

Parliamentary Briefing 4 February 2014

Student Opportunity Funding still at risk?

MPs and Peers from all parties have raised questions about the future of Student Opportunity Funding (SOF), which is distributed to universities according to the diversity of their student profile.

Student Opportunity Funding has been reduced by £40million in 2013-14, leaving £332million in this year's budget. This money is included in the Department for Business, Innovation and Skills' annual grant to the Higher Education Funding Council for England which then allocates funding to individual universities and colleges on a formulaic basis. For some universities SOF is extremely important and has been worth up to £6million per annum, reflecting the opportunities that they offer to students from a wide-range of backgrounds.

The million+ report [Student Opportunity Funding: why it counts](#) (November 2013) provides an up-to-date analysis of the history of the SOF and the benefits to students. It urges government to regard the SOF as an investment which provides long-term benefits to individuals, the Treasury and society.

As yet, BIS Ministers have been unable to commit to retaining the SOF in full in 2014-15 or guarantee its future in 2015-16. million+ is not alone in raising concerns. Many student unions have contacted MPs and parliamentary questions continue to be tabled. In addition to media coverage, a letter from Vice-Chancellors was also published in [The Times](#).

The SOF makes a difference and we hope that MPs and Peers continue to seek assurances from Ministers in both BIS and the Treasury that its future in 2014-15 and 2015-16 will be secured.

What has happened to university applications?

The Universities and Colleges Admissions Service, UCAS, has published 'UK application rates by country, region, sex, age and background 2014 cycle, January deadline'. The report focuses on applications received by 15 January 2014 to commence full-time study in 2014-15. This date guarantees that applicants will be given equal consideration by universities but it is not the deadline for applications. More than 100,000 applications are received after January and some students do not apply until Clearing in August. Part-time students do not apply through UCAS, so the UCAS report does not provide a full picture, but gives an indication of the direction of travel for the 2014-15 year.

Increase in full-time applicants: Up to January 2014 there had been a 4% increase in applicants to higher education for full-time courses for the 2014-15 academic year. This was despite a fall of 1% in the 18 year old population. By January, around 97% of 18 year olds intending to study full-time have applied for entry, so these statistics make up the bulk of the analysis for this cohort of students.

Application trends: The application rate fell by 2.5% in 2012 when the changes to university and student finance materially altered the balance of decisions about whether to apply or not. The increase seen in the 2013-14 academic year was fairly typical of the trend growth prior to 2012. The

January 2014 figures do not therefore reflect the markedly above trend increases in rates that would be required to recover the 2012 gap of 2.5% in the application rate.

Continued progress on 'advantage vs disadvantage': The application rate for 'disadvantaged' students has improved, continuing a long-term trend with the ratio of 'advantaged vs disadvantaged' applications falling for the tenth year in a row. Though there is still a big gap in participation, 'disadvantaged' students are now twice as likely to apply to university as they were in 2004.

When broken down by home nation, 'advantaged' students are now 2.3 times more likely than 'disadvantaged' students to apply in England (compared to 4.4 in 2004), 2.9 times more likely to apply in Scotland (compared to 5.9 in 2004) and 2.6 times more likely to apply in Wales (compared to 4.3 in 2004).

Gender: The applications show increases of 3% for men and 4% for women. The gap between men and women has increased by 7,000 compared to 2013. So far 87,000 fewer men have applied than women (246,300 cf. 337,700). Resolving the attainment gap of young men would boost progression to higher education significantly.

Age: For the first time in ten years, the English application rate for all age groups has increased. However, the majority of older people apply after the 15 January deadline, so no firm conclusions can be drawn about patterns or trends for older applicants.

Regional & country variations: There are significant regional variations in the applications of 18 year olds. London outperforms other regions with an application rate of 43.5%. All other regions and countries had rates between 30% and 36%. London, the North West and Yorkshire & Humberside saw proportional increases between 2004 and 2014 of 41%, 42% and 44% respectively.

Other regions fared less well, but the North East saw one of the fastest growth rates with a proportional rise of 36% over ten years. By comparison, the South West saw only a 16% increase over the same period, with an application rate of 30.3% in 2014, the lowest of any English region.

Pre-entry qualifications: A falling share of 18 year olds is engaged in A-levels, with a 3% shift into BTECs. Older applicants are also more likely to have vocational qualifications. Not all those applying with vocational qualifications have 5 GCSEs, suggesting that if universities admit some of these candidates they will need to ensure that students are prepared for higher education study. This is another reason why Student Opportunity Funding continues to be important.

About million+

million+ is the university think-tank, using research to address policy challenges in higher education.

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