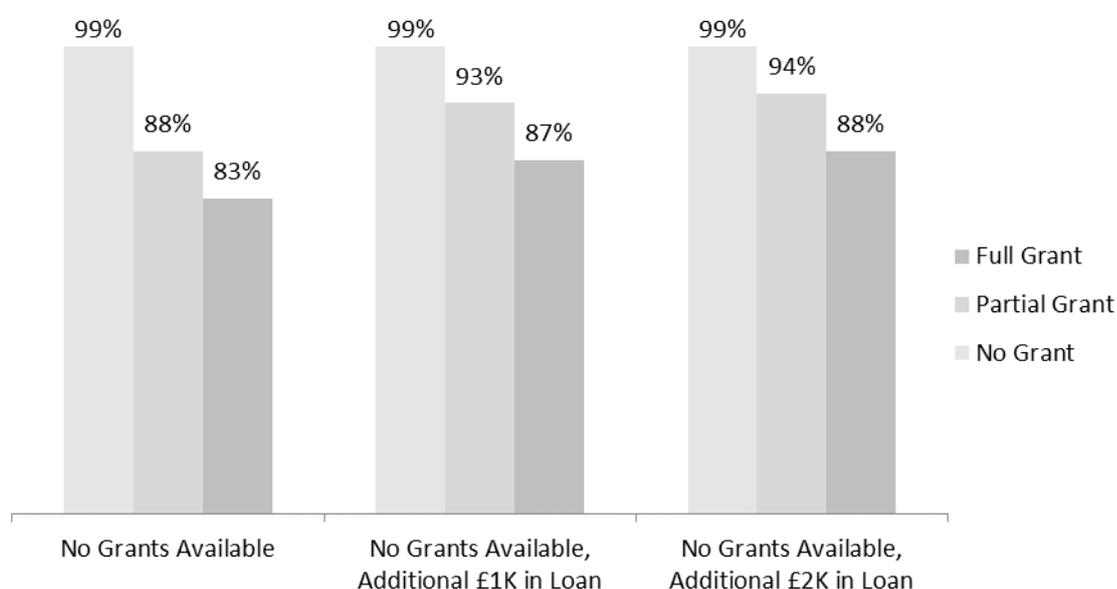
Figure 27: Whether would still intend to go to university if grants were removed or replaced with loans, by socio-economic group (conjoint analysis)



Base: All English applicants (n=1,427)

Among the lower socio-economic group, the proportion the conjoint analysis suggested would no longer apply to university was 11 per cent if additional loans were available or 16 per cent if no additional loans were available (Figure 27). (Results were of a similar magnitude to responses to direct questioning in the survey: eight per cent of applicants from lower socio-economic groups reported that they would no longer apply. See earlier section of this chapter.)

Figure 28: Whether would still intend to go to university if grants were removed or replaced with loans, by reported grant status (conjoint analysis)



Base: All English applicants (n=1,427)

Among those expecting to receive a full grant, the proportion that the conjoint analysis suggested would no longer apply to university was 12 per cent if an additional £2,000 were available, 13 per cent if only an additional £1,000 were available or 17 per cent if no additional loan were available (Figure 28).

Increased maximum tuition fees – conjoint analysis

Scenarios were also presented with different levels of tuition fees. Table 7 presents hypothetical fee levels of £10,000 or £11,000 per year. Again, these figures were chosen to help make the different scenarios meaningfully different from each other so that respondents could indicate their ‘warmth’ towards them, rather than being based on actual policy plans or calculations. The analysis suggested that the impact on university applications could be as follows³¹.

³¹ In the survey, there was no suggestion that these additional fees would be covered by an increased loan amount for tuition fees. Thus there may be some ambiguity of interpretation in this exercise.

Table 7: Conjoint-derived estimated university application level if tuition fees were increased³²

Grant/Loan status	£10,000 per year maximum tuition fee	£11,000 per year maximum tuition fee
Current grant and loan amount	99%	92%
No grants available, current level of loans available	84%	71%
No grants available, an additional £1,000 in loans available	88%	75%
No grants available, an additional £2,000 in loans available	90%	81%
Base: All English applicants (1,427)		

If the tuition fee cap were raised to £10,000 per year but all aspects of the funding system remained unchanged, only one per cent would no longer apply. However, where grants were replaced with loans, 10 to 12 per cent of applicants reported they would not apply; and further analysis indicated that 15 to 20 per cent of the lower socio-economic group reported they would no longer apply (depending on the additional loan amount available).

If the tuition fee cap were raised to £11,000 per year, eight per cent said they would no longer apply. The impact of raising tuition fees rises sharply in the case of grants being replaced by additional maintenance loans, to between 19 and 25 per cent depending on how much would be available in additional loans.

Increased loan repayment threshold – Conjoint analysis

This section considers a scenario in which the loan repayment threshold is increased to £24,000 per year (rather than the current level of £21,000). This level is not based on projected plans or calculations, but represents a level that respondents might consider to be meaningfully higher than the existing threshold and which might affect their decision-making.

The conjoint analysis (presented in Table 8) suggested that, in most circumstances, the increased repayment threshold would have only an expected one to two percentage point impact on continued university applications compared with changes in the scenario with

³² A lower maximum tuition fee of £8,000 was also tested but the proportion who indicated that they would apply to university was actually lower than for £9,000. It might be that this option was seen as a trade-off in quality. Given the ambiguity in how this scenario was interpreted, this data is not considered suitable for analysis.

the current repayment threshold (shown in brackets). The analysis suggested that the potential impact would be greatest for those expecting to receive a full grant.

Table 8: Conjoint-derived university application level if repayment thresholds were increased to £24,000 – overall and for lower socio-economic groups and those expecting to receive a full maintenance grant

Grant/Loan status	Overall	Lower socio-economic group (C1–E)	Expecting a full grant
Current grant and loan amount	100% ³³		
No grants available, current level of loans available	93% (91%)	87% (84%)	86% (83%)
No grants available, an additional £1,000 in loans available	95% (94%)	91% (89%)	89% (87%)
No grants available, an additional £2,000 in loans available	95% (94%)	91% (89%)	91% (88%)
Base: All English applicants (1,427)			
Note: Brackets show figures under current repayment threshold.			

Increased maximum tuition fees and increased loan repayment threshold – Conjoint analysis

In this section, we assumed a scenario in which the repayment threshold had been increased to £24,000 per year and the maximum tuition fee had also been increased to either £10,000 or £11,000 per year.

³³ There could be a hypothesis that raising the repayment threshold for the maintenance loan could potentially increase the share of applicants to university, though our sample was of current students and applicants only so this research was unable to assess this, as we could not obtain responses from others who might be attracted into the system.

Table 9: Conjoint-derived university application level if repayment thresholds were increased to £24,000 – by tuition fee scenario

Grant/loan status	£10,000 per year maximum tuition fee	£11,000 per year maximum tuition fee
Current grant and loan amount	99% (99%)	95% (93%)
No grants available, current level of loans available	87% (84%)	75% (71%)
No grants available, an additional £1,000 in loans available	91% (88%)	80% (75%)
No grants available, an additional £2,000 in loans available	92% (90%)	84% (81%)
Base: All English applicants (1,427) Note: Brackets show percentages under current repayment threshold.		

Where the repayment threshold was increased to £24,000, the reduction in university application drop-offs when grants were removed was generally around two to three percentage points at the £10,000 tuition fee level and around three to five percentage points at the £11,000 level (Table 9).

Among those currently expecting a full grant, continued participation was ten to 12 percentage points lower if grants were not replaced with loans (77 per cent with £10,000 maximum fees and 63 per cent with £11,000 maximum fees). Where an additional £2,000 was available in loans, the gap between the overall scores and those currently receiving or expecting a grant was nine to 13 percentage points (83 per cent with £10,000 maximum fees and 71 per cent with £11,000 maximum fees) (Table 9).

Chapter 7: (Non-London) student sample

This chapter will report on the sample of **English students** consisting of students currently in their first year of study at a publicly funded university in the UK (except universities located in London), on a full-time first degree course in 2014/15, and who were domiciled in England before starting their course.

Broad comparisons are made with the English applicant sample who have been prioritised throughout the report. Direct comparisons are limited by the exclusion of students currently at London universities.³⁴

Chapter summary

- There were few differences between applicants and students at universities outside London in terms of the factors that influenced their higher education decision-making, and the parts of the student finance package they found to be most appealing and which helped to alleviate their cost concerns.

Notable differences between applicant and student responses are reported below.

- Considered in hindsight, students at non-London universities were less likely to feel they were well informed about student finance and to report that they had sought out detailed information before the start of their course than current applicants did. This might suggest that applicants were overly confident in their knowledge and over-estimated how proactive they were in finding out detailed information on student finance.
- It is notable that more than one in ten students at universities outside London who reported taking out a tuition fee loan stated that they did not know the amount, though this was somewhat lower than the proportion of applicants who did not know how much of a tuition fee loan they anticipated taking out.
- Applicants and students at universities outside London generally showed similar attitudes to debt and finance but there was some evidence to suggest that students were somewhat more averse to borrowing than applicants. This might reflect their increasing awareness of debt as they took it on.

³⁴ Please note that the sample does not include students attending a London university and therefore should be taken into account in the interpretation of the findings. Additional weighting was applied to the student sample to help account for this as much as possible (see Annex A).

- Considered in hindsight, students at universities outside London reported that they considered alternatives to university to a much greater extent than applicants, who are much closer to the process, did. This might imply that students overestimate the extent to which alternatives were seriously considered.
- More than two fifths of students at universities outside London said they would have decided not to apply to university if neither grants nor loans had been offered; this proportion was significantly higher among students than applicants (42 per cent compared with 35 per cent).
- Seven per cent of students at universities outside London reported they would not have applied to university if maintenance grants had been replaced by a loan.

Self-reported student financial status³⁵

Generally, the self-reported financial status of students (English students at universities outside London) showed very similar patterns to the anticipated sources of finance expected by applicants (as reported in the ‘Grant and loan status’ section of Chapter 2), although a higher proportion of first-year students reported that they received financial assistance from their university than applicants had expected to.

Information sources used to find out more about student finance

Compared with applicants, a smaller proportion of students felt that they were well informed about student finance before starting their course. This might suggest that applicants were somewhat overconfident about their knowledge of student finance. On reflection, 88 per cent of students felt that they knew a lot or a fair amount before starting university (compared with 93 per cent of applicants). There were few differences between groups of students (reflecting the sub-group analysis of applicants). However, (and as seen among applicants), differences became more noticeable when we looked at those who felt they were *very* well informed, with older students in particular being more likely to feel well informed.

In addition, with the benefit of hindsight, a significantly smaller proportion of students felt that they had sought out detailed information about the costs of university before starting their course. Just under half of students (47 per cent) looked for detailed cost information

³⁵ Please note: Data here is self-reported. This illustrated the awareness and expectations of the sample and helped filter respondents for later questions. Please refer to the Student Income Expenditure Survey (SIES) and Student Loan Company data for more robust figures.

compared with over three fifths (61 per cent) of applicants. As seen among applicants, sub-group analysis of the student sample showed that those receiving a full grant and at a lower-tariff university were more likely to report that they had sought out detailed information (56 per cent and 53 per cent respectively). Specifically, for the student sample, older students and those from the lower socio-economic group were also more likely to search for detailed information (62 per cent and 51 per cent respectively).

Attitudes to debt

There was some limited evidence that students were more averse to borrowing than applicants were. Students were more likely to agree that they would rather save for the things they needed than borrow (80 per cent compared to 75 per cent), and were less likely to feel comfortable taking out a loan to invest in their future (69 per cent compared to 75 per cent of applicants), however we can assume that most students will already have taken out a loan to fund their studies, so this may reflect an unwillingness to take out additional debts beyond those already accrued. Other differences were generally small or no different to applicants' attitudes to debt.

Considering alternatives to university

Students were more likely than applicants to say that they considered alternatives to university: a third reported that university was their main preference among other options - 33 per cent versus 21 per cent of applicants. Others reported that university was one of the options being considered (six per cent versus three per cent) or that university was considered after other options (three per cent versus one per cent).

Responding in hindsight, students were much less likely than current applicants to report that university was the first and only option they had considered (58 per cent versus 75 per cent). As applicants were closer to the decision-making process, this could suggest that students overemphasised the amount of time spent considering alternatives to university or that applicants consider alternatives after actually applying for university.

Views from applicants showed that apart from grant and socio-economic status, there were no other significant differences in terms of whether university was the first and only option considered. However, there were differences amongst subgroups of students looking back on their decision. Compared to 58% of all students, those from higher-tariff universities (68 per cent), those in the higher socio-economic group (61 per cent in group AB), those not receiving a grant (64 per cent), those aged 16–20 (60 per cent) and those without a declared disability (59 per cent) reported university was their first and only option. There were no differences by gender or ethnicity.

Attitudes to the terms of the financial package available

Cost of university

Students were presented with the same two 'forced choice' statements as applicants:

- I nearly didn't apply / go to university because I'm worried about debt
- University is a good investment; I would go irrespective of debt.

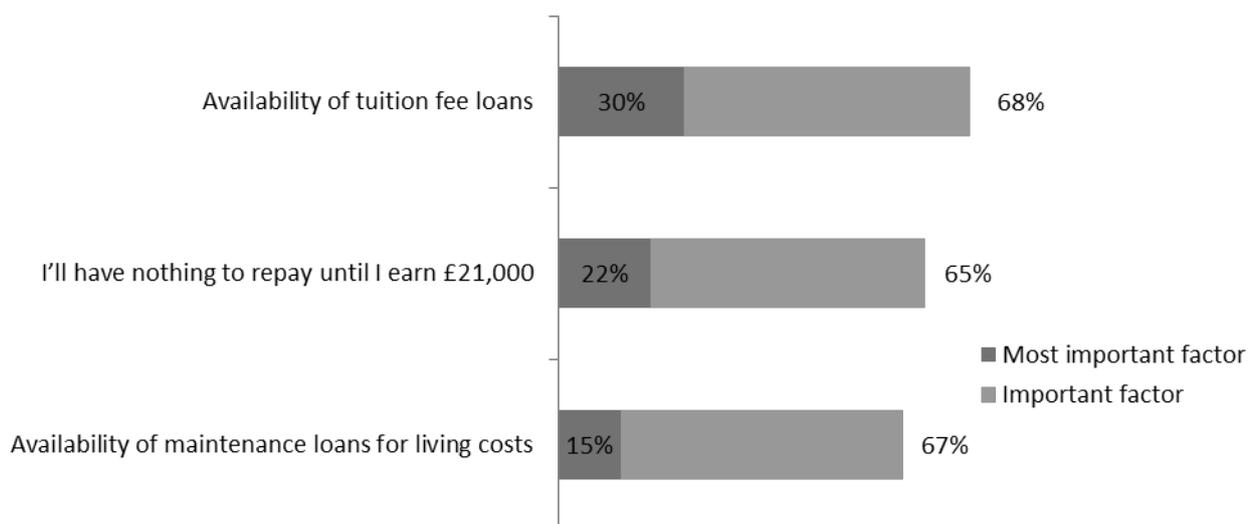
One quarter of students agreed with the first statement. Sub-group analysis was similar to applicants, with groups most likely to agree being; lower socio-economic, at lower-tariff universities, older students and those declaring a disability).

Half of students reported being 'put off' by the costs of university. However, unlike applicants, students from the lower socio-economic group were more affected by the costs of university, and receiving or not receiving a grant did not have a significant impact on students' opinion.

Elements of the student finance offer that help overcome cost concerns

Of those that felt 'put off' by the costs of university, like applicants, students valued tuition fee loans, maintenance loans and the repayment threshold most to help alleviate costs concerns (Figure 29).

Figure 29: Top three aspects of funding that helped to alleviate concerns about costs of university for English students – important and most important



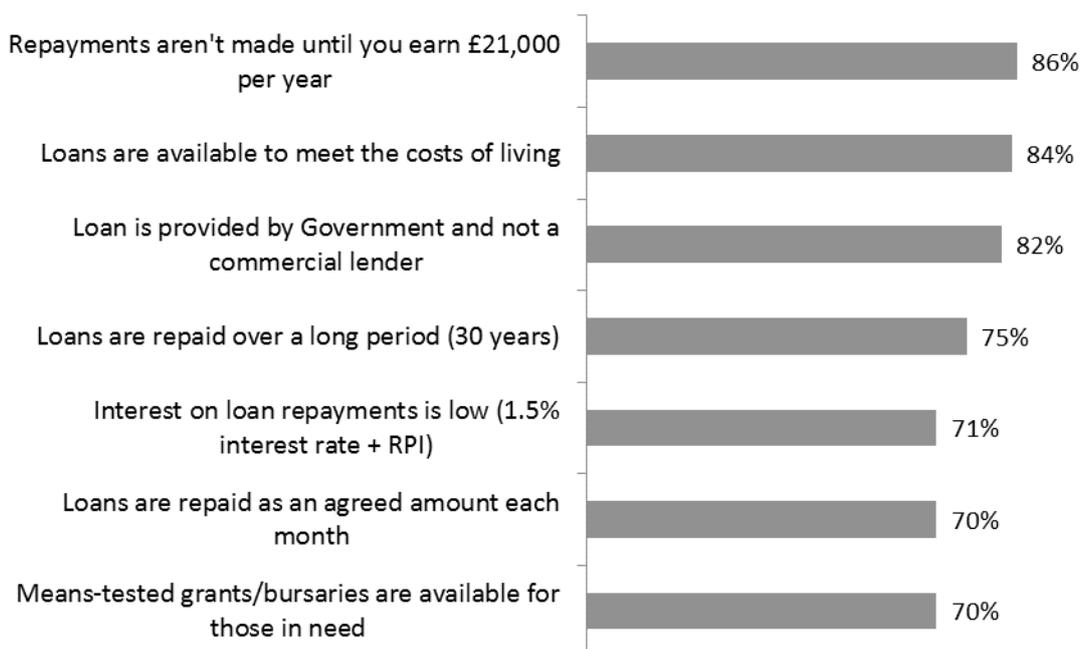
Base: All English non-London students who are put off by the cost of university (n=800)

Question text: C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs? C4. And which of these was the most important reason in persuading you to apply to university despite the costs?

Views on the terms of the financial package

When evaluating the financial package, students found every aspect appealing (at least 70 per cent of students found each aspect appealing, similar to applicants). For both groups, the repayment threshold was the most appealing element (86 per cent of students – a similar proportion to applicants).

Figure 30: The appeal of the terms of the student support package among first year students



Base: English non-London students (n=1,589)

Question text: E2. How appealing are the specific terms of the student finance package to you?

There was very little difference between students and applicants in relation to their views on the terms of student finance: very similar proportions found the most appealing aspects to be the repayment threshold, the availability of maintenance loans and the fact that the loans were provided by the Government rather than a commercial lender (Figure 30).

Choice of which university to attend

For students (as for applicants), the strongest major influence by far on where to go to university (excluding entry requirements) was the course offered - 81 per cent reported this was a major influence. Second to that was the university's reputation (53 per cent), followed by future earnings potential (36 per cent) and the learning resources available (28 per cent).

Reactions to alternative funding scenarios

Student financial support as a safeguard for applications (English non-London student sample)

In order to reveal the extent to which the availability of financial support towards maintenance costs supports university applications, applicants and students were asked whether they would still (have) attend(ed) university if both grants and maintenance loans were no longer available.

Students were more likely than applicants to report that they would not have applied to university without any government backed grant or loan support for living costs (42 per cent of students versus 35 per cent of applicants). This is likely to reflect the increasing reality for students of managing their finances and study as they move into the HE system.

Similar to patterns shown amongst applicants, older students (64 per cent of 21 to 24-year-olds and 67 per cent aged 25 and over), those receiving full grants (58 per cent), those applying to universities outside the top-third tariff (53 per cent), and those declaring a disability (43 per cent) were more likely to report they would not apply to university without support towards living costs. However, unlike applicants, with hindsight students from lower socio-economic groups (58 per cent versus 31 per cent) and white students (44 per cent) also considered themselves more likely no longer to apply.

Grants for living costs replaced with loans

Less than a tenth of students said they would not have applied to university if maintenance grants had been replaced by a loan (seven per cent, slightly more than the five per cent of applicants reporting the same).

Those receiving a full grant were more likely to say they would not have applied (14 per cent versus seven per cent of students on a partial grant and one per cent of those who did not receive a grant), as were students from lower socio-economic groups (11 per cent versus four per cent of higher socio-economic students), and those attending lower-tariff universities (10 per cent versus four per cent attending higher-tariff universities). These patterns were broadly similar to applicants.

The overwhelming majority of students, who would still apply to university despite a move from grants to loans, indicated how it might affect how they would finance their study. The patterns seen were very similar to applicants' responses (shown in Figure 20), but with a slightly higher proportion of students indicating that it would make no difference to their choice at all (56 per cent of students versus 54 per cent of applicants).

Views on the adequacy of the amount of financial support received

Half of the students felt that the amount they received in grants, loans and bursaries was adequate to cover their living expenses³⁶. Those in the higher socio-economic group were more likely to consider the amount they received to be inadequate (41 per cent compared with 27 per cent of those in the lower socio-economic group).

³⁶ Note that students studying at universities in London were not included in the survey.

Chapter 8: Scottish student and applicant sample

This chapter reports on the combined sample of 343 Scottish students and applicants (153 students and 190 applicants) and makes comparisons between this sample and the English applicant sample in earlier sections of the report in order to illustrate broad differences between those in the English and Scottish systems.

The sample consists of applicants and students who are or were domiciled in Scotland before starting university and were studying or planning to study full-time at degree level in a Scottish public university. As the base was much smaller than that used for the English applicants, please note that the margin of error is much higher. This chapter is offered for comparative and supportive purposes rather than to be fully representative of the Scottish student experience.

Also, given the smaller base size of this sample, sub-group analysis is limited to students versus applicants, socio-economic group, gender and grant status.

Chapter summary

- Scottish students and applicants felt somewhat less well informed about the costs of university than English applicants and fewer of them claimed to have sought out detailed information.
- Far fewer Scottish students and applicants reported applying for or intending to apply for maintenance loans than English applicants. Relying on parental support, working (in holidays) and savings were all more commonly reported sources of supplementary funding than maintenance loans.
- Scottish students and applicants seemed to be more averse to borrowing than English students.
- Over two-fifths (46 per cent) of Scottish applicants and 39 per cent of Scottish students had considered attending a further education college, which is considerably higher than the proportion seen amongst English applicants (15 per cent).
- Scottish applicants and students were less likely to be put off by the costs of university and to less likely to agree they nearly did not apply due to concerns about debt.
- In Scotland, a smaller proportion said that they would decide not to apply to university if bursaries and maintenance loans were no longer offered than applicants in England if grants and maintenance loans were no longer available (23 per cent versus 35 per cent).

- A small minority of Scottish students and applicants would no longer apply to university if bursaries were replaced with student loans (three per cent, comparable to the five per cent drop-off seen among English applicants if maintenance grants were replaced with loans).

Student finance status

Scottish domiciled students studying full-time in Scotland are not required to pay tuition fees if studying for a first degree or equivalent. Students may also be eligible to apply for an income assessed bursary and student loan to help with living costs from the Student Awards Agency Scotland (SAAS).

Bursary status

Two-fifths of Scottish applicants and students reported expecting to receive or receiving a government-provided bursary towards maintenance costs (41 per cent). Those from the lower socio-economic group were most likely to obtain or expect to obtain a bursary, reflecting the finding that English applicants from this group were the most likely to expect to receive grants.

Loan status

A majority of Scottish students and applicants received or expected to receive a maintenance loan (68 per cent overall, 66 per cent students and 69 per cent of applicants), far fewer than the 85 per cent of English applicants who expected the same, possibly reflecting lower overall costs associated with studying in Scotland. Half of Scottish students or applicants received or expected to receive the full maintenance loan (50 per cent).

Other student finance

Just under a quarter of Scottish students and applicants received or expected to receive financial support from their university, such as a bursary, tuition fee waiver³⁷, reduction in accommodation costs or other payment (23 per cent). This was slightly lower than the proportion of English applicants who reported that they expected to receive financial support from their university (29 per cent).

Over a third of those from lower socio-economic groups obtained or expected to obtain assistance from the university (36 per cent), compared with a minority from higher socio-economic groups (16 per cent). Furthermore, Scottish students and applicants who

³⁷ In Scotland tuition fee waivers are offered by colleges for FE students, however Universities will not normally offer them to first degree students domiciled in Scotland as their fees are covered by SAAS.

currently receive or expect to receive a full grant were significantly more likely to also receive or expect to receive financial support from university (45 per cent versus 10 per cent of those not receiving/expecting a grant). There were no significant differences by gender.

Sources of funding

While maintenance loans were the source of student funding most frequently cited by English applicants (79 per cent), in Scotland, support from parents and relatives was the most frequently cited source of student finance by students and applicants (68 per cent overall; 64 per cent of students and 72 per cent of applicants). Table 10 shows that applicants seemingly overestimate financial support from parents and paid work compared to sources of finance reported by students. Students are more likely to rely on bank overdrafts at university than applicants expect to. Similar patterns were seen in England.

Table 10: Main sources of student finance among Scottish students and applicants

	Scottish respondents	Scottish applicants	Scottish students
Parents/other relatives	68%	72%	64%
Paid work in holidays	63%	71%*	53%
Savings	58%	59%	57%
Student Finance maintenance loan	55%	55%	55%
Paid work in term time	49%	63%*	31%
Financial assistance from a university	27%	30%	24%
Student Finance bursary	25%	29%	21%
Bank overdrafts	12%	11%	14%
Credit cards	7%	7%	6%
Sponsorship	3%	5%	-
Base: All Scottish respondents (n=343) including Scottish applicants (n=190) and students (n=153)			
Question text: F1. What sources of finance do you expect to use/use whilst at university?			
Asterisk denotes that the figures are significantly different from other sub-groups within the same demographic category to 95% confidence.			

Information sources used to find out more about student finance

Fewer Scottish students and applicants felt well informed about the costs of university than English applicants (82 per cent of those from Scotland felt they knew a lot or a fair amount, compared with 93 per cent of English applicants). Similarly, the proportion of Scottish students and applicants that sought out detailed information about the costs of university (51 per cent) was somewhat smaller than among English applicants (61 per cent). There were no significant differences by sub-group.

Scottish applicants and students seemed less likely to seek information from websites – around half compared with 61 per cent of English applicants. The most used sources of information on financing university study cited by Scottish respondents were: teachers and tutors (58 per cent), websites (50 per cent), the universities applied to (46 per cent) and family members (42 per cent).

Attitudes to debt and finance

There was some evidence that Scottish students and applicants were somewhat more averse to borrowing than English applicants.

Whereas most attitudes appeared to be similar to the English sample, Scottish respondents were less likely than English to agree that they would be comfortable with taking out a loan in order to invest in their future (65 per cent versus 75 per cent among English applicants).

In line with this, over a third of Scottish applicants and students (37 per cent) reported that they would rather not borrow at all in order to avoid debt (instead of selecting alternative statement 'I would rather have access to loans to support me comfortably through university') compared to just under a quarter of English applicants who expressed the same opinion (24 per cent). Scottish applicants and students who were living at home or planning to live at home while at university were significantly more likely to state that they would rather not borrow at all in order to avoid debt (53 per cent versus 31 per cent).

Considering alternatives to university

As in England, university was the first and only option that the majority of Scottish applicants and students (65 per cent) considered. Interestingly, Scottish applicants were more likely to report this than current students (70 per cent versus 59 per cent), whereas in England current students were likely to report this. This may suggest that Scottish applicants are more likely to consider alternatives earlier (i.e. before and during the application process) than English applicants.

The same is true of individuals who did not receive or expect to receive a bursary (73 per cent), those from the higher socio-economic group (70 per cent) and those aged 16–20 (67 per cent). There were no differences by gender.

Just over a quarter described university as their main preference but stated that they were considering other options (27 per cent). Beyond this, a minority of Scottish respondents placed university among other options (six per cent) or below other options (one per cent).

Reasons for not considering further education colleges and apprenticeships

Over two-fifths of Scottish applicants (43 per cent) and 31 per cent of Scottish students had considered an apprenticeship as an alternative to university. In addition, over two-fifths (46 per cent) of Scottish applicants and 39 per cent of Scottish students had considered attending a further education college, which is considerably higher than the proportion seen amongst English applicants (15 per cent). This may be because colleges in Scotland commonly cover both FE and HE courses³⁸, and therefore some of the difference between English and Scottish responses could be attributed to the institution rather than level of study.

However, the reasons mentioned by those who did not consider an apprenticeship or study at an FE college were similar to those given in England. They cited the lower employment prospects (48 per cent of applicants and 42 per cent of students) as the most common reason (other than wanting to go to university).

Attitudes to the current financial package available

Cost of university as a deterrence

In considering the two statements below, applicants and students from Scotland appeared to have slightly lower levels of concern about student debt than English applicants.

- I nearly didn't apply / go to university because I'm worried about debt
- University is a good investment; I would go irrespective of debt.

Nineteen per cent of Scottish respondents overall agreed with the first statement (compared to 25 per cent of English applicants). Females and those who received or expected to receive a full or partial grant were also more likely to say they almost did not apply to university because of debt (24 per cent, 23 per cent and 31 per cent respectively). However, Scottish students were less likely to express such concerns, with only one in six

³⁸ The questionnaire did not provide an option for students who were studying HE at a college

(16 per cent) agreeing that they nearly didn't apply for university because of worries about debt. This is likely to be reflective of the different student finance system in Scotland.

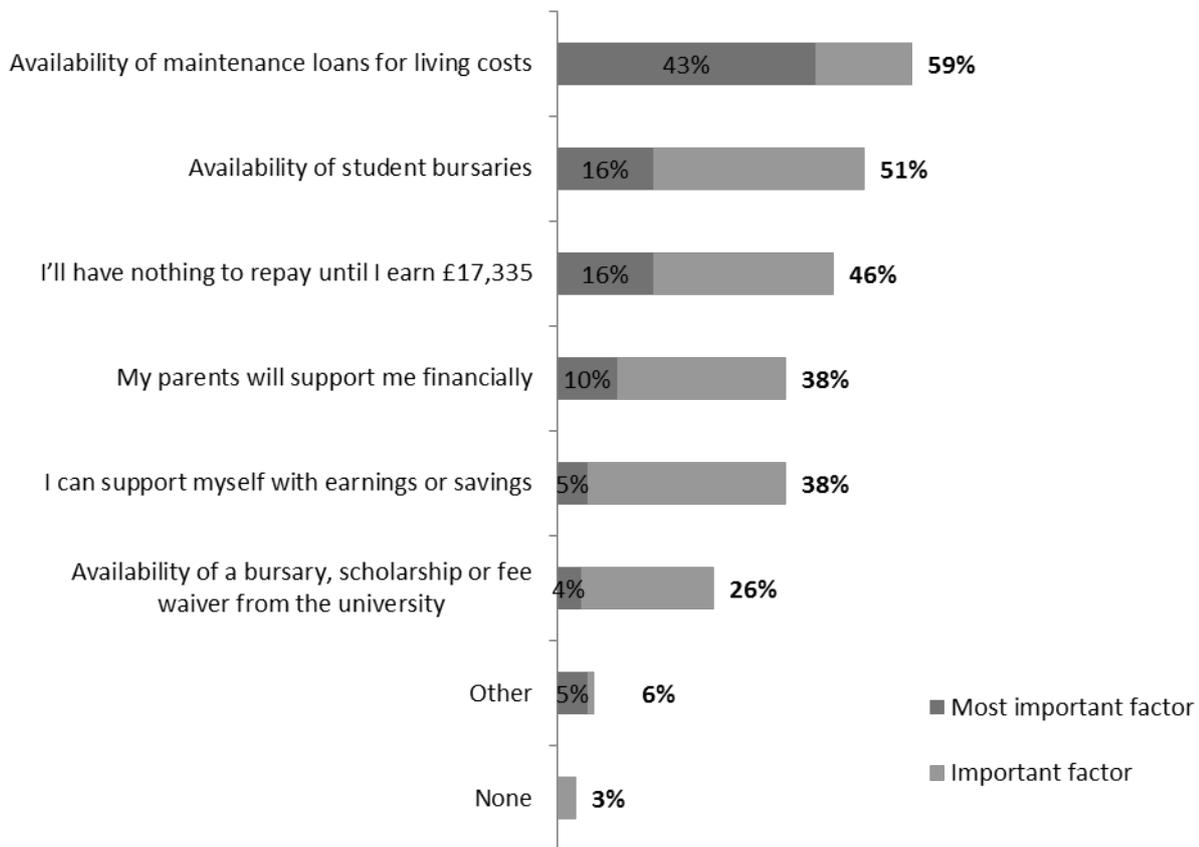
Scottish applicants and students were less 'put off' by the costs of university than English applicants (31 per cent compared to 54 per cent). However, as in England, females (39 per cent) and those receiving or expecting to receive a full bursary (34 per cent) were put off to a greater extent by university costs.

Elements of the student finance offer that help overcome cost deterrence in Scotland

A maintenance loan for living costs was the most effective way of alleviating concerns (important to 59 per cent and considered the most important by 43 per cent). This was by far the most important factor in alleviating concerns among those Scottish students and applicants who were put off. These figures were not broken down further by student or applicant or by sub-group such as socio-economic group, owing to low base sizes (Figure 31).

In England the availability of tuition fee loans was considered most important and the repayment threshold for loans was considered more important than in Scotland (66 per cent of English applicants versus 46 per cent of Scottish ones respectively). Other than this, the relative importance of each common part of the student finance offer was fairly similar in the two countries.

Figure 31: Which aspects of funding helped to alleviate concerns about costs of university in Scotland – important and most important



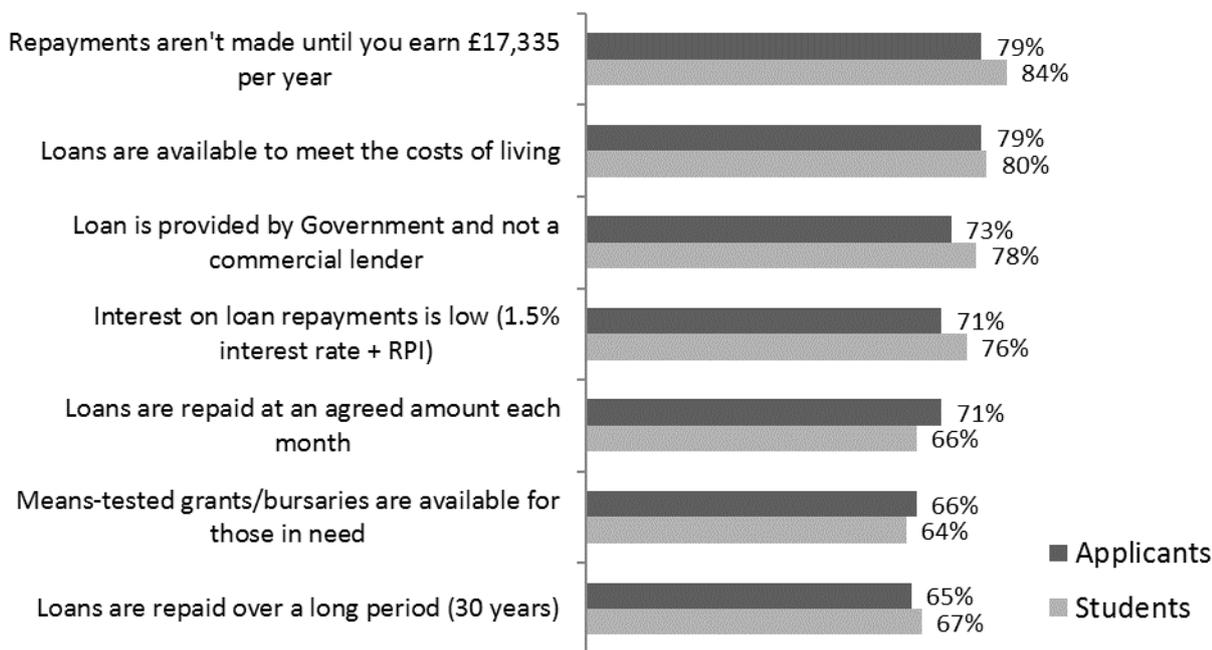
Base: All Scottish students and applicants who are put off by the cost of university (n=120)

Question text: C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs? C4. And which of these was the most important reason in persuading you to apply to university despite the costs?

Evaluation of Scottish financial package

Similarly to England, Scottish applicants and students found all aspects of the student finance offer tested to be appealing (each aspect was considered appealing by at least 60 per cent). The most appealing element of the package was the repayment threshold (81 per cent of applicants and students) (Figure 32).

Figure 32: The appeal of the different components of the student support package in Scotland, by applicants and students



Base: All Scottish applicants (n=190) and students (n=153)

Question text: E2. How appealing are the specific terms of the student finance package to you?

When assessing the components of the student finance package, the most appealing aspects of the package were the same in both Scotland and England – the repayment threshold, the availability of maintenance loans and the fact that loans were provided by the Government rather than by a commercial lender.

However, a smaller proportion of Scottish respondents than English respondents found the maintenance loan, the fact that the loan was government-administered and the long repayment period, appealing. Seventy-nine per cent found the loan covering living costs appealing (compared with 87 per cent of English applicants), while 75 per cent felt that the loan being government-administered was appealing (compared with 82 per cent of English applicants). Sixty-six per cent found the 30-year repayment period³⁹ appealing (compared with 72 per cent of English applicants).

³⁹ In Scotland the repayment period is actually 35 years, however the question erroneously reflected the English repayment period of 30 years.

Reactions to alternative funding scenarios

Maintenance loans and bursaries no longer available (Baseline Comparative Scenario)

In order to reveal the effect that the availability of financial support towards maintenance costs had on the decision to attend university, applicants and students were asked whether they would still attend/have attended university if both bursaries and maintenance loans were no longer available.

This question was asked for comparative purposes rather than to test a likely scenario.

In Scotland, a smaller proportion said that they would decide not to apply to university if bursaries and loans were no longer offered than applicants in England (23 per cent compared with 35 per cent of English applicants in the case that grants and loans were removed).

Those much more likely to report this were those who were receiving or expected to receive a full bursary (40 per cent), those aged 21 or over (37 per cent), members of lower socio-economic groups (30 per cent) and students (29 per cent). There were no differences by gender.

Bursaries for living costs replaced with loans

A small minority of Scottish students and applicants reported that they would no longer apply to university if bursaries were replaced with student loans (three per cent). This was comparable to those English applicants who would no longer apply if maintenance grants were replaced with loans.

Those receiving or expecting to receive a full or partial bursary were most likely to state that they would no longer apply (six per cent and eight per cent respectively), with no significant differences by gender, age or socio-economic group and no difference between applicants and students.

Nearly three fifths (58 per cent) of Scottish students and applicants reported that bursaries being replaced with student loans would make no difference to their choice to attend university. This was a similar proportion to that reported by English applicants. Those without a grant or not planning on applying for a grant were more likely to report this (71 per cent).

As in England, the most common sources of funding that Scottish students and applicants would use instead of bursaries and maintenance loans would be paid work in the holidays (38 per cent), paid work in term time (36 per cent) and relying on parents (34 per cent).

Chapter 9: Conclusions

The overall aim of this research was to understand the importance of financial factors to higher education students and applicants to their decisions about whether to go to university and whether elements of the post-2012 financial support package help support university application rates.

Among our sample of UCAS applicants, the decision to go to university, irrespective of age and socio-economic group, was the only option considered by the majority of applicants (around three quarters). Other options, such as getting a job or travelling, were considered by some, but only alongside considering university. It is perhaps to be expected that applicants who had already gone through the UCAS application process would be more in favour of university as the 'only option'; however, it does also reinforce the idea that the serious consideration of options other than university was minimal.

Financial concerns remained a secondary consideration for applicants overall. This was the case regardless of socio-economic background, although the evidence showed that it was slightly more important to those from lower socio-economic groups. The desire to improve employment opportunities, achieve the qualification and pursue an interest in the subject were each more than twice as likely as considerations of cost to be rated as important to applicants' decision to go to university.

Similarly, financial aspects were secondary in the decision of which university to attend. The course offered, university reputation and potential for high future earnings were the most commonly cited major influences on choice of university. Factors to do with costs – bursaries offered, tuition fees charged and ability to be able to continue to live at home – were three of the four lowest-ranked factors, although, again, they played a relatively bigger part in the decisions of university applicants from lower socio-economic groups.

Nevertheless, financial considerations were important to applicants and something that they were aware of in the decisions they were making. The majority considered university to be worthwhile despite the costs, although around half of them reported that the costs associated with university were off-putting.

Exploration of the available student finance offer showed that, although it was not critical in overall decision-making, the availability of financial support (loans, grants, etc.) was something that helped persuade them to apply to university despite the costs. For example, the availability of tuition fee loans, the availability of maintenance loans and the repayment threshold were the top three elements of the financial package that applicants reported as helping them to overcome feeling 'put off' by the costs of university.

Government support towards living costs was particularly appealing to applicants and appeared to have a strong effect on safeguarding applications to higher education, particularly among lower socio-economic groups, older applicants (aged 21 or over) and

those expecting to get a full grant. When given a scenario where no maintenance support (grants or loans) were available, over a third of applicants reported that they would no longer apply to university (rising to over half of those from the lower socio-economic group, aged 21 or over and those expecting to get a full grant).

Maintenance funding generally appeared to play a key role within the finance support package. When applicants were asked what effect replacing maintenance grants with maintenance loans would have on their decision to apply to university only a small proportion said that they would no longer apply (five per cent).

When rating the appeal of the different aspects of the overall student finance offer, over four fifths cited the repayment threshold, availability of maintenance loans and loans being government-administered rather than commercial as being appealing. Applicants from lower socio-economic groups placed a higher importance on grants, bursaries and on living costs than applicants from higher socio-economic groups and perhaps as a result reported that the maintenance loan, repayment threshold and particularly maintenance grants and university assistance were more important to them in alleviating cost concerns than higher socio-economic group applicants.

Scottish students and applicants were less likely to apply for or take out maintenance loans than English applicants (68 per cent versus 85 per cent), reflecting the differences in the funding systems between the two countries. Scottish students were also more averse to taking out loans and would prefer not to borrow at all to a greater extent. Scottish applicants and students were less likely to be put off by the costs of university or report the costs nearly prevented them from applying.

Annex A. Sample definition, quotas and weighting

Sampling

Samples of applicants, first year students and Scottish students and applicants were drawn.

All samples were drawn from the YouthSight OpinionPanel Community.

University applicants are recruited to the panel via UCAS and are verified using the UCAS registration system. As a result of recruiting from YouthSight's panel, some demographic information such as age, gender, nationality, socio-economic group, home region, current subject and subjects applied to were already known prior to survey.

This means that the sample is not randomly selected in that members of the panel have self-selected to take part in research. Panellists were selected on a random basis for being sent an invitation and exercised their choice whether or not to participate in this research.

Owing to time and budget constraints, completely random sampling was not possible for this study. Therefore, detailed interlocking quotas were assigned to the English applicant sample in order to ensure that it was broadly representative of the wider population. These quotas were based on gender, age and socio-economic group. In addition, separate soft quotas were monitored during sampling. These were: socio-economic group and ethnicity, socio-economic group and grant status, and socio-economic group and university tariff (see Annex B for definitions).

The targets to be achieved for each of the strata (referred to as the quota targets) were determined on the basis of 2012/13 HESA student data⁴⁰. First-year student numbers were used as a proxy for the applicant quotas. The quota targets were calculated to mirror the student population who fitted the following criteria: UK national, first-year, full-time undergraduate students.

- Please find the quota targets in Table 11 below.

⁴⁰ HESA data can be accessed at <https://www.hesa.ac.uk/>

Table 11: Quota targets

Quota	Weighting matrix	
	Numerical target	Quota target
Male 16–20 AB	383	25.543%
Male 16–20 C1C2DE	207	13.824%
Male 21+ AB	32	2.133%
Male 21+ C1C2DE	51	3.399%
Female 16–20 AB	435	28.975%
Female 16–20 C1C2DE	259	17.260%
Female 21+ AB	43	2.868%
Female 21+ C1C2DE	90	5.999%
	1,500	100%

The same 2012/13 HESA student data source was used to develop quota targets for the English student comparison sample.

Sample definitions

The definitions for the samples are given below. In most cases, a sample was selected on the basis of meeting these criteria in panel data already on file (which is regularly rechecked and validated). For some criteria, responses were rechecked at the beginning of the survey (these criteria are marked in **bold**). Student members of the YouthSight OpinionPanel were verified using their 'ac.uk' email address.

English applicant sample

The English applicant sample comprised those who:

- had submitted an application through UCAS in 2014 to start an undergraduate degree at an English university in the autumn of 2015 or 2016
- **would be attending university for the first time**
- intended to study full-time
- **currently lived in England**
- were 16 years old or older
- were nationals of the UK or a UK Overseas Territory.

English student comparison sample

The English student sample comprised those who:

- were full-time undergraduate students
- attended a university in the UK (outside London)
- **lived in England before university**
- **were currently in their first year of university**
- **were 16 years or older when starting university**
- were nationals of the UK or a UK Overseas Territory.

Scottish comparison sample

The Scottish applicant sample comprised those who:

- had submitted an application through UCAS in 2014 to start an undergraduate degree at a Scottish public university in the autumn of 2015 or 2016
- **stated that the university they were most likely to attend (of all applied to) was in Scotland**
- **would be attending university for the first time**
- **currently lived in Scotland**
- were 16 years old or older
- intended to study full-time
- were nationals of the UK or a UK Overseas Territory.

The Scottish student sample comprised those who:

- were full-time students
- attended a public university in Scotland
- **lived in Scotland before university**
- **were currently in their first year of university**
- **were 16 years or older when starting university**
- were nationals of the UK or a UK Overseas Territory.

Achieved sample

The survey was taken by a total of:

- 1,427 applicants to publicly funded universities in the UK who had submitted an application through UCAS for study in 2015/16 or 2016/17 and were UK citizens currently domiciled in England (referred to throughout as applicants).
- 1,589 students in their first year of study at a publicly funded university in the UK (except London universities), on a full-time first-degree course in 2014/15, and domiciled in England before starting their course (referred to throughout as students)
- 343 Scottish students and applicants who are or were domiciled in Scotland before starting university and were studying or planning to study full-time at degree level at a Scottish public university.

The intention in collecting these samples was to provide a comparison between the nationally representative applicant sample and students on the non-London tier of funding and both students and applicants in the Scottish funding system would react to the finance package changes tested.

Table 12 sets out the sample achieved.

Table 12: Achieved sample, by respondent type

	Total	Respondent type	
		Applicant	Student
England	3,016	1,427	1,589
Scotland	343	190	153

Several mailing batches were selected in order to meet the target sample size while fulfilling any quotas. Please see Tables 13 and 14 below for the response rate achieved.

Table 13: Number of applicant invitations and response rate

Respondent type	Invitations	Response rate
Applicants	15,387	10.6%

Table 14: Number of student invitations and response rate

Respondent type	Invitations	Response rate
Students	12,631	14.2%

Weighting

Due to the large number of interlocking quotas applied, these were not fully achieved in the final sample. In order to ensure the data was representative of the wider population according to HESA (2012/13 data), the final sample was weighted according to the original quotas for gender, age and socio-economic groups (students and applicants weighted separately). Please see Table 15 for a summary of the actual sample achieved and the weighting factors applied.

Table 15: Applicant weighting

Quota	Achieved number	Weighting matrix		
		Achieved proportion	Required proportion	Weighting factor
Total	1,427	100.00%	100.00%	
Applicant Male 16+ AB	212	7.03%	12.42%	1.969
Applicant Male 16–20 C1C2DE	199	6.60%	6.20%	1.046
Applicant Male 21+ C1C2DE	31	1.03%	1.53%	1.654
Applicant Female 16–20 AB	500	16.58%	13.02%	0.875
Applicant Female 16–20 C1C2DE	356	11.80%	7.75%	0.732
Applicant Female 21+ AB	22	0.73%	1.29%	1.966
Applicant Female 21+ C1C2DE	107	3.55%	2.69%	0.846

English student comparison sample

In much the same way as with the applicants, the English student sample was weighted to HESA data (2012/13), in this case on population figures for first-year students at non-London universities by age, socio-economic group and gender. Please see Table 16 for a summary of the actual sample achieved and the weighting factors applied.

Table 16: Student weighting

Quota	Weighting matrix			
	Achieved number	Achieved proportion	Required proportion	Weighting factor
Total	1,589	100.00%	100.00%	
Student Male 16–20 AB	300	9.95%	13.11%	1.318
Student Male 16–20 C1C2DE	240	7.96%	6.97%	0.876
Student Male 21+ AB	23	0.76%	0.96%	1.256
Student Male 21+ C1C2DE	78	2.59%	1.57%	0.606
Student Female 16–20 AB	441	14.62%	14.65%	1.002
Student Female 16–20 C1C2DE	356	11.80%	8.62%	0.731
Student Female 21+ AB	31	1.03%	1.29%	1.253
Student Female 21+ C1C2DE	120	3.98%	2.82%	0.708

Scottish comparison sample

Without interlocking quota targets, the Scottish sample was weighted by age and socio-economic class and rim⁴¹ weighting was applied.

Margin of error

The margin of error is a statistic expressing the amount of random sampling error in a survey's results. It asserts a likelihood (not a certainty) that the result from a sample is close to the number one would get if the whole population had been questioned. This calculation is used to estimate how representative the proportions in this report are of the wider population.

Based on data released by UCAS, 460,740 English students applied to university in England in 2015.⁴² Therefore, an estimate of margin of error for our applicant sample of 1,427 respondents is 2.59 per cent on all percentages reported.

⁴¹ RIM weighting is a technique that weights each quota variable independently rather than interlocking with other variables

⁴² [UCAS 2015 cycle applicant figures – June deadline English applicants 2015](#) – 460740

Based on HESA data (2012/13), we estimate the total population of first-year UK students at UK universities to be approximately 400,655. This means that our English sample of 1,589 students has an estimated margin of error of 2.45 per cent on all percentages reported.

This margin of error is calculated to a 95 per cent confidence rate. The margin of error is also calculated for the point of widest variation, which is a proportion of 50 per cent (i.e. 50 per cent of the group respond to a question in a certain way). At responses closer to 0 per cent or 100 per cent, the margin of error will be somewhat less.

In addition, this margin of error applies to any statistics in which the proportion reported represents the entire applicant sample. For sub-groups where sample sizes are smaller, the margin of error will be somewhat higher.

Statistical differences

Percentage score differences between sub-groups were included in the text of this report only if considered statistically significant through t-testing. These calculations were used to estimate whether a difference between sub-groups was likely to reflect a real difference rather than standard variation within the specific sample tested. The confidence level used for significance testing in this report was 95 per cent (unless otherwise noted).

Naturally, where tables appear, percentage values are shown for all sub-groups regardless of whether or not they are considered statistically significant to others. In these cases, where a percentage is statistically higher than other sub-groups according to that variable, it is marked with an asterisk (*). For example, if the percentage for males is marked with an asterisk, this implies that the percentage is significantly significant compared to that given for females. If more than one sub-group is marked, this implies that these scores are significantly higher than all others according to that variable.

Sampling limitations

As noted above, the selection method was not random and respondents' own self-selection to join the YouthSight OpinionPanel Community and to take part in this research was a potential source of bias. To help take account of this and ensure that the sample was broadly representative, the sample included interlocking quotas for age, socio-economic group, gender and age based on HESA data (2012/13). As some of the quotas targets were not met, the data was then weighted to HESA data (2012/13) on student population figures by age, socio-economic group and gender.

To remove self-selection bias by fielding a truly random selection of students and applicants would require a higher level of resources and time than that allocated to this study.

This survey covered current applicants (and, in the comparison samples, full-time students already in their first year of study). Thus it does not cover or attempt to assess decision-making in higher education choices among those who had yet to submit a university application at the time of fielding (fieldwork dates: 10 June to 6 July 2015), nor did it cover individuals who may be considering university but did not submit an application, or those who had ruled out the option of going to university.

The student sample also did not include students studying at universities in London.

Annex B. Definitions

Socio-economic groups (SEG)

Socio-economic group was one of the key criteria used in the interlocking recruitment quotas, in the weighting scheme and in the analysis. Socio-economic background was measured using a question about parental occupation or own occupation in the case of those who were 25 or over, or had lived independently for three years before taking the survey (Table 17).

Table 17: Survey definition of each socio-economic group (SEG)

Socio-economic group	Definition in survey
A	Professional / higher managerial (e.g. doctor, lawyer, chairman or managing director of medium or large firm)
B	Manager / senior administrator (e.g. senior manager, owner of small business, head teacher)
C1	Supervisor / clerical / skilled non-manual (e.g. teacher, secretary, junior manager, police constable)
C2	Skilled manual worker (e.g. fireman, plumber, electrician, hairdresser)
D	Semi-skilled / unskilled manual worker (e.g. assembler, postman, shop assistant)
E	Receiving state benefits for sickness, unemployment, old age or any other reason
<p>Question text (dependent on whether student/applicant is self-sufficient): S6b. Which best describes your main occupation [before you started your current degree course]? S7. Which of these best describes the chief income earner in your PARENTAL household?</p>	

The approach used in this survey differs slightly from the categories used in the NS-SEC classification, used by HESA and the ONS. The full version of that framework uses 17

categories (with sub-groups), though a shorter classification of eight categories (with two sub-categories for the highest class) is generally used for analytical purposes.⁴³

The question used to estimate socio-economic class was the five-class self-coded assessment of socio-economic group shown in the table above. This is derived from National Readership Survey (NRS) demographic categories and the question used is similar in function to the self-coded measures of NS-SEC used by the ONS.

In this report, respondents were analysed according to two main groupings: 'AB respondents' denotes those from higher socio-economic groups, and 'C1–E respondents' denotes those from the lower socio-economic groups.

University tariff

Analysis by university tariff compares the top third of Higher Education Institutions (HEIs) when ranked by mean UCAS entry requirements from the top three A-level grades of entrants (referred to as *top-third* or *higher-tariff*). It is based on the university that students attend or that applicants feel they are most likely to attend.⁴⁴

Compound variables

A number of variables are used in this report that combine variables as given in the question text asked. Please find a summary of these in Table 18 below:

⁴³ Unlike the NS-SEC, the survey question used to evaluate SEG did not include the following additional three classifications that represent 'not classified': *Students*, *Occupations not stated or inadequately described* or *Not classifiable for other reasons*.

⁴⁴ List of Most Selective Universities taken from [BIS report BIS/13/P155 – Widening Participation in Higher Education \(2013\)](#)

Table 18: Compound variables defined

Variable	Definition
<p>Non-White (applicants or students)</p>	<p>Any answer given to the question ‘S5. Which best describes your ethnicity?’ except White, including Black or Black British – Caribbean, Black or Black British – African, Other Black background, Asian or Asian British – Indian, Asian or Asian British – Pakistani, Asian or Asian British – Bangladeshi, Chinese, Other Asian background, Other (including mixed)</p>
<p>Asian (applicants or students)</p>	<p>The following answers given to the question ‘S5. Which best describes your ethnicity?’: Asian or Asian British – Indian, Asian or Asian British – Pakistani, Asian or Asian British – Bangladeshi, Chinese, Other Asian background</p>
<p>Black (applicants or students)</p>	<p>The following answers given to the question ‘S5. Which best describes your ethnicity?’: Black or Black British – Caribbean, Black or Black British – African, Other Black background</p>
<p>Declare a disability (applicants or students)</p>	<p>The following answers given to the question ‘Do you have any of the following disabilities?’: Mental health difficulties, learning disability (including dyslexia), an unseen disability, autistic spectrum disorder, blind / partially sighted, deaf / hearing impairment, wheelchair user / mobility difficulties, Other</p>
<p>AB / C1–E (socio-economic groups)</p>	<p>These are combinations of the socio-economic background definitions.</p>

Annex C. MaxDiff module method

Maximum difference scaling (known as MaxDiff) is a discrete choice model first described by Jordan Louviere in 1987 while on the faculty at the University of Alberta. The first working papers and publications on it came out in the early 1990s.

With MaxDiff, survey respondents are shown a set of the possible items and are asked to indicate the best and worst items (or most and least important, or most and least appealing, etc.). MaxDiff asks respondents to evaluate all possible pairs of items within the displayed set and choose the pair that reflects the maximum difference in preference or importance.

The benefit of using this method is that we are able to ascertain the importance of each decision-making factor regarding university rather than relying on the respondents themselves to accurately report their preferences and behaviour through direct questioning (see the 'Challenges' section in the introduction of this report).

In this case, the following items were shown in various combinations of four according to a pre-defined rotation schedule:

- The level of tuition fees
- Getting a non-repayable [grant/bursary] towards living costs
- Getting a student loan towards living costs
- Getting a bursary or financial help from a university
- Living costs
- Getting on to the course I want
- Getting the university I want
- Wish to pursue my interest in a specific subject
- My friends are/were going
- My parents expect(ed) me to
- Wish to experience a different way of life
- I just always expected to go
- Wish to improve my job opportunities/salary prospects
- Wish to delay getting a job
- Wish to achieve the qualification.

Respondents were then asked to select the most and least important factor in their decision to go to university (see Annex E for a copy of the survey). The question was repeated ten times, with the respondent answering under different rotations of the items above.

MaxDiff results are aggregated to provide a relative importance score for each attribute. This is based on the number of times attributes are chosen as most and least important (from the list of four presented at a time) and what other options were shown when this choice was made. These means are then indexed around 100. Scores of above 100 are of above-average importance and scores below 100 are of below-average importance.

Annex D. Conjoint module method

The starting assumption for this analytical approach is that consumers are often better at making choices between alternative packages than they are at unpicking, rating and ranking the package elements that drive their decision. Conjoint analysis originated in mathematical psychology at the University of Pennsylvania in the 1960s.

The aim of the conjoint method is to evaluate the importance of component elements of the student financial package (i.e. loan amount available, grant amount available, tuition fee and repayment threshold) in the decision to attend university. This advanced analytics approach goes beyond simplistic reactions to suggested changes to the financial package offered to students (a question-and-answer format).

A conjoint approach focuses on applicant feedback to a number of financial package scenarios, and identifies how different elements of the student finance package affect the applicants' decision to attend university. In exploring the impact of student finance on decision-making, this approach is able to derive a utility score for each possible element, which expresses its relative importance in individuals' decision-making processes. These utility scores are then used to determine how those elements affect the likelihood that the applicants will still apply to university.

We used this analytical tool to test the impact of different components ('attributes') of the student support package and whether different packages would make a difference to intentions to (continue to) apply to university. This aims to show which combinations of attributes (conjoined features, hence the name 'conjoint analysis') in any student support package are most attractive to university applicants and what impact they would have on university application among different groups of applicants

The key attributes we selected for analysis (and the different possible levels) were the Grant Amount Available, the Maintenance Loan Amount Available, the Loan Repayment Threshold and the Maximum Tuition Fee. For each of these attributes, several different levels were derived. Please see Table 19 below for the attributes and levels selected:

Table 19: Attributes and levels tested in conjoint exercise

Attributes	Levels
Grant amount*	<ul style="list-style-type: none"> - £1k more than the maximum you would currently get - The amount you currently (expect to) get - £1k less than the amount you currently (expect to) get (or £0 if you get less than this) - £2k less than the amount you currently (expect to) get (or £0 if you get less than this) - No grant available
Maintenance loan amount*	<ul style="list-style-type: none"> - £2k <u>more</u> than the maximum you would currently get - £1k <u>more</u> than the maximum you would currently get - The maximum you would currently get - £1k <u>less</u> than the maximum you would currently get - £2k <u>less</u> than the maximum you would currently get
Repayment threshold	<ul style="list-style-type: none"> - Repayments will begin when earning at least <u>£18K</u> per annum - Repayments will begin when earning at least <u>£21k</u> per annum - Repayments will begin when earning at least <u>£24k</u> per annum
Maximum tuition fee	<ul style="list-style-type: none"> - Tuition fee of £8k per year - Tuition fee of £9k per year - Tuition fee of £10k per year - Tuition fee of £11k per year

Scenarios were created combining these four key attributes. Each scenario included all four attributes, but the level (or amount) varied. The amounts presented were not based on any calculations or plans, but were designed to be notably different from one another in order to help respondents distinguish between different packages of support (or ‘scenarios’) that they were presented with. A complex rotation schedule was created to compare all these possible scenarios (meaning that the exact combination of scenarios tested differed between respondents, and no one respondent saw every possible combination).

Each respondent completed the conjoint question ten times (using different combinations of scenarios as per the rotation). On each occasion they were asked to pick one scenario out of three on the basis of which was most attractive to them, and then asked a question assessing whether they would apply to university under that chosen scenario.

The exact wording used was:

Please look at each scenario and indicate which of the three options you would find most attractive.

And then:

**Would the option you have chosen above mean that you would still go to university?
Yes / No**

By analysing how respondents made choices between these scenarios, the implicit valuation of the individual elements was determined. Each level (within the attributes) was assigned a relative utility score using Bayesian hierarchical modelling. The objective of this was to determine a utility score for the entire scenario. This was then factored into an analysis of the questions concerning continuing with the decision to apply to university.

As our sample contained only current students and applicants, the proportion that planned to attend university was considered to be 100 per cent. The resulting modelling determined what proportion of those students and applicants would continue with their plans to attend under different funding arrangements, but it could not determine any increases in university applications or intentions above 100 per cent.

Annex E. Questionnaire text

This survey is all about your decision to apply for/attend higher education (HE).

We'd like to understand what made a difference to your choices, including how you (plan to) finance your study.

The findings from this piece of work will be used to inform future government policies, so it's really important that you answer as accurately as possible.

Ask all applicants

S1a. Are you planning on attending university for the first time in the autumn of this year (2015) or next year (2016)?

Please choose one answer

Yes – in 2015

Yes – in 2016

Unsure

No [screen out]

Ask all students

S1b. Are you currently in your first year of university?

If you have recently finished your first year but not yet started your second year, please choose 'Yes'

Please choose one answer

Yes

No [screen out]

Ask all applicants

S2a. How old will you be when you start university?

Extra text for those who say 'Unsure' at S1a

If you're unsure about when you're going to university, please tell us what your age will be at the earliest point you might go to university

[Open numeric; screen out if under 16]

Ask all students

S2b. How old were you when you started university?

[Open numeric; screen out if under 16]

Ask all applicants

S3a. In which region of the UK do you currently live?

If you are currently living somewhere temporarily, please tell us where your most recent permanent address was

Please choose one answer

East

East Midlands

London

North East

North West

Northern Ireland [screen out]

Scotland [If Scottish applicants don't choose this, screen out. If English applicants do choose this, screen out]

South East

South West

Wales [screen out]

West Midlands

Yorkshire and the Humber

Ask all students

S3b. In which region of the UK did you live before starting university?

If you lived somewhere temporarily before starting university, please tell us where your most recent permanent address was before you started university

Please choose one answer

East

East Midlands

London

North East

North West

Northern Ireland [screen out]

Scotland [If Scottish applicants don't choose this, screen out. If English applicants choose this, screen out]

South East

South West

Wales [screen out]

West Midlands

Yorkshire and the Humber

Ask all

S8. [Applicants] When you go to university, do you expect to be studying in London?

[Students] Are you currently studying in London?

Please choose one answer

Yes

No

Ask all applicants

S8b. You've told us previously that you have applied to the following universities. Which will you most likely be attending?

Please choose one answer

[If S3a = Scotland but university region is not Scotland – screen out]

[Institutions chosen must be on the public universities list. If not, please screen out]

Ask all

S4. Which best describes your gender?

Please choose one answer

Male

Female

Ask all

S5. Which best describes your ethnicity?

Please choose one answer

White

Black or Black British – Caribbean

Black or Black British – African

Other Black background

Asian or Asian British – Indian

Asian or Asian British – Pakistani

Asian or Asian British – Bangladeshi

Chinese

Other Asian background

Other (including mixed)

- Ask all aged 19–24
- **S6a.** Have you supported yourself financially for a total of three years or more before the start of your university course?

- Yes
- No

- Ask all who said 'Yes' at S6a or are over 24

- **S6b. Which best describes your main occupation [before you started your current degree course]?**

Professional / higher managerial (e.g. doctor, lawyer, chairman or managing director of medium or large firm)

Manager / senior administrator (e.g. senior manager, owner of small business, head teacher)

Supervisor / clerical / skilled non-manual (e.g. teacher, secretary, junior manager, police constable)

Skilled manual worker (e.g. fireman, plumber, electrician, hairdresser)

Semi-skilled / unskilled manual worker (e.g. assembler, postman, shop assistant)

- Receiving state benefits for sickness, unemployment, old age or any other reason

Ask all aged under 19 or who said no at S6a

S7. Which of these best describes the chief income earner in your PARENTAL household?

Please choose one answer

Professional / higher managerial (e.g. doctor, lawyer, chairman or managing director of medium or large firm)

Manager / senior administrator (e.g. senior manager, owner of small business, head teacher)

Supervisor / clerical / skilled non-manual (e.g. teacher, secretary, junior manager, police constable)

Skilled manual worker (e.g. fireman, plumber, electrician, hairdresser)

Semi-skilled / unskilled manual worker (e.g. assembler, postman, shop assistant)

Receiving state benefits for sickness, unemployment, old age or any other reason

New screen

- This next section is all about how you made the decision to go to university

New screen; ask all

- **A1. When [you were] considering applying to university, where did you get information and advice about financing your study? For example, about tuition fees and living costs and the financial support available?**

- *Please choose all that apply*

A careers advisor at school or college

A teacher or tutor at school or college

Your employer

JobCentre Plus advisor

A website (e.g. DirectGov, learndirect, Student Finance England, Student Awards Agency Scotland)

Your friends

A family member

The Student Finance Tour visiting your school or college

A bank

A university you considered applying to

Other (specify)

None of these [exclusive]

Don't know [exclusive]

Ask all

- **A2. [Applicants] Have you sought detailed information about the costs of going to university?**
- **[Students] Before starting your course, did you seek detailed information about the costs of going to university?**

- *Please choose one answer*

- Yes
- Somewhat
- No

Ask all

A3. [Applicants] How knowledgeable would you say you are about the costs of attending university for you personally?

- **[Students]** Before starting your course, how knowledgeable would you say you were about the costs of attending university for you personally?

- *Please choose one answer*

I know/knew a lot

I know/knew a fair amount

I do/did not know much at all

I do/did not know anything

Ask applicants

A3a. Have you applied to [Student Finance England /Student Awards Agency Scotland] to support the costs of university?

- *Tick all that apply*

Yes – applied for a tuition fee loan [Do not show to Scotland]

Yes – applied for a maintenance loan for living costs

Yes – applied for [grant/bursary] for living costs

No – I've not yet applied [exclusive]

No – I don't intend to apply [exclusive]

Ask all

A4. Which of the following best describes your decision to apply for university?

- *Please choose one answer*

It is/was the first and only option I am considering/considered

It is/was my main preference, but I am considering/considered others

It is/was one of the options I am considering/considered

I am considering/considered doing other options first

Ask all considering other options (codes 2–4) at A4

A5. What else are you considering/did you consider doing instead of attending university?

- *Please choose all that apply*
- Getting a job
- Getting an apprenticeship
- Studying at an FE college
- Taking a gap year/travelling
- Looking after home/family
- Other (please specify)

Ask all who did not choose codes 2 or 3 at previous question

A6. Why are you not considering/did you not consider doing an apprenticeship, or studying at an FE college?

Please choose all that apply

There isn't/wasn't a college close to where I live

There isn't/wasn't a course that would help me get a job in the career I'm interested in

FE doesn't have a good reputation

Didn't know enough about the options available

I was concerned about the quality of the course/apprenticeships available

The course costs were too high

None of my friends are doing those

My parents expected me to go to university

It does not have a very good social life/social facilities

I want/wanted to go to university

Other (specify)

- **Ask all**

B1. In the following exercise, we'd like you to think about your decision to attend university and the factors affecting your final decision. You will be presented with a series of four possible factors which might (have) affect(ed) your decision to go to university. You will see some of the factors more than once. In each group of four factors, please choose the **most and least important influence** on your final decision to go to university.

Of the following four factors, please choose the MOST and LEAST important influence on your final decision to go to university.

The level of tuition fees

Getting a non-repayable grant/bursary towards living costs

Getting a student loan towards living costs

Getting a bursary or financial help from a university

Living costs

Getting on to the course I want

Getting the university I want

Wish to pursue my interest in a specific subject

My friends are/were going

My parents expect(ed) me to

Wish to experience a different way of life

I just always expected to go

Wish to improve my job opportunities/salary prospects

Wish to delay getting a job

Wish to achieve the qualification

- **Ask all**

- B2. As well as thinking about whether to go to university, people can have different reasons for choosing **WHERE** they study

- **[Applicants]** Thinking about your main choice of university, apart from the entry requirements, how influential were the following in your final choice of **WHERE** to study?

- **[Students]** Thinking about the university you chose to attend, apart from the entry requirements, how influential were the following your final choice of **WHERE** to study?

- **[RANDOMISE ORDER]**

Rows

Tuition fees

Living costs in the university town or city

University reputation

Learning resources available

Located where I can continue to live at home

Bursaries, scholarships or waivers available

Opportunities to earn while studying

Future earnings potential

Course offered

Being close to my friends

Formal work placements/sandwich courses available

Other (specify)

- **Columns**
 - Major influence
 - Some influence
 - Little influence
 - No influence
-
- **New screen**
 - Now we'd like to ask you a few questions about the cost of university
-
- **New screen; ask all**
 - **C1. When deciding to attend university, were you put off by the associated costs?**
-
- *Please choose one answer*
-
- Yes, a lot
 - Yes, a little
 - Not a lot
 - Not at all
-
- **Ask all who said 'a lot' or 'a little' at C1 except Scotland sample**

- **C2. And were you put off more by the cost of tuition fees or living costs, both equally?**

- *Please choose one answer*

- Tuition fees
- Living costs
- Both equally

- **New screen; ask all who said 'a lot' or 'a little' at C1**

- **C3. Which, if any, of the following helped persuade you to apply/go to university despite being put off by the costs?**

- *Please choose all that apply*

- Availability of tuition fee loans [Do not show to Scotland]
- Availability of maintenance loans for living costs
- Availability of non-repayable maintenance grants for living costs [Do not show to Scotland]
- Availability of student bursaries [Do not show to England]
- (Prospect of) a bursary, scholarship or fee waiver from the university
- I'll have nothing to repay until I earn £21,000 [Do not show to Scotland]
- I'll have nothing to repay until I earn £17,335 [Do not show to England]
- My parents will support me financially
- I can support myself with earnings or savings
- Other (please specify)

- **Ask all who said 'a lot' or 'a little' at C1**

- **C4. And which of these was the most important reason in persuading you to apply to university despite the costs?**

Insert answers from previous question

Ask all who said 'Not a lot' or 'Not at all' at C1

- **C5. Which, if any, of the following meant you were not put off by the costs?**

- *Please choose all that apply*

- Availability of tuition fee loans [Do not show to Scotland]
- Availability of maintenance loans for living costs
Availability of non-repayable maintenance grants for living costs [Do not show to Scotland]
Availability of student bursaries [Do not show to England]
(Prospect of) a bursary, scholarship or fee waiver from the university
I'll have nothing to repay until I earn £21,000 [Do not show to Scotland]
I'll have nothing to repay until I earn £17,335 [Do not show to England]
My parents will support me financially
I can support myself with earnings or savings
Other (please specify)

Ask all who said 'Not a lot' or 'Not at all' at C1

C6. And which was the most important reason in ensuring you were not put off by the costs?

- *Please choose one answer*

Insert answers from previous question

New screen

We are now going to ask you about the financial support you may get / expect to get from Student Finance England / Student Awards Agency Scotland. Please do your best to answer questions as accurately as you can, or give your best estimate if you are unsure of your entitlements. Further guidance is supplied below the questions, if needed.

Ask all

- **D1. [Applicants]** Do you expect to receive a **[maintenance grant/bursary]** from **[Student Finance England / Student Awards Agency Scotland]** towards your living costs when you start university?
- **[Students]** Have you received a **[maintenance grant/bursary]** from **[Student Finance England / Student Awards Agency Scotland]** towards your living costs this academic year?

- *Please choose one answer*

- Yes, a full **[grant/bursary]**
- Yes, a partial **[grant/bursary]**
- No
- Not sure

- **[Show for England]**
- A maintenance grant helps with your living costs while you're studying and the amount you receive depends on your household income. You don't have to pay this back.
 - If your household income is £25,000 or less you can get the full grant of £3,387
 - Between £25,001 and £42,620 you can get a partial grant of between £3,387 and £50
 - The amount of maintenance grant you get affects the amount of maintenance loan you are eligible for.

[Show for Scotland]

A bursary helps with your living costs while you're studying and the amount you receive depends on your household income. You don't have to pay this back.

- If your household income is £16,999 or less you can get the full bursary of £1,875
- Between £17,000 and £33,999 you can get a partial bursary of between £1,125 and £500.

- **Ask all who said 'Yes' / 'Not sure' at D1**
- **D2. [Applicants]** What amount do you expect to receive each year?
- **[Students]** What amount did you receive this year?

- **Open numeric**

- **Minimum £50**
- **Maximum £3,387 No negative numbers**

[Show for England]

A maintenance grant helps with your living costs while you're studying and the amount you receive depends on your household income. You don't have to pay this back.

- If your household income is £25,000 or less you can get the full grant of £3,387
- Between £25,001 and £42,620 you can get a partial grant of between £3,387 and £50
- The amount of maintenance grant you get affects the amount of maintenance loan you are eligible for.

[Show for Scotland]

A bursary helps with your living costs while you're studying and the amount you receive depends on your household income. You don't have to pay this back.

- If your annual household income is £16,999 or less you can get the full bursary of £1,875
- Between £17,000 and £33,999 you can get a partial bursary of between £1,125 and £500.

If you have been financially independent for three years before starting your degree, or have dependents or other special personal circumstances, you may be entitled to additional special funding but less bursary (up to £750 if your income is £16,999 a year or less).

- **Ask all**
- **D3. [Applicants] Do you expect to receive a maintenance loan from [Student Finance England / Student Awards Agency Scotland] towards your living costs when you start university?**
- **[Students] Have you received a maintenance loan from [Student Finance England / Student Awards Agency Scotland] towards your living costs this academic year?**
- Please choose one answer
- Yes, the full loan
- Yes, a partial loan to top up my grant/bursary
- Yes, a partial loan (without a grant/bursary)
- No

- **[Show for English applicants]**

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income, the amount of grant you receive, your course and where you live and study.

- The MAXIMUM is £5,740 a year if you live away from home and study outside London
- The MAXIMUM is £8,009 a year if you live away from home and study in London
- The MAXIMUM is £4,565 a year if you live with your parents.

- **[Show for English students]**

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income, the amount of grant you receive, your course and where you live and study.

- The MAXIMUM is £5,555 a year if you live away from home and study outside London
- The MAXIMUM is £7,751 a year if you live away from home and study in London
- The MAXIMUM is £4,418 a year if you live with your parents.

[Show for Scotland]

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income and the amount of bursary you receive.

- The MAXIMUM is £5,750 a year if your annual family income is less than £34,000
- The MAXIMUM is £4,750 a year if your annual family income is £34,000 or more.

You might be entitled to a bigger loan if you have been financially independent for three years before starting your degree, or have dependents or other special personal circumstances.

- **Ask all who said 'Yes' at D3**

- **D4. [Applicants] What amount do you expect to receive each year?**

- **[Students] What amount did you receive this year?**

- Maximum £6,000 for those not in London (at S8) and £8,010 for those in London
- No negative numbers

[Show for English applicants]

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income, the amount of grant you receive, your course and where you live and study.

- The MAXIMUM is £5,740 a year if you live away from home and study outside London
- The MAXIMUM is £8,009 a year if you live away from home and study in London
- The MAXIMUM is £4,565 a year if you live with your parents.

- **[Show for English students]**

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income, the amount of grant you receive, your course and where you live and study.

- The MAXIMUM is £5,555 a year if you live away from home and study outside London
- The MAXIMUM is £7,751 a year if you live away from home and study in London
- The MAXIMUM is £4,418 a year if you live with your parents.

[Show for Scotland]

A maintenance loan helps towards your living costs, such as food, rent and books. The amount you can borrow depends on your household income and the amount of bursary you receive.

- The MAXIMUM is £5,750 a year if your annual family income is less than £34,000
- The MAXIMUM is £4,750 a year if your annual family income is £34,000 or more.

You might be entitled to a bigger loan if you have been financially independent for three years before starting your degree, or have dependents or other special personal circumstances.

- **Ask all in England**

- **D5. [Applicants] Do you expect to take out a tuition fee loan from Student Finance England when you start university?**
- **[Students] Have you taken out a tuition fee loan from Student Finance England this academic year?**
- Yes, to cover all the fee cost
- Yes, to cover to some of my fees
- No
- Don't know

A tuition fee loan helps you pay for your course. Full-time students can apply for a tuition fee loan of

- The amount you can get doesn't depend on your household income, but DOES depend on the tuition cost of your course
- The MAXIMUM is £9,000 to cover the cost of tuition fees.

- Ask all who said 'Yes' at D5

- **D6. [Applicants] What amount do you expect to take out each year?**

- **[Students] What amount did you take out this year?**

A tuition fee loan helps you pay for your course. Full-time students can apply for a tuition fee loan of

- The amount you can get doesn't depend on your household income, but DOES depend on the tuition cost of your course
- The MAXIMUM is £9,000 to cover the cost of tuition fees.

- Open numeric

- No negative numbers, maximum £9,000

- Ask all who said 'No' at D1 and D3 and D5

- **D7. You've said that you don't use / intend to use any Student Finance loans or [grants/bursaries]. Why is that?**

Please choose all that apply

I don't want to get into debt
I don't need Student Finance support
I did not know how to apply
I don't think I'm eligible
Other (please specify)

- Ask all

- **D8. [Applicants] Do you expect to obtain some financial support from the university to which you are applying?**

- **[Students] Have you received any financial support from your university?**

- Yes, a bursary

- Yes, a tuition fee waiver
- Yes, a reduction in accommodation costs
- Yes, other payment in kind (please specify)
- No

Ask all who said 'Yes' at D8

D9. What is the value of that support this / per year?

Please provide your best guess if you are unsure

Open numeric

No negative numbers

[England only]

E1. For this next section of the survey, we will ask you to consider a number of possible ways in which your university course could be financed (a support package).

Each support package offers a different combination of loan/grant amounts, repayment terms and tuition fees

We will show you three different support packages at a time. Please tell us which of the three options you would find most attractive. Please look at each scenario and indicate which of the three options you would find most attractive.

You will then be asked whether the option you have chosen would have allowed you to attend university.

Please think about how much you (expect to) receive in student financial support. The options will ask you to make decisions based on an increase or decrease in that amount. If the decrease shown is more than you currently (expect to) receive, then please assume you would receive £0.

You'll be asked to repeat this exercise several times.

**Each respondent will be asked a number of iterations of this question, all with scenarios generated using combinations of the following attributes and levels:*

Please look at each scenario and indicate which of the three options you would find most attractive. If the decrease shown is more than you currently (expect to) receive, then please assume you would receive £0.

Table 20 Conjoint module attributes and levels

Attributes	Levels
<u>GRANT AMOUNT</u>	<ul style="list-style-type: none"> - £1k more than the maximum you would currently get <i>PROHIBIT being asked in combination with higher loans option</i> - The amount you currently (expect to) get - £1k less than the amount you currently (expect to) get (or £0 if get less than this) - £2k less than the amount you currently (expect to) get (or £0 if get less than this) - No grant available
<u>MAINTENANCE LOAN AMOUNT</u>	<ul style="list-style-type: none"> - £2k <u>more</u> than the amount you currently (expect to) get - £1k <u>more</u> than the amount you currently (expect to) get - The amount you currently (expect to) get - £1k <u>less</u> than the amount you currently (expect to) get (or £0 if get less than this) - £2k <u>less</u> than the amount you currently (expect to) get (or £0 if get less than this)
<u>REPAYMENT THRESHOLD</u>	<ul style="list-style-type: none"> - Repayments will begin when earning at least <u>£18K</u> per annum - Repayments will begin when earning at least <u>£21k</u> per annum - Repayments will begin when earning at least <u>£24k</u> per annum
<u>TUITION FEE MAX</u>	<ul style="list-style-type: none"> - Tuition fee of £8k per year - Tuition fee of £9k per year - Tuition fee of £10k per year - Tuition fee of £11k per year

Respondent to be shown three options, and then asked for the one chosen:

Would the option you have chosen above mean you would still go to university?

Yes

No

Ask all

E2. How appealing are the specific terms of the student finance package to you?

- Please choose one answer per row

Rows

Repayments aren't made until you earn £21,000 per year [Do not show to Scotland]

Repayments aren't made until you earn £17,335 per year [Do not show to England]

Interest on loan repayments is low (1.5% interest rate + RPI)

Loans are repaid as a fixed amount each month

Loans are repaid over a long period (30 years)

Loan is provided by Government and not a commercial lender

Means-tested [grants/bursaries] are available for those in need

Loans are available to meet the costs of living

Columns

Very appealing

Quite appealing

Neither

Not very appealing

Not at all appealing

Ask all

F1. The next few questions are about how you finance yourself at university

What sources of finance do you expect to use/use while at university? Please include any you have already mentioned

Please choose all that apply

Commercial bank loans

Bank overdrafts

Bursary, fee waiver or other financial assistance from a university

Credit cards

Parents/ other relatives

Savings

Loan or bursary from employer

Sponsorship (e.g. from business, armed forces, Government)

Student Finance maintenance loan

Student Finance tuition fee loan [Do not show to Scotland]

Student Finance maintenance grant [Do not show to Scotland]

Student Finance bursary [Do not show to England]

Paid work – part-/full-time job in holidays

Paid work – part-/full-time job in term time

Other (please specify)

- Ask all
- **F2. If the Student Finance maintenance [grant/bursary] for living costs were replaced with a student loan, would your decision to attend university be affected in any of the following ways?**

Please choose all that apply

- I would not have applied to university (*exclusive*)
- I would seek funding from elsewhere
- I would study part-time
- I would choose a university with lower fees
- I would study closer to home
- It would make no difference to my choice at all (*exclusive*)
- Don't know

- Ask those who wouldn't have applied to university at F2
- **F3. What do you think you would [have done / do] instead?**

- *Please choose one answer*
-

- Delayed university until I have the money
- Sought to study through other means such as at college or an apprenticeship
- Drop the idea of university and get a job
- None

- Ask those who would have still applied to university at F2
- **F4. What sources of funding would you expect to use instead of a maintenance [grant/bursary] to support your study?**

Please choose all that apply

- Commercial bank loans
- Bank overdrafts
- Bursary, fee waiver or other financial assistance from a university
- Credit cards
- Parents/ other relatives
- Savings
- Loan or bursary from employer
- Sponsorship (e.g. from business, armed forces, Government)

Paid work – part-/full-time job in holidays

Paid work – part-/full-time job in term time

It would make no difference as I don't (expect to) get a [grant/bursary]

Other

- Ask all
- **F5. If student financial support in the form of both maintenance loans and [grants/bursaries] to support living costs were removed altogether, would your decision to attend university be affected in any of the following ways?**

Please choose all that apply

I would not have applied to university (*exclusive*)
 I would seek funding from elsewhere
 I would study part-time
 I would choose a university with lower fees
 I would study closer to home
 It would make no difference to my choice at all (*exclusive*)
 Don't know

- Ask those who wouldn't have applied to university at F5
- **F6. What do you think you would [have done / do] instead?**

Please choose all that apply

Delayed university until I have the money
 Sought to study through other means such as at college or an apprenticeship
 Drop the idea of university and get a job

- Ask those who would have still applied to university at F5
- **F7. What sources of funding would you expect to use instead to support your study?**

Please choose all that apply

Commercial bank loans
 Bank overdrafts
 Bursary, fee waiver or other financial assistance from a university
 Credit cards
 Parents/ other relatives
 Savings
 Loan or bursary from employer
 Sponsorship (e.g. from business, armed forces, Government)
 Paid work – part-/full-time job in holidays
 Paid work – part-/full-time job in term time
 It would make no difference as I don't (expect to) get a loan or a grant/bursary
 Other

Ask students who said 'Yes' at D8

- **F9. If the bursary or financial support you expect to receive from your university were not available to you next year, would you continue with your studies?**

- *Please choose one answer*

- Yes
- No
- Don't know

Ask all students who said 'Yes' at D1, D3 or D5

- **F8. To what extent do you agree that your Student Finance (in [grants/bursaries] and loans) adequately meets your living costs?**

- *Please choose one answer*

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

New screen

Almost there! Thank you for your answers so far. Just a few more questions.

New screen; ask all

G1 .To what extent to you agree with the following statements?

Please choose one answer per row

Rows

I am comfortable with taking out a loan in order to invest in my future

I would much rather save for the things I need rather than borrow

I am comfortable with managing my money

Borrowing money is part of today's lifestyle

Once you get into debt it's very difficult to get out

Columns

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Ask all

G2. Which of the following two statements best represents your view?

Please choose one answer

- I nearly didn't apply / go to university because I'm worried about debt
- University is a good investment; I would go irrespective of debt.

Ask all

G3. And which of these statements best represents your view?

Please choose one answer

- I would rather have access to loans to support me comfortably through university
- I would rather not borrow at all in order to avoid debt.

Ask all

S9. [Applicants] Which of the following best describes where you expect to live during term time when you go to university?

[Students] Which of the following best describes your university (term-time) accommodation?

Please choose one answer

- University-run halls/flats
- At home with parents/family
- Private student accommodation
- Privately let flats/houses not provided by the university
- Your own flat/house (owned by you/your family)
- Other

Ask all

S10. Do any of the following apply to you?

Please choose all that apply

I have children under 17

An adult depends on me financially

I have a disability, health condition or learning difficulty – e.g. dyslexia

Students – Before I started university I was on a low income and found it really hard to pay for basics like food and accommodation

Applicants – I am on a low income and find it really hard to pay for basics like food and accommodation

Ask all

S11. Which religion do you see yourself as belonging to?

Insert answers from R02

Ask all

S12. Do you have any of the following disabilities?

Insert answers from R02

[End]

Annex F. Sample profiles

This section describes the key demographics and characteristics of the samples participating in the survey (English applicants, and the comparison samples of English students and of Scottish applicants and students) to illustrate what the populations involved in the research looked like. The information provided is based on survey responses unless otherwise indicated.

Year of entry into higher education

The majority of English applicants plan to attend university in 2015 (94 per cent), with five per cent intending to attend in 2016 and the remainder unsure.

Comparison samples

All English students sampled entered their course in 2014/15. In Scotland, 88 per cent of the applicants sampled intended to study in 2015 and nine per cent in 2016.

Age

In the English sample, 87 per cent of applicants will be aged 20 years old or younger by the time they start university. Eight per cent will be aged between 21 and 24 years old and five per cent will be aged 25 or older

Comparison samples

Among English students, 87 per cent were aged 20 years old or younger when they started university. Six per cent were aged between 21 and 24 years old and 7 per cent were aged 25 or older.

In Scotland, 88 per cent of students were aged 20 or under, six per cent were aged 21–24 and seven per cent were aged over 25 when they started university. Among Scottish applicants, 93 per cent will be aged 20 or under, two per cent aged 21–24 and five per cent aged over 25 when they start university.

Grant status (Bursary status for Scottish respondents)

Thirty-two per cent of English applicants anticipated receiving the full maintenance grant when they started their course, while 21 per cent anticipated receiving a partial grant. 34 per cent of English students reported receiving the full maintenance grant, and 20 per cent a partial grant.

Thirty-one per cent of Scottish applicants anticipated receiving the full bursary from the Student Awards Agency Scotland, and 16 per cent anticipated receiving a partial bursary. Twenty-seven per cent of Scottish students reported receiving the full bursary, and six per cent a partial bursary.

These figures were self-reporting and thus not verified. See Chapter 2 for further information on maintenance grants for English applicants, Chapter 7 for information on maintenance grants for the non-London English student sample, and Chapter 8 for information about the Scottish sample.

Gender

The gender split among English applicants was 55 per cent female and 45 per cent male.

Comparison samples

As with the applicants, 55 per cent of English students were female and 45 per cent were male. The proportions in both the Scottish applicants and students samples were 42 per cent male and 58 per cent female.

Family status

A small minority of English applicants have children under the age of 17 (three per cent). An even smaller minority have an adult dependent on them (one per cent).

Comparison samples

A similarly small minority of English students have children under the age of 17 (three per cent), with two per cent having an adult dependent on them. Among the Scottish sample, three per cent of both students and applicants have children and one per cent of each group have an adult dependent on them.

Regional distribution (before university)

Table 20: Regional distribution of English applicants

Region	Applicants
South East	23%
London	15%
North West	13%
South West	11%
West Midlands	11%
East Midlands	10%
Yorkshire and the Humber	7%
East	6%
North East	5%
Base: All English applicants (1,427)	
Question text: Q3. In which region of the UK do you currently live? Applicant's region applies to current address or last permanent address if in temporary accommodation.	

Comparison samples

Table 21: Regional distribution of English students before starting university (universities other than London)

Region	Students
South East	21%
London	11%
North West	13%
South West	11%
West Midlands	12%
East Midlands	10%
Yorkshire and the Humber	9%
East	7%
North East	6%
Base: All English students (1,589)	
<p>Question text: Q3. In which region of the UK did you live before starting university? Students' region applies to address where lived before starting university or last permanent address if in temporary accommodation before starting university (YouthSight student panel membership variable).</p>	

The whole Scottish sample resided in Scotland immediately prior to starting their course.

Ethnicity

Table 22: Applicants' ethnicity

Ethnicity	English applicants
White	74%
Asian or Asian British – Indian	6%
Asian or Asian British – Pakistani	4%
Black or Black British – African	3%
Chinese	2%
Black or Black British – Caribbean	2%
Asian or Asian British – Bangladeshi	2%
Other Asian background	2%
Other Black background	<1%
Other	6%
Base: All English applicants (1,427)	
Question text: S5. Which best describes your ethnicity?	

Comparison samples

Table 23: Ethnicity (non-London students and Scottish sample)

Ethnicity	English students (Universities outside London)	Scottish students and applicants
White	81%	92%
Asian or Asian British – Indian	4%	1%
Asian or Asian British – Pakistani	3%	3%
Black or Black British – African	2%	<1%
Chinese	1%	1%
Black or Black British – Caribbean	2%	<1%

Ethnicity	English students (Universities outside London)	Scottish students and applicants
Asian or Asian British – Bangladeshi	1%	<1%
Other Asian background	1%	1%
Other Black background	<1%	<1%
Other	4%	2%
Base: All English students (1,589) and all Scottish respondents (343)		
Question text: S5. Which best describes your ethnicity?		

Religion⁴⁵

Table 24: Applicants' religious affiliation

Religion	English applicants
No religion	46%
Christianity	34%
Islam	8%
Hinduism	3%
Sikhism	1%
Judaism	1%
Buddhism	1%
Any other religion	1%
Prefer not to say	5%
Base: All English applicants (1,427)	
Question text: S11. Which religion do you see yourself as belonging to?	

⁴⁵ Christianity includes Church of England, Catholic, Protestant and all other Christian denominations.

Comparison samples

Table 25: Religious affiliation (non-London students and Scottish sample)

Religion	English students	Scottish sample
No religion	52%	60%
Christianity	32%	31%
Islam	5%	3%
Hinduism	2%	<1%
Sikhism	1%	1%
Judaism	1%	<1%
Buddhism	<1%	<1%
Any other religion	2%	1%
Prefer not to say	5%	3%
Base: All English students (1,589) and all Scottish respondents (343)		
Question text: S11. Which religion do you see yourself as belonging to?		

Socio-economic group

Respondents were classified into socio-economic groups A to E (Table 26) according to parental occupation, unless they indicated that they had been financially independent for three years or more, or were aged 25 or over, prior to entry into higher education. In this case, their socio-economic group was based on their own occupation or employment status.

At the time of applying for university, only a minority of English applicants (17 per cent) had supported themselves for a period of three years or more before starting university. This was higher for the 21+ sample, of which 42 per cent had done so. This was also higher for the C1–E sample group, where 29 per cent had supported themselves for three or more years.

Over half (59 per cent) of English applicants were members of group AB.

Table 26: Applicants' socio-economic group

Socio-economic group	Definition in survey	English applicants
A	Professional / higher managerial (e.g. doctor, lawyer, chairman or managing director of medium or large firm)	21%
B	Manager / senior administrator (e.g. senior manager, owner of small business, head teacher)	38%
C1	Supervisor / clerical / skilled non-manual (e.g. teacher, secretary, junior manager, police constable)	16%
C2	Skilled manual worker (e.g. fireman, plumber, electrician, hairdresser)	9%
D	Semi-skilled / unskilled manual worker (e.g. assembler, postman, shop assistant)	9%
E	Receiving state benefits for sickness, unemployment, old age or any other reason	6%
Base: All English applicants (1,427)		
Question text: S7. Which of these best describes the chief income earner in your PARENTAL household? S6b. [If supported themselves financially for three years or more, or aged 25 or over, prior to entry into HE] Which best describes your main occupation [before you started your current degree course]?		

Comparison samples

Only a minority of English students (12 per cent) aged 24 or younger at the time of applying for university had supported themselves for a period of three years or more prior to starting university. This was higher for the socio-economic group C1–E, of which 21 per cent had done so. In Scotland, this represented nine per cent of students and 15 per cent of applicants (all from socio-economic group C1–E).

Three fifths (60 per cent) of English students and 61 per cent of the Scottish sample (the same proportion for applicants and students) were members of group AB.

Table 27: Socio-economic group (non-London students and Scottish sample)

Socio-economic group	Definition in survey	English students (Universities outside London)	Scottish sample
A	Professional / higher managerial (e.g. doctor, lawyer, chairman or managing director of medium or large firm)	19%	23%
B	Manager / senior administrator (e.g. senior manager, owner of small business, head teacher)	41%	38%
C1	Supervisor / clerical / skilled non-manual (e.g. teacher, secretary, junior manager, police constable)	19%	17%
C2	Skilled manual worker (e.g. fireman, plumber, electrician, hairdresser)	8%	10%
D	Semi-skilled / unskilled manual worker (e.g. assembler, postman, shop assistant)	10%	9%
E	Receiving state benefits for sickness, unemployment, old age or any other reason	4%	4%
Base: All English students (1,589) and all Scottish respondents (343)			
Question text: S7. Which of these best describes the chief income earner in your PARENTAL household? S6b. [If supported themselves financially for three years or more, or aged 25 or over, prior to entry in to HE] Which best describes your main occupation [before you started your current degree course]?			

Declared disabilities

Over one in ten English applicants declared a disability from a prompted list (14 per cent). For a breakdown of disabilities, please see Table 28 below.

Table 28: Disabilities declared by applicant sample

Disability	English applicant sample
None / No known disability	82%
Mental health difficulties	6%
Learning disability (including dyslexia)	4%
An unseen disability	3%
Autistic spectrum disorder	1%
Blind / Partially sighted	1%
Deaf / Hearing impairment	2%
Wheelchair user / Mobility difficulties	1%
Other	1%
Prefer not to say	4%
Base: All English applicants (1,427)	
Question text: S12. Do you have any of the following disabilities?	

Comparison samples

Approximately one fifth of English students at universities outside London identified themselves as having a disability (18 per cent), while a similar proportion identified themselves as such in Scotland (16 per cent of students and applicants). For a breakdown of disabilities, please see Table 29 below.

Table 29: Disabilities (non-London students and Scottish sample)

Disability	English students (Universities outside London)	Scottish sample
None / No known disability	78%	81%
Mental health difficulties	8%	8%
Learning disability (including dyslexia)	6%	6%
An unseen disability	3%	4%
Autistic spectrum disorder	1%	2%
Blind / Partially sighted	1%	1%
Deaf / Hearing impairment	1%	1%
Wheelchair user / Mobility difficulties	1%	<1%
Other	1%	1%
Prefer not to say	4%	3%
Base: All English respondents (3,016) and all Scottish respondents (343)		
Question text: S12. Do you have any of the following disabilities?		

University tariff

Analysis by university tariff compares the top third of HEIs when ranked by mean UCAS entry requirements from the top three A-level grades of entrants (referred to as *top-third* or *higher-tariff*). It is based on the university that students attend or that applicants feel they are most likely to attend.⁴⁶

Over 60 per cent (62 to be exact) of English applicants in the survey aimed to attend the top-third-tariff institutions (i.e. intended to attend, rather than having been offered a place) compared to 53 per cent of English students responding to the survey, although this may be affected by the lack of coverage of London universities in the student sample.

Owing to sample sizes involved, university tariff was not analysed in the Scottish sample.

⁴⁶ List of Most Selective Universities taken from [BIS report BIS/13/P155 – Widening Participation in Higher Education \(2013\)](#)

University accommodation

Table 30: Applicants' university accommodation

Accommodation	English applicants
University-run halls/flats	76%
At home with parents/family	14%
Privately let flats/houses not provided by the university	4%
Private student accommodation	3%
Your own flat/house (owned by you/your family)	2%
Other	<1%
Base: All English applicants (n=1,427)	
Question text: [Applicants] S9. Which of the following best describes where you expect to live during term time when you go to university?	

Comparison samples

Table 31: University accommodation (non-London students and Scottish sample)

Accommodation	English students	Scottish students	Scottish applicants
University-run halls/flats	68%	40%	61%
At home with parents/family	13%	30%	26%
Privately let flats/houses not provided by the university	8%	16%	3%
Private student accommodation	7%	6%	5%
Your own flat/house (owned by you/your family)	3%	10%	4%
Other	1%	-	1%
Base: English students (n=1,589), Scottish applicants (n=190) and Scottish students (n=153)			
Question text: [Applicants] S9. Which of the following best describes where you expect to live during term time when you go to university? [Students] S9. Which of the following best describes your university (term-time) accommodation?			

English sample university region

This variable reflects the region where the university that applicants are most likely to attend is located.

Table 32: Applicants' expected university region

Region	English applicants
East Midlands	10%
East	4%
London	14%
North East	7%
North West	13%
Northern Ireland	<1%
Scotland	2%
South East	14%
South West	12%
Wales	3%
West Midlands	10%
Yorkshire and Humberside	10%
Other	<1%
Base: All English applicants (n=1,427)	
Question text: [Applicants] S8b. You've told us previously that you have applied to the following universities. Which will you most likely be attending?	

Comparison samples

This variable reflects the region where the university that students currently attend is located.

Table 33: University region (non-London students)

Region	English students
East Midlands	13%
East	8%
North East	7%
North West	14%
Scotland	2%
South East	20%
South West	9%
Wales	4%
West Midlands	11%
Yorkshire and Humberside	12%
Base: All English students (n=1,589)	
YouthSight Student panel membership variable	

University region was not tracked in the Scottish sample.

If bursaries for living costs are replaced with loans – alternative sources of funding available – F4

Table 34: Alternative sources of funding available where bursaries are replaced with loans – Scottish

Alternative source of funding	Total	Applicant	Student
It would make no difference	39%	34%	46%*
Paid work – part-/full-time job in holidays	38%	46%*	28%
Paid work – part-/full-time job in term time	36%	42%*	30%
Parents/other relatives	34%	41%*	25%
Savings	27%	30%	23%
Financial support from university	11%	12%	10%
Bank overdrafts	10%	9%	11%
Sponsorship	4%	4%	3%
Credit cards	4%	6%	2%
Loan or bursary from employer	3%	2%	3%
Commercial bank loan	2%	2%	2%
Base: All Scottish applicants and students who would still apply to university if bursaries were replaced with loans (n=332)			
Question text: F4. What sources of funding would you expect to use instead of a maintenance grant/bursary to support your study?			
Asterisk denotes that the figures are significantly different from other sub-groups within the same demographic category to 95% confidence.			

applicants versus students

Table 35: Alternative sources of funding available where bursaries are replaced with loans – by SEG and bursary status

Alternative source of funding	SEG AB	SEG C1–E	Full bursary	No bursary
It would make no difference	51%*	22%	7%	61%*
Paid work – part-/full-time job in holidays	28%	54%*	67%*	19%
Paid work – part-/full-time job in term time	28%	51%*	64%*	18%
Parents/other relatives	33%	37%	47%*	26%
Savings	25%	29%	38%*	19%
Financial support from university	6%	18%*	26%*	2%
Bank overdrafts	9%	12%	27%*	3%
Sponsorship	1%	8%*	6%*	1%
Credit cards	3%	7%	7%*	2%
Loan or bursary from employer	3%	2%	4%	2%
Commercial bank loan	1%	4%	7%*	1%
Base: All Scottish applicants and students who would still apply to university if bursaries were replaced with loans (n=332)				
Question text: F4. What sources of funding would you expect to use instead of a maintenance grant/bursary to support your study?				
Asterisk denotes that the figures are significantly different from other sub-groups within the same demographic category to 95% confidence.				

Please note that base sizes are too small to compare age or gender sub-groups.



Department
for Education

© Crown Copyright 2018

Reference: DFE-RR701

ISBN: 978-1-78105-729-2

This research was commissioned under the 2010 to 2015 Conservative and Liberal Democrat Coalition Government. As a result, the content may not reflect current government policy. The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education.

Any enquiries regarding this publication should be sent to us at: www.education.gov.uk/contactus

This document is available for download at www.gov.uk/government/publications