

Knowing Where to Study?
Fees, Bursaries and Fair Access

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EXECUTIVE SUMMARY

This study investigates the impact of financial considerations on sixteen to twenty year-old students' decisions about participation in higher education. It focuses on intentions to live at home whilst studying at university and the extent to which bursaries influence institutional choice. The results are based on questionnaire and interview data drawn from a large sample of school and college students from two large urban areas in the Midlands.

KEY FINDINGS

1 *Finance affects the likelihood of participation in Higher Education*

1.1 Nearly two-thirds (fifty-nine percent) of students who had decided not to pursue study in higher education reported that avoiding debt had affected their decision 'much' or 'very much' (Table 1). This was roughly double the percentage of students intending to go to university who reported that avoiding debt had 'much' or 'very much' affected their decisions about university study.

Table 1 Students' choices about studying in Higher Education

Percentage of students:	%
That were not pursuing university who reported that avoiding debt had 'much' or 'very much' affected their decision	59%
From families earning less than £35,000 a year who would consider a local university	42%
From families earning less than £35,000 a year who were undecided whether to go to a local university	20%
That had applied to university who were planning or considering a local university	56%
Planning or considering a local university who were intending to live with parents/guardians	75%
Intending to live at home who cited a desire to minimise debt as 'important' or 'very important'	72%
Intending to go to university who reported that avoiding debt had 'much' or 'very much' affected their decisions about <i>where</i> to study	31%

2 *Finance affects the decision of whether to study at a local university*

2.1 For students who are planning to go to university, financial considerations are strongly related to their decision about whether to live at home. Students' with lower GCSE grades are much more likely to choose to study at a local university (Table 3, Page 16). Since examination grades are strongly related to social background this effect will be disproportionately experienced by students from lower socioeconomic backgrounds. Moreover, a student with at least GCSE grades B for mathematics and English is less likely to choose a local university if their family income is above £35,000 (Table 3, Page 16). Of those students

choosing to study at a local university seventy-two percent said that debt minimisation had been ‘important’ or ‘very important’ in their decision (Table 1, Page 1 and Appendix 5.6.1, Page 61).

- 2.2 Fifty-six percent of the students considering studying in higher education were planning or considering going to a local university (Table 1, Page 1 and Page 16). This proportion is higher than that found in previous studies. In part this may be due to the focus in this study on students living in large urban areas. However, taking previous studies together it also appears that the proportion of students planning to attend local universities is rising.
- 2.3 However, there is a big difference between first generation students from low or middle income families who have high GCSE grades for mathematics and English and those who do not. Students’ grades are very important in explaining which students choose to study locally and which do not. It is the ‘socially disadvantaged’ students with low or medium grades who are much more likely to attend a local university (Table 3, Page 16, see the last two rows in particular).
- 2.6 Attendance at an independent school was also a very powerful influence on the intention to study at a local university (Table 3, Page 17). After taking parental background and grades into account students who have attended an independent school are much less likely than other students to contemplate studying at a local university. Even those students from independent schools who are considering ‘going local’ are much less likely than other ‘local students’ to be considering living at home (Table 4, Page 17).
- 2.7 Other (but less important) factors that decrease the probability of studying locally are having a parent who went to university or being a child of a single parent household, keeping income and the other factors constant (Table 3, Page 16).
- 2.8 Part-time work was perceived as essential by many socially disadvantaged students, particularly in relation to reducing reliance on parental support (Interviews, Page.24). Just over half of the students reported that they envisaged working between 10 to 24 hours per week (Page 24).
- 2.9 As found in previous studies, students with an Asian ethnic background are much more likely to be planning to live at home whilst studying (Table 4, Page 17). In contrast to some previous studies we suggest that this effect is independent of income, suggesting that it reflects a different attitude towards the role of social networks that can support students studying in higher education. Students from a range of backgrounds reported that being able to draw on their existing social networks was a major consideration in planning to live at home (Interviews, Pages 22-24).

3 *Bursaries only make a difference when they are large*

- 3.1 The level of bursaries may be critical. Students who had chosen to study locally reported that bursaries would have had little impact because the amounts they perceived as being on offer were not enough to offset the higher costs incurred through attending a non-local university. However, when asked how much gaining a £2,000 bursary would affect their choice of university nearly two thirds of students in our survey replied in the upper half of a four point scale (Table 17, Page 43; Table 18, Page 44). This increased with low income students to an estimate of nearly eighty-five percent.

4 *Most students make their choices about studying in Higher Education before they hear about the bursary options.*

4.1 Only eleven percent of students reported (Section 3.3.3, Page 42) that bursaries would be a factor in their choosing a university, but this should be interpreted in the context of students' low level of knowledge about the new arrangements for financial support. Only seven of thirty-seven students interviewed had any clear understanding of the variation in bursaries available.

4.2 The proportion of students believing that they would be eligible for maintenance grants was much lower than the actual proportion receiving such grants (Page 34).

4.3 Most students used a very narrow range of the possible sources of information about financial support (Figure 1, Page 29). Nearly three quarters of students in our questionnaire reported that they do understand what is meant by a bursary (Table 8, Page 36). Nearly thirty percent replied that they thought they were eligible for a bursary, but importantly nearly half did not know. Less than one third said they had actively searched for information about bursaries (Tables 13a and 13b, Page 39).

4.3 Information that was provided by schools tended to focus more on money management than on the variation in available bursaries and maintenance grants (Table 6, Page 28; Section 3.2.3, Page 32; Interviews, Pages 39-42). Information on financial support came too late in the year to affect decisions on whether to apply to university or to have much of an effect on which university to choose.

4.4 Students with parents, siblings or peer groups with experience of study in higher education made more use of their parents as a source of information (Section 3.2.2, Page 29). This implies that the individuals who were most likely to be targeted by bursaries were less well informed than others. The exception to this was that students who were expecting higher examination grades were more likely to be well informed, particularly about the existence of bursaries for which high examination grades were required. Eighty percent of the students with the highest grades were aware of bursaries for high achievers. However, even these students had a patchy knowledge of their eligibility for a bursary at universities to which they had applied.

5 *The impact of bursaries varies according to students' background*

5.1 Only six percent of students from families with incomes of above £35,000 reported that bursaries would be a factor in their choosing a university (compared to eleven percent for an approximately 'average' student). However, for students from a Black ethnic minority our estimates suggest nearly thirty percent consider bursaries to be important (Table 17, Page 43).

POLICY IMPLICATIONS

1. Schools should be encouraged to make students aware of the financial options for studying in higher education much earlier in their school careers. At present, many students are only introduced to the options after they have effectively made their decisions.

2. The complex range of options facing students discourages efficient decision-making. If the HEIs retain their current freedom to determine criteria for awarding bursaries there is a case for a website at which students could enter their relevant details (such as family income), a chosen area of study, and a selection of (say) ten universities and be furnished with the range of bursaries for which they would be eligible. If this is not practicable an alternative would be to greatly restrict the range of options open to HEIs.
3. Given the information problems faced by students it is premature to draw conclusive inferences about the potential for bursaries to influence students' choices. With this important proviso, the data presented in this study suggests:
 - *In relation to bursaries offered on the criterion of family income:* Such bursaries are primarily of interest to students with lower grades who are likely to attend a local HEI partly on the grounds of reducing costs. This type of bursary has the potential to widen participation since 'marginal students' have more reason to be uncertain about the financial benefits of participation.
 - *In relation to bursaries (often referred to as scholarships) offered on the criterion of high grades:* These are primarily targeted on re-distributing students between HEIs since very few students with very high grades choose not to participate in higher education (Section 2.1.2, Table 2 Pages 14-15). Students with high grades are unlikely to choose to live at home regardless of their family income. However, bursaries that are awarded for a combination of low family income and high academic achievement may be partly responsible for this pattern. Nearly 80% of students from low income family backgrounds and expecting high grades had searched for information on bursaries (Table 13b, Page 39) and a number of the interviewed students from low income backgrounds expecting high grades referred to bursaries/scholarships affecting their choice of institution.
 - *In relation to bursaries offered on the criterion of 'being local':* As a means of encouraging marginal students to participate this is less targeted than bursaries using the criterion of family income. As a means of encouraging students to broaden their choice of HEI this measure is counter-productive. It is, therefore, difficult to see how such bursaries can serve the public interest.
4. A smaller number of larger bursaries will make more difference than a larger number of small bursaries. Unless a bursary is large (say £2,000 or more) it will be unlikely to exert much influence in the face of other factors that bear upon a student's financial situation. There is a tension between policies that distribute benefits across a wide number of students (and voters) and those that concentrate benefits where they are more likely to make a difference to decisions in relation to study in higher education. This principle also applies to the expansion of eligibility for maintenance grants recently announced by the Secretary of State for Innovation, Universities and Skills.

INTRODUCTION

This research presents findings from qualitative and quantitative research conducted by Staffordshire University on behalf of The Sutton Trust. The research was commissioned to explore the ways in which young people in their final year of schooling who are contemplating higher education study:

- Decide whether to live at home when they undertake full-time study in higher education;
- Undertake a search for information about their eligibility for bursaries in different institutions; and
- Take the availability of bursaries into account in their decisions on where to study full-time.

1.1 RESEARCH CONTEXT

The regime for student finance introduced in England for 2006/7 created a new set of conditions for choosing to participate in higher education (HE). From 2006 up-front tuition fees were replaced by variable tuition fees up to £3,070, repayable on a deferred income-contingent basis. Increased financial aid for poorer students was made available via a system of means-tested grants for maintenance. Means-tested loans for maintenance costs are also available for students, repayable after graduation on an income-contingent basis. Higher education institutions (HEIs) now offer bursaries of variable amounts and with different conditions of eligibility. Universities use three main criteria to determine eligibility for bursaries: parental income, examination grades and residency in the area local to the university. Bursaries awarded on the basis of high examination grades are frequently, but not universally, referred to as scholarships. Each university decides on the extent to which they rely on each of these criteria, the critical levels for family income, examination grades and locality and the size of bursary offered for any particular combination of eligibility criteria. This creates an enormously complex range of bursary provision. In this report we use the term bursary to refer to any financial support offered by the university whichever criteria (family income, examination grades, locality) are deployed.

The government emphasises the dual role of education in supporting the economy and reducing social exclusion (Blunkett, 2000; DfEE, 2001). This places widening participation as a central issue where remaining in learning is a key factor in increasing an individual's employability and facilitating social inclusion. In order to achieve the government's target of 50% of young people in HE by 2010, the number of students from disadvantaged backgrounds entering HE would have to increase.

There has been much speculation in the media (for example, Baker, 2004; Clarke, 2005; Fazackerley, 2006; Halpin, 2005; Wilberforce, 2005; Williams, 2005) about the effects of changes to the student support system on government targets for participation in HE. In particular, there has been widespread concern that the shift of the financial burden towards students will reduce the likelihood of achieving stated policy objectives in relation to widening as well as increasing levels of participation.

Pennell and West (2005), for example, question whether this will impact upon marginal entrants who have lower levels of awareness about economic benefits of participation in HE, are more debt averse, and who have lower expected earnings following graduation. More specifically, it has been suggested that this impact will be felt more strongly by those students from lower socio-economic backgrounds and non-traditional entrants (Education and Employment Committee, 2001). The impact of bursaries upon widening participation has also been the subject of debate. Sir Martin Harris, director of Offa has questioned whether the bursary system is an effective approach to widening participation, suggesting instead that money might more usefully be spent on targeting younger children from families with no prior experience of HE (Guardian, May 29th 2007).

Evidence from experience of similar systems in other countries suggests that effects on widening participation may be small. Foskett et al. (2006), for example, undertook case studies in England, Australian and New Zealand HEIs to look at the impact of changing fee regimes on student attitudes to HE. Drawing on overseas case studies and analysis of secondary data on patterns of HE admissions, they found that a transition to a user pays system of HE had little impact on participation, which had continued to rise. Social class proportions had also remained relatively static. If this also proves to be the case in England, however, there may yet be some substantial effects on the location and type of institution at which students enrol and the course of study they choose to pursue. This might occur as a result of three main factors which could have a differential impact according to the social background of young people considering participation in HE:

- Fear of debt affecting discouraging students from choosing HE institutions away from home and encouraging choice of shorter courses;
- Variation in the cost of studying at different universities which depends on students' eligibility for bursaries;
- Concern with debt repayment influencing career preferences and hence choice of course.

1.1.1 Proportions of HE students choosing to live at home

The proportion of students choosing to attend a local university has been steadily rising. In 1995/6 the figure was 14% and by 1998/9 this figure had risen to 18%. (Callender and Kemp, 2000). However, a considerably greater number of students considered studying at an HEI close to home. In their study of over 20,000 applicants to HE from 35 institutions across the UK, Connor and colleagues (1999) reported that 50% of prospective students had considered a local HEI. Overall, 31% of students were prepared to live at home to reduce costs. Whereas half of prospective students had considered a local university, over 60% of those with incomes below £25,000 had done so.

In the early years of the current decade the proportion of students living at a family home whilst studying had risen to nearly one quarter (23%) (Callender and Wilkinson 2003; Student Income and Expenditure Survey, 2002/3). In a survey of 3262 full-time undergraduate students from four HEIs in Greater Merseyside during 2002, Patiniotis and Holdsworth (2005) found that 22.7% of respondents were living in the parental home whilst at university. Of these, 78% reported that they were doing so for financial reasons. More recent figures suggest that the number of undergraduate

students living at home is now even higher. A Staffordshire University survey of 2006/7 undergraduate students found that the number of their students studying locally and living at home during term time is 52% and 41% respectively (Staffordshire University, 2006). The actual figure in this local area was closer to the proportion of students in Connor et al's (1999) study who were considering study at a local university.

If the proportion of students living at home whilst studying in HE has been rising it is pertinent to ask why this has been happening. During the 1990s the overall rate of participation in HE was rising and the proportion of students from different social backgrounds remained constant (Gorard et al., 2007). If there has been a subsequent rise in the proportion of students from non-professional backgrounds this could partially explain subsequent increases in the proportion of students choosing to live at home. If this was the case we would expect to see a close relationship between change in the proportion of students living at home and change in the social background of participants in HE. Alternatively, it could be that changes in the cost of studying at university are encouraging more students to choose an option that helps them to carry the financial burden more easily. Living at home costs less and results in substantially lower levels of debt. Expenditure on housing for full-time students living independently was eight times higher than that of students living at home and on average students living at home end up with 51% less debt than students living independently (Finch et al, 2006). If increases in cost to the student of participating in HE affect institutional choice then we would expect to see sudden jumps in the proportion of students choosing to live at home when there are significant changes in the proportion of the cost of providing HE that is born by student.

Existing research has compared different students at one point in time and so does not allow us to distinguish between these two effects. Qualitative research (Reay et al., 2001, Forsyth and Furlong 2003) has suggested that geographical constraints (e.g., the cost of living away from home and the costs incurred in commuting) are more likely to be referred to in working-class narratives of choice than in the accounts of socially advantaged students. This research also suggested that whilst working-class students believed that the value of a degree might be higher from a more prestigious university they did not believe that they would be wanted at such an institution. A series of studies (Murphy and Fleming, 2000; Reay et al, 2001; Leathwood and O'Connell 2003; Read et al., 2003) has suggested a strong desire by students to find an institution in which they would 'fit in'. Connor et al (1999) found that Black and Asian applicants, and students from lower income backgrounds, were more likely than other students to report that they were living at home for financial reasons. The finding on Asian students is supported by other studies (see Callender and Kemp, 2000; Connor et al., 2003; 2004; Finch et al, 2006), although it is not clear from these studies whether they are doing so for financial reasons

1.1.2 Bursaries

Under the 2004 Higher Education Act universities must have in place widening participation plans subject to regulation by the Office for Fair Access. English HEIs charging in excess of £2,700 per year in tuition fees must include within their plans additional financial support in the form of bursaries offering a minimum of £300 to those students eligible for the full maintenance grant. As the majority of HEIs have opted to charge the same up-front fee, the variation in cost to students stems from the

different bursary entitlements and living costs. Currently, there is a wide variation in the amount and nature of individual bursaries offered by HEIs (Universities UK, 2007).

To date there is little research on the impact of bursaries. Much of the existing evidence is drawn from the USA and suggests that means-tested financial support targeted at students from poorer backgrounds facilitates recruitment and retention of students (Heller, 1999; Dolton et al., 2003). In the UK, evidence has focused on the Education Maintenance Allowance (EMA) scheme and Opportunity Bursaries, a strand of the Aimhigher programme which provided grants to young people from poorer backgrounds with no family experience of HE. Evaluation of the EMA pilot schemes found that participation in post-16 full-time education increased among those eligible for the scheme by 5.9 percentage points. The impact was also found to be more marked among young men (Middleton et al, 2005). The national evaluation of Aimhigher suggests that awarding an Opportunity Bursary goes some way towards reducing students fear of debt psychologically (West et al, 2003). Recent research conducted by Universities UK (2007), however, has found no relationship between the total amount of bursaries offered by HEIs and changes in application levels from 2005/6 to 2006/7.

1.1.3 Searching for information

The substantial variety in the form of bursary that is being made available by HEIs means that there is a huge information problem facing young people and the people who guide them. Young people's knowledge of the bursaries for which they are eligible may be incomplete or inaccurate and this may have systematic effects on the choices they make. This might occur if they limit their search for information to institutions that they think are 'more suitable for them' or if their search is guided by others who have restricted knowledge and views of the type of institution that is appropriate for a students' plans.

According to a recent report on the current bursary scheme there is a wide variation in bursaries on offer (Universities UK, 2007). Research funded by the Higher Education Academy suggests that while potential students have a good knowledge of key aspects of the HE funding system they have very limited knowledge of more specific details such as what financial assistance is available to them in terms of grants and bursaries, etc. (Foskett et al., 2006). Furthermore, students found that the information on offer was complex, confusing and difficult to access. As Adnett (2006) argues, this complexity is likely to affect those entrants from low-income backgrounds who may be the least informed and less likely to have the necessary skills to analyse the information available.

Evidence suggests that there is variation in the extent to which potential students are able to access appropriate information, advice and guidance. Similar variation exists in the way in which potential students approach the search for information. A large scale study of Year 11 students suggested that for many students the process of choosing an institution and course is both complex and difficult (Connor et al., 1999). Lack of access to good advice and support has been suggested as a barrier for under-represented groups (UCAS, 2002; Thomas et al., 2002).

In relation to sources of information used by applicants, IT-based media resources have been reported as the least used while prospectuses and visits/open days were

rated the most helpful (Connor et al., 1999). Formal and informal advisers also played an influential role. Different types of applicants, however, have access to and use different sources of information, some of which may offer less useful advice and guidance. Research carried out by UCAS (2002) found that while most students attended open days, GNVQ students were less likely to have done so. Such students were found to have been more influenced by their friends and families. The cost of travel also deters some students from attending open days. This and inflexibility of scheduling were particular deterrents for mature and rural students. Connor et al (1999) report that mature students are more likely to have experienced visits from university representatives but overall used a narrower range of sources than younger (under 21) students – being less likely to use guides or careers fairs but equally likely to use the internet or websites to access information. Research and teaching quality assessments were used more widely by applicants from more advantaged social classes.

The key variables in supporting application to HE were identified in the UCAS (2002) research as family influence, personally knowing others of a similar background in HE, and school and college support. Encouragement from school and college staff can be useful in inspiring HE aspiration and application. However, the opposite can also be true, and the authors note that some careers staff and teachers were not up to date with their knowledge of HE and advice was sometimes misinformed or ill-advised. This is consistent with Quinn et al.'s (2005) research with young people who had withdrawn from HE without completing their studies. Similarly, Bowl (2001) found that mature ethnic minority students on a pre-HE community-based course were disadvantaged in terms of advice and support from home and that this was not compensated for by official advice, support and guidance. Different levels and direction of formal information, advice and guidance are apparent. UCAS (2002) research suggests that sixth form colleges offer the most support, whereas FE colleges appeared to offer a lower standard of institutional support. However, the authors note that in some instances individual tutors were making clear differences. Reay et al. (2001) suggest that private schools offer more intensive careers advice, with a relatively narrow focus pushing towards Oxbridge and other elite institutions.

1.1.4 Perceptions of debt

Evidence shows that levels of student debt are rising amongst UK graduates. Recent surveys of graduates found that average debt was above £12,000 (NatWest, 2004; Barclay's Bank, 2004). Accumulated evidence from the UK and beyond shows that young people from disadvantaged backgrounds are more likely than other young people to be discouraged by the prospect of debt arising from participation in HE. In a study of almost 2,000 school and FE college students engaged in working toward HE entry qualifications, Callender (2003) found that debt averse students were less likely to enter HE than those students who were debt tolerant and students from poorer backgrounds have been found to be more debt averse than those from more financially advantaged backgrounds (Callender and Jackson, 2005). Those students who were most debt averse were from lower socio-economic classes, single parents, and Muslim and Black ethnic groups. Other studies indicate that those students who are the least debt averse are from families within the highest socio-economic groups, male, or who have attended independent schools (Callender, 2003). However, these findings do not distinguish between students from similar backgrounds who expect high examination

grades and those who expect modest or low grades. The research described in this report finds that there is a significant difference between these groups.

Non-traditional students may be more likely to overestimate the debt they will accumulate and to underestimate the graduate premium they could secure. The 2005 Student Experience Report (UNITE, 2005), for example, found that overall students were more likely to underestimate the amount of debt they would eventually incur. Amongst working-class and disabled students, however, expected levels of debt upon graduation were higher than the average level of debt: working-class students over-estimating debt by 46%, disabled students by 37%.

There is much evidence to suggest that graduates receive a relatively high wage premium. In the UK the average male graduate receives approximately £142,000 more in lifetime earnings, the average female £158,000, than an individual with HE entrance qualifications who chooses not to attend university (O’Leary and Sloane, 2005). The economic returns for UK graduates are also relatively high compared to European equivalents (Harmon et al, 2003). In addition university graduates are also more likely to have higher quality jobs and less likely to experience unemployment (Harmon et al, 2003). Periods of unemployment when they do occur tend to be of shorter duration.

High wage premiums are average returns and do not necessarily accrue equally to all HE participants. As yet there is little evidence on whether non-traditional students receive lower economic returns on their participation in HE (Adnett and Slack, 2007). However, switching funding towards students without targeting subsidies does have implications on decision-making behaviour and it has been suggested that given this situation non-traditional students would not only be less likely to participate in HE, but also more likely to opt for lower cost and lower risk HE courses (Adnett, 2006).

1.2 EVALUATION AIM

Data on the thinking that leads students to study at home or away, data on the completeness of students’ knowledge of the bursaries for which they are eligible, and data on the search strategies students use to gather knowledge about HE will not be collected by HESA. Yet without this data it will not be possible to assess the full implications for fair access that arise from the introduction of the new system of student finance.

Drawing on a large study of interview and questionnaire data from second year A-Level students at 20 schools and colleges across the Midlands, this evaluation presents findings from research which has explored the following issues:

- On what basis do students decide whether to live at home when they undertake full-time study in HE?
- What variation is there in the ways in which students undertake a search for information about their eligibility for bursaries in different institutions?
- To what extent do students take the availability of bursaries into account in their decisions on where to study full-time in HE?

Our research involves prospective HE students from two areas; one a large metropolitan area where the choice of HEIs locally is relatively high and between

institutions that vary considerably in ranking, the other centring on a unitary area with more limited access to local institutions, but still with choice. The research was undertaken after the latest changes to the system of student support. It includes social and institutional background and examination performance as possible explanatory factors, and examines effects on ethnic minority students.

2 METHOD

2.1 DESIGN AND SAMPLE

The research examines the decision-making of 16 to 20 year-old students in their final year of schooling in two large urban areas in the UK which are referred to throughout the text as Urban Area A and Urban Area B. The rationale for this focus is that students who are resident in each of these areas have a choice of local HE institutions making living at home a feasible option during their studies. Students in Urban Area B have a larger and wider range of local institutions to choose between. On the basis of students' responses in this research, Universities are classified as 'local' if they are within a 25 mile radius from the centre of the area in question. Urban Area A has three local universities, two of which are centrally located. The third University has seven campuses, two of which are set within a 25 mile radius of the centre of Area A. These two campuses have been classified as 'local' for the purposes of the research. Urban Area B has six local universities, three of which are central to the area and three of which are on the outskirts of the area. Urban Area B also has a College of Higher Education situated centrally which offers a number of undergraduate and postgraduate degrees.

Students' aspirations have traditionally been found to be well below the national average in Urban Area A whilst there is greater ethnic diversity within Urban Area B. The choice of these two areas should provide sufficient variation to address some key sub-themes within the research questions. The study focuses on ten schools or colleges in each area: one sixth form college, one FE college, two independent schools, and six comprehensive schools in Urban Area B, and two sixth forms, one FE college, one independent school, one state selective school, and five comprehensive schools in Urban Area A. All of the institutions offering sixth form opportunities to students in the Urban Area A were invited to participate in the research and a random stratified sample of institutions in Urban Area B was matched with the Urban Area A sample.

We used two types of data: questionnaire data from students across all 20 schools and colleges, and interviews conducted with students.

2.1.1 Interview data

During the autumn term of the 2006/7 school year semi-structured interviews were conducted with 37 students from a range of institutions: two in Urban Area B (one independent and one comprehensive), and three in Urban Area A (one sixth form college, one FE college, and one comprehensive). Thirty-two of these students were interviewed again late in the following spring term. Institutions were asked to select interviewees to provide variation in academic performance, ethnicity and home background. The initial interviews were used to establish variation in students' knowledge, thinking and behaviour before they made their final decisions about going to HE. The second set of interviews was used to check for changes in knowledge, thinking and behaviour during the process of arriving at any decisions. All students were 17 to 18 years of age. Slightly over half were male, and 86% were of White

British origin. Appendix 5.1 provides a detailed profile of the interview schools, Appendix 5.2 provides profiles of a small selection of the students who were interviewed and Appendix 5.3 provides a breakdown of the number of interviewed students by area, type of school and social disadvantage¹. Students were asked their parents employment and whether either parent had attended university. Interviewees could be placed on a continuum in terms of social advantage according to family income and parents' experience of HE. To provide readers with an indication of students' background they are classified as socially advantaged (in relation to HE) if at least one parent had a professional or managerial job and at least one parent had been to university. Students were classified as socially disadvantaged if neither parent was employed in a professional or managerial occupation and neither parent had been to university. Students who had one parent with experience of HE and who reported they came from a low income family or were in receipt of Educational Maintenance Allowance were also classified as socially disadvantaged. References to students are indicated SA for socially advantaged, SD for socially disadvantaged, SS for state sector schools/colleges² and IS for independent schools.

2.1.2 Questionnaire data

Questionnaires were completed by 1628 students from all 20 schools/colleges, and distributed early in the 2006/7 spring term prior to implementation of the second set of interviews. These questionnaires were also used to establish variation in students' knowledge, thinking and behaviour about their decisions about going to HE and were informed by data gleaned from the first set of interviews. The sample size in any particular school varied from 23 to 380, largely reflecting the number of students enrolled. When an institution was unable to administer the questionnaire to all students the restricted sample was based on pastoral form groups to avoid selecting a biased sample. Students ranged from 16 to 20 years of age with 90% being in the 17 to 18 age group. The gender breakdown was 47% male, 53% female, with 70% of students being of White British origin (see Appendix 5.4 for the school characteristics and information on questionnaire distribution³).

Students were asked in the questionnaire to identify their intentions towards studying at university and the results are summarised in Table 2. This table divides students into three groups according to their GCSE scores for mathematics and English. A total of 172 students indicated that they did not intend to go to university. The wording of this question means that it is possible that some students who were intending to take a gap year might have included themselves in the first rows 'not intending to go to university'. Nevertheless, even if we discount this possibility, out of 180 students with at least one A* in GCSE mathematics and English, only 2 reported that they had decided not to apply to university. Numerically, there is much more scope for increasing participation in higher education through attracting students with C and B grades at GCSE.

¹ In reporting the interview results all school and interviewee names have been changed to preserve anonymity.

² SS includes comprehensive schools, state selective schools, FE colleges and 6th form colleges.

³ All school names have been coded in order to preserve anonymity.

Table 2 Distribution of students decisions about going to university, by GCSE score

Decision about university study	Maths and English GCSE scores¹			Totals
	(Number / %)			
	0 – 2	3 – 6	7 – 8	
Not intending to go to university	83 (48%)	87 (51%)	2 (1%)	172 (100%)
Still thinking about applying	34 (34%)	62 (64%)	1 (1%)	97 (100%)
Intending to go to university	222 (18%)	844 (68%)	177 (14%)	1243 (100%)
Totals	339 (22%)	993 (66%)	180 (12%)	1512

¹The score given is the sum of GCSE mathematics and English performance, where an A*=4, A=3, B=2 and C=1.

2.2 METHOD OF QUANTITATIVE ANALYSIS

Most previous work in this area has investigated social background and schooling in relation to institutional choice. However, many aspects of social background, such as income, the type of school the student attends and ethnicity, are correlated. We used a statistical technique that aims to establish the independent effects of such factors. Does, for example, going to an independent school give a greater probability of studying away from home if we take into account that students who attend independent schools largely come from higher income families? In addition, we included the effect of examination performance on choice.

The student characteristics we included in our analysis were:

- Gender;
- Income;
- Single parent household;
- Ethnicity;
- Whether a student was a second generation applicant to university;
- The type of school attended;
- Whether a student was in Urban Area A or B; and
- Average GCSE grade for mathematics and English.

The full definitions of these variables are provided in Appendix 5.5. We also investigated parental occupations but did not find that they had an independent effect in any of our analyses and so these results are not reported. In our initial estimates we also included an additional variable that considered White working-class males, given that recent research has found that this is a particularly under-represented group in terms of university attendance, but this was also found to be insignificant.

The results are presented in tables that show the effects of factors that were found to be significant. In presenting our results we start by considering a prospective student who is fairly average for the sample: female, not from a single parent household, White, first generation, goes to a comprehensive school, comes from Urban Area A, has a GCSE score equivalent to two Bs in Maths and English, with a mid family income between £17,501 and £35,000 (we call this the comparator case). This is

followed by probabilities for students with one or more characteristics that produce important changes in the estimated probabilities. Characteristics are omitted from tables when they have no significant effect. For example, we might expect that income and levels of parental education would tend to have effects in the same direction. However, the income variable was generally more powerful and there are instances when parental education has no significant effect. This illustrates a general problem with categorising students in terms of combination of their characteristics. Sometimes characteristics exert individual effects and sometimes they do not, but without separating them they may both appear to have an effect if they are correlated.

Regression results are presented in Appendix 5.6.

3 RESULTS

3.1 ON WHAT BASIS DO STUDENTS DECIDE TO LIVE AT HOME WHEN THEY UNDERTAKE FULL-TIME STUDY?

The questionnaire data enable an analysis of two related decisions: choosing to study locally and choosing to live at home whilst studying in higher education. In presenting the results we look first at how students report their choice of where to study. Fifty-six percent of those who had applied were planning or considering going to a local university. Three quarters of this number (i.e., 42% of the overall sample) were planning or considering living with their parents/guardians. These figures are higher than most, but not all, previous studies. This section examines the effects of students' background on their decisions about where to study and where to live when they enter higher education.

3.1.1 Quantitative results

Studying at a local university

Social background was very strongly related to the decision to study at a local university. More than 90% of the students in our 'social disadvantage' category who were attending a comprehensive school were planning or considering study at a local university. The equivalent figure for students in the social advantage category who were attending an independent school was 10%. Some details are presented in Table 3. This table compares the estimated probability of 'going local' for our comparator case (as described in full in the method section) with the probability for other types of student.

Table 3 Estimated probabilities of students intending to study at local university

Case	Probability
If the student has the characteristics of the comparator case...	.71
Except... if student comes from a single parent household	.51
Except... if 2nd generation student	.56
Except... if student goes to an independent school	.47
Except... if student comes from Urban Area B	.81
Except... if student has high GCSE scores	.37
Except... if student has low GCSE scores	.83
Except... if student comes from a high income family	.61
Except... if student has high GCSE scores and comes from a low income family	.49
Except... if student has high GCSE scores and comes from a high income family	.28
Except... if student is second generation, goes to an independent school, has high GCSE scores, and comes from a high income family	.07
Except... if student is first generation, goes to comprehensive school, has low GCSE scores, goes to an Urban Area B school, and comes from a low income household	.93

Having high GCSE grades reduces the probability of intending to study at a local university for the mid income family of our comparator case (from 71% to 37%). In fact, high GCSE grades reduce probabilities for all income levels but the effect is greater for high income families compared to those on low income. The estimates suggest that students from single parent households have a reduced likelihood (51%) of planning to attend a local university. At first sight this may seem a little surprising, but it should be remembered that variation in family income is accounted for by another variable. Students attending schools in Urban Area B were more likely to plan to attend a local university. This may reflect the wider range of choice of universities for those deciding to study locally.

Staying at home

Students who were planning or considering going to a local university were asked if they intend to live at home while studying. Since the sample here is restricted to those who have said that they are considering ‘going local’, these students are more likely than the average student to be socially disadvantaged. Three quarters indicated that they planned to live at home and the probability that the comparator case student will choose to live at home is exactly the same (Table 4). Our analysis did not suggest any additional effect of income on intending to live at home, above its effect on planning or considering studying at a local university that we discuss above.

Table 4 Estimated probabilities of students intending to live at home whilst at local university

Case	Probability
If the student has the characteristics of the comparator case...	.71
Except... if student is Asian	.90
Except... if student goes to an independent school	.44
Except... if student has high GCSE scores	.60
Except... if student has low GCSE scores	.81
Except... if student goes to an independent school and has high GCSE scores	.27

Students with high examination performance and those attending an independent school are less likely to indicate that they plan to live at home (60% and 44% respectively). When such students choose a local university it is much less connected to a wish to live at home than is the case with other students. Conversely, Asian students are significantly more likely to intend to live at home if they have chosen a local university. The connection between the two decisions appears to be very strong for these students.

We also asked those students planning to live at home whether a need to minimise debt played a part in their decision. Since the sample here is again restricted to those who have said that they are considering staying at home, it includes a very low number of socially advantaged students. Just over a third of students who intended to live at home asserted that a desire to minimise debt had been very important in their decision and 72% of the students answering this question (30% of the total sample) rated the importance of debt minimisation in the upper half of a four point scale.

However, social background was largely insignificant in explaining which students replied that debt minimisation was very important to their intention to live at home (Table 5). Only one student characteristic was significant. Whilst the comparator case student had a 41% chance of answering ‘very important’, the equivalent probability for Asian students is much lower (22%)⁴. The absence of any variation at this point in other aspects of social background may be largely due to the restricted nature of the sample. That is, the sample of students answering this question was heavily skewed towards more socially disadvantaged students.

Table 5 Estimated probabilities of students indicating that debt minimisation had been very important in their decision to live at home

Case	Probability
If the student has the characteristics of the comparator case...	.41
Except... if student is Asian	.22

3.1.2 Interpretation and discussion

Our results suggest that social background and whether or not a student attends an independent school is very significant in the decision to ‘go local’ and/or live at home. This is in line with findings elsewhere. However, our analysis introduces an additional dimension that appears to be an important part of the story: examination grades. This discussion uses qualitative data from the interviews to assist in the interpretation of the quantitative data.

Examination performance and financial risk

The factor that exerted the most powerful effect (negatively) on intention to study at a local university was a student’s average GCSE grades. Moreover, students with higher GCSE grades who were intending to study at a local university were less likely than other students to plan to live at home. There are a number of possible explanations for this. Some universities offer bursaries for students with high grades and this reduces the personal cost of studying away from home. Previous research (Dolton & Vignoles, 2002) has shown that, on average, students with higher A-Level grades receive higher incomes once they are in full-time work. This provides a basis for increased confidence that the financial returns from studying in HE will be high, justifying incurring higher costs during the period of study. This lowers the financial risk of HE and we would expect that students would take these factors into account in their decision-making. Students expecting higher advanced level grades also have greater options in the range of HEIs that they can choose between. Moreover, if they believe that attending an institution that requires higher grades for university entrance will secure higher lifetime earnings they may be more inclined to move to achieve this objective (although recent evidence from Vignoles, 2007, questions this perception).

⁴ Analysis of the replies in the upper half of the scale did not reveal any significant characteristics.

Our qualitative data provide some indication of the importance of students' confidence in being able to secure high grades. Students expecting higher grades were more confident that they would be able to achieve the grades that had been offered as a condition for entry to their preferred university course. Students with lower expectations tended also to be more cautious about the likely outcome.

A number of students had also tried to minimize this risk by taking up the offer of an optional interview (which resulted in a lower offer) or taking part in the Aimhigher HE Card scheme which provides additional points. The following shows the dilemma for students such as Steve (SD SS) who are strongly influenced by cost and are choosing a local institution primarily because of this. He is worried that he will not achieve the required grades for his chosen course (as demonstrated by his involvement in HE Card as a way of boosting his points). The twin constraints of achieving enough points and staying local are evident. Equally evident is the impact *not* achieving would have. In the first interview Steve was asked about the key factors in choosing a university:

Steve: The reputation. How I think I'll do in my A-levels, so there won't be any point applying if I don't think I'll get enough UCAS points to get in and again travelling [the distance to university].

In contrast two of the three socially disadvantaged students in state schools who had elected to move away appeared extremely confident that they would achieve their target grades. For example:

Interviewer: What grades do you need to get in?

Liam: 2Bs and a C.

Interviewer: Are you pretty confident around this?

Liam: Yes I'll get that.

The same student also appeared confident that he could cope with a high component of Maths in his chosen subject despite not having studied Maths at A-Level:

Liam: Well they [university students on an open day visit] told me it was good to be there, but that you have got to be really committed to the course if you want to do well. If you don't understand that you are not going to do very well. I also found out that you need to be quite good at Maths, because, something I didn't realise is that Maths is quite a heavy part of the subject in university, which it hasn't been here.

Interviewer: Are you okay with that?

Liam: Yes.

Similarly, Sarah, part of her school's Gifted and Talented cohort, spoke of her desire to achieve educationally which was a motivating factor in her wish to enter HE. She had chosen institutions with high entry requirements and expressed no doubts during both her interviews that she would not achieve the required grades.

Independent school effect

The second most powerful influence on the intention to study at a local university was attendance at an independent school. For instance, in our comparator case (which includes mid-income and a mid-range GCSE score) attendance at an independent school reduces the likelihood of intending to study at a local university from 71% to

44%. This probability is reduced further (to a mere 7%) if a student from an independent school has high GCSE scores, comes from a high income family, and is a second generation student. Even those students from independent schools who are considering 'going local' are less likely than other 'local students' to be considering living at home. This may reflect that the decision to 'go local' for these students is more influenced by the choice of university (rather than social, cultural or financial factors) compared to other prospective students.

The difference for independent schools is from our comparator case of a comprehensive school and there is no significant difference for any of the types of school in the state sector, including students who attended the state selective school in our sample (again this is independent of examination performance and incomes etc.). However, the effect of state selective schools needs more investigation as we had only one such school in our sample. Independent schools, it would seem, develop an ethos in which going away to university is perceived by students as being the 'natural' choice.

In the interviews almost all the students referred to the university experience in their explanation about why they wanted to go to university. However, it did not figure as strongly in some students' accounts, and was not the key driver for participation. Our results confirm the existing literature in suggesting that the university experience is seen as the traditional rite of passage for some students, particularly those in the independent schools.

Amongst independent school interviewees (who are all socially advantaged students) the school and the family expectation was that students would move away to university. The students themselves said that they would not choose a local university because they wanted what they regarded as 'the full experience' of being a student. The experience was seen as a 'package' involving a move away from the family home, living in the vicinity of the university, meeting new people and joining clubs, societies, etc.

Interviewer: So are there any reasons that you might have chosen to go to a local university at all? Or have you considered that?

Bodhi: I haven't really considered it, no.

Interviewer: Why, or why not, should I say?

Bodhi: I mean a local university, from a personal kind of view I've always wanted to go away from my parents, have a bit of freedom. I'm not saying I don't have freedom, but it's just you want to get away and experience the world yourself. So I didn't want to be close to home. [Institution C] would be the obvious choice for me, [Institution C's] a brilliant medical school but it would just be too close, too similar to going to school every day.

And:

Simon: ...and people have said; young people and also parents, people that my mum works with who have got older kids who have been to university and they've got good jobs. They said you can't really have the real uni' experience unless you're away from your family because you might end up living at home and you can't be out late because your parents are in and there's just a lot of hassle. And I think I just want to ... I guess just to see how well I can provide for myself.

Students from independent schools reported that there was a strong culture of progression to HE. In contrast to the state schools, there were no schemes to promote attendance at university, because it is 'the natural thing to do'. Students reported that

staff at their independent school had advised them that needed to get a 'good degree' to be considered for a 'good job'. Some students also associated elite universities with 'old' subjects. One aspect of a 'good degree' was the type of subject. Michael, for example, talked of choosing history and geography over business studies as they were "...more beneficial for getting into a better university as they're much more academic subjects". However, for most of these students, obtaining a 'good degree' was spoken of as synonymous with attending a 'good university'.

Umish: They [parents] want me to go to a top university, so they're slightly prejudiced in that sense. But I think they realise, and I feel myself that if you apply to a top 15 uni', they're all pretty much the same anyway.

Interviewer: Why do you think they want you to go to one of the top universities?

Umish: I think they're probably a bit more, they're probably looking at it in the sense that if I go to a better university I might be more likely to secure a better job in the future and also seeing university as somewhere to learn, learning at the best places would mean you learn more and have access to better quality teaching.

Consistent with previous research independent school students in our study focused primarily on applications to old universities. The discourse around 'good universities' appears to be a fundamental part of the school, particularly for those students applying to Oxford. Students reported that that was 'what their school was all about'. Their parents had invested money in their education at the school with the intention that they would progress to university and get a high status, well paid occupation. Going to an elite university was a way of ensuring that they got the best possible return on their parent's investment.

Interviewer: Are you worried about getting into debt while you're at university?

Vasu: Yes I am yeah.

Interviewer: And so tell me a bit about that, why does it concern you?

Vasu: It's additional pressure on my parents. I have to handle university and if for some reason I spend a lot of money in one school, which is actually a very good school, but I don't do as well as I can, then it makes me feel guilty towards them. You know, they're pumping in all the money and I'm not giving them They should be seeing results.

The worry for these students was not whether finance would enable them to study at the institution of their choice, but whether they would be able to justify the investment that parents were making. Some independent school students indicated that they had rejected certain universities (particularly London HEIs) because of the high accommodation and living costs. However, final decisions for these students always appeared to swing in favour of the institution they regarded as having the 'best reputation' rather than those with the lowest costs.

The choice of 'going local' and social factors

Social background is also important in explaining which students intend to study at a local university. Family income and parents' education both exert a significant influence. In the case of income the critical difference lies between families on relatively high incomes (above £35,000) and those on middle or low incomes. The percentage of those students from families earning less than £35,000 a year who would consider a local university is 42% (with an additional 20% replying that they were undecided). Students from a high income family have a probability of attending

a local university that is ten percentage points lower than the comparator student. Having a parent who went to university decreases the probability of studying locally slightly more. There are significant interactions between these social background effects and students' performance at GCSE. For example, a student from a lower income family who gets high GCSE grades has a similar probability of moving away to university as the average student from an independent school. However, students from low income families who get relatively low GCSE grades face two mutually reinforcing effects which are associated with a greater likelihood of attending a local university. Given the general association between social background and achievement at school we should expect to find a lot more students in the 'low income and relatively low GCSE grade' category than in the 'low income and high GCSE grade' category.

Students who are intending to study at their local university can be divided into two broad types: those intending to live at home and those intending to live away from the family home. Three quarters of 'local students' plan to live at home for two main reasons: maintaining social support from family and friends and reducing the financial costs of study. Of the total number of students who reported that they intended to live at home 72% also asserted that a need to minimise debt played an important part in their decision. Family income and parental education did not explain which students were included in this 72%, but that may well be due to the low numbers of students from high income and graduate parental backgrounds in this sub-sample. For Asian students it would appear that local social networks are more important in their decision-making. Asian students were significantly more likely to report that they were intending to live at home whilst also being significantly less likely to report that debt minimisation was a reason for doing so. The students who intend to study locally but live away from home are more likely to have higher GCSE grades and to have attended an independent school.

Since finance interacts with a number of other considerations in students' decision-making it can be difficult to isolate its effect on their intentions. For example, students may vary in the extent to which they wish to present their intentions as unconstrained by finance. Moreover, many students appeared to treat a student loan as a different category of debt to credit card balances. For these students, minimising debt on credit cards was an important issue, whilst incurring debt through a student loan was not a problem since it was secured against anticipated income.

One student asserted that they were choosing to study Law at their local university because it was one of the best universities for Law, then later in the interview spoke of how the fact that this also meant they reduced debt was an additional bonus. In such a context it is not always clear what is driving choice and which was considered first, finance or university ranking? Another student referred to the role of finance alongside a number of other factors:

At Interview 1 Jack (SD SS) indicated that he is choosing only between 2 local universities – Institutions A and B:

Interviewer: So what have been the key factors you've been considering?

Jack: What the course has got in it and the place, [Institutions A and B].

Interviewer: So you know you want to stay local? Has that been your first consideration?

Jack: Yeah.

At Interview 2:

Interviewer: So you've gone for [Institution B] as your first choice?

Jack: Yeah.

Interviewer: Is that just because you want to stay local?

Jack: Well, no I just wanted to go to [Institution B] 'cos I want to stay local and I want to do Accounts.

Interviewer: ...Last time we spoke, when you talked about which university you wanted to go to, you said that the key factor was that you would be staying local?

Jack: Staying local, yeah..... I didn't want to be in like loads of debt if I moved away.

Interviewer: So do you resent that in any way?

Jack: No, not really that bothered. It's a good uni' anyway, so it doesn't really affect me.

Interviewer: So you don't feel like you want to have the experience of going away?

Jack: No. I don't want to go away, it's easier just staying here

Interviewer: So it's not just the money, it's so you can stay in the same place?

Jack: Yeah and it's cheaper.

I don't want to go to [Institution A] no more, not after how much it costs, things like to stay there.

Jack mentions several considerations: his perceptions of what counts as a 'good university', debt minimisation and a lack of desire to 'go away'. Nevertheless, his unprompted references to finance (as in his last comment) suggest that it is playing a significant role in his thinking.

Nevertheless, there were differences between the ways that more and less socially advantaged students⁵ spoke of the way that financial issues influenced their thinking. Students from a less advantaged social background more frequently indicated that finance was a primary, limiting, factor.

Kirsty: I need to go to a local university. I can't afford to live away. So it was... I was looking within maybe like half an hour, an hour's radiusI said to [name of teacher], 'What universities are within an hour's distance on the train?' and she said 'This one, this one and this one'.

And:

Steve: Yeah, I've got to apply to universities that one, have got the course, and two, I think if I did still live at home I could still travel to. Even if it would be a distance, I could still make it...

...if I can travel there it's alright, if not then it's too expensive to be able to go 'cos of living there in that area.

Socially less advantaged students also tended not to equate the university experience with moving away. They did not see this as a necessary part of becoming independent or having a good university experience. For many of these students, independence

⁵ Note that all socially disadvantaged students attended a state sector school or college.

meant supporting themselves financially as much as they could through part-time work. This meant they could buy their own books and pay for their social life themselves rather than 'sponging' off their parents:

Kirsty: Well, I'm just going to have to work until I've got enough money. If you don't work for it you don't get it do you?...I will be getting a job obviously. I will have to work. I can't rely on my mum for everything. The loan will be going towards fees and everything that I need. Any money that I need outside of costs for university will be coming from me.

And:

Interviewer: So you think you'll have to get a job wherever you go?

Beth: Yeah. It's just basically the part-time job, it's just like your pocket money to spend isn't it when you want to do stuff? So whereas your loan would cover the cost of your fees, then you'd just have to live off what you earn from your part-time job.

Although aware of the argument about the benefits of moving away in terms of independence, students asserted that they could benefit from a 'full' university experience by taking part in the social life of a local university.

Interviewer: What about socially? Do you think you're going to get less of a student experience if you're living at home or doesn't it matter?

Steve: That doesn't matter 'cos I've got friends here. I mean, obviously it's nice to move away and meet new people and to get that sort of experience, but that's not something that's influenced me. I don't feel like I need to move away to make new friends.

And:

Interviewer: ...Do you think you'll still be ... 'cos obviously you're not going to live in, so do you think you'll still be able to...?

Kirsty: Well yeah because the student union's still open for me and there'll still be, you know, there'll still be stuff to do. Just because I don't live on the campus doesn't mean, you know, I won't be able to see other students and be within the social circle.

For all but one of the socially disadvantaged students getting or keeping an existing part-time job was essential. The number of hours that these students envisaged initially working ranged from 10 to 24 hours plus per week. This indicates that these students were fairly typical. In the questionnaire students were asked how many hours a week they expected to work in paid employment: 52% reported between 8 and 15 hours; 22% between 16 and 24 hours; 13% below 8 hours; 10% no paid employment and 4% more than 24 hours a week. While much of this employment was at a relatively low level (e.g., shop or bar work) a number of students had been working for the same employer for a while and frequently talked of having the ability to arrange their working hours around their study on a more flexible basis. In addition, students spoke of managing their academic and paid work to achieve a manageable balance of both:

Interviewer: So how many hours do you work there?

Steve: I'm trying to think what I do. About 18 hours a week. I do Saturday, Sunday and Wednesday.

Interviewer: Yeah and is that about how many hours you see yourself working through uni' as well?

Steve: I may do more because you get a lot more free time when you go to uni', so hopefully I'll be able to do a couple more.

Interviewer: Does that give you any worry over balancing your work and...?

Steve: Yeah because on the one hand you've got to do it to pay for it, but if you're paying for it but then you don't pass because you've not been able to put enough work in. So like I say that's why I may consider getting another job that pays a little better so I don't have to work as much.

One student's comments suggested that he is negotiating with his employer to agree a number of hours that is acceptable to him whilst getting a more supervisory role:

Jack: I've said I'll put my hours up to 25 and then 30 if I become shift supervisor. I'll do 30 hours. Then that will be it, 'cos I want a supervisor job.

Interviewer: So you'll be earning quite a lot then?

Jack: I'll be earning enough yeah.

Such heavy commitments in paid employment might be viewed as threatening to the capacity of these students to fulfill the academic demands of their study. In contrast to students whose parents were relatively high earners, less socially advantaged students regarded their paid employment as a way of avoiding placing burdens on parents. However, there are other possible perspectives. Paid employment might be undertaken more at the expense of social life than academic study. Moreover, paid employment might foster the development of 'life skills' which are particularly valuable for future employability. Some of the socially disadvantaged students interviewed in our study appeared to be valued employees (as expressed through continued employment and the willingness of their employers to allow them flexible working hours) and were developing time management skills.

The thought of moving away to university was problematic to some socially disadvantaged students for reasons other than finance. A number felt that they would miss their family and friends if they were to live any distance away from home. Going to university was perceived as a big event, frequently described as 'scary'; keeping with the same friends and having family at hand (i.e., continued 'stability') was one way of reducing the degree of change and making the transition less daunting. Those who had chosen a non-local university as their insurance choice frequently referred to this as a last resort option. However, the majority of students, regardless of background, said that the experience of meeting new people was one of the main things they were looking forward to when they entered HE.

Nevertheless, strategies to reduce debt were also evident in the narratives of a minority of socially advantaged students in state schools. Although minimising debt was not seen as a necessity by socially advantaged students, strategies still appeared to focus on reducing debt to some degree. Of the three socially advantaged students who had elected to live at home, two were staying local to reduce the amount of debt incurred. Of these, one had initially planned to live in halls but later opted to stay at home because of the cost; another had missed the prerequisite audition for her first choice institution which would have required her to move away. She had then chosen a local university, but felt happy with this choice because it would enable her to reduce her level of debt. Her parents were also keen that she should stay local for the same reason. The third student felt that she was just not ready to move away yet and preferred the 'stability' of home. Among socially advantaged students at state schools there was evidence of parents steering their children away from the more expensive accommodation universities, rather than towards attending a local university and remaining living at home.

The qualitative analysis supports the quantitative data, indicating that studying at a local university is a strategy favoured by some parents and students to reduce costs. Most students felt more confident of their ability to keep debt to a minimum by living at home while for some parents this was the only form of financial support they were able to offer to their children. Unsurprisingly, finance is much more likely to restrict the choices considered open to more socially disadvantaged students. However, it is not always the sole or main issue in their decision-making; other factors are involved which determine choice. Because of the complex relationship between these factors it is not always clear when finance has impacted upon choice. Some students accept it as a given that they will get into debt so may not immediately mention the impact of this on their thinking.

3.2 WHAT VARIATION IS THERE IN THE WAYS STUDENTS UNDERTAKE A SEARCH FOR INFORMATION ABOUT THEIR ELIGIBILITY FOR FINANCIAL SUPPORT?

3.2.1 What information do students use?

The majority of students described a sequence of decision-making that followed the selection procedure laid down by UCAS administration of university application. First they selected a pool of possible institutions, and at some point later they narrowed this to two possible choices, one of these being their preferred choice. Financial considerations could, in principle, play a role in either or neither of these stages in the decision-making process. For students in the independent schools the selection of the initial pool was guided by notions of a 'good university':

Bodhi: But it is in a general sense seeing what roughly the better uni's are can help, 'cos it narrows down the list of what you might want to see or, you know, whose website you might want to look at. And they've also got a thing in the back which runs down the Oxford colleges, so you can have a little read of that.

Socially advantaged students in state schools also narrowed down choice to some extent by considering accommodation costs and avoiding obviously more expensive options while retaining options to study in HEIs they regarded as of higher quality. Socially disadvantaged students were much more likely to limit their initial pool by restricting themselves to local options, although this tended not to apply to 'low income/high grade' students. Although financial considerations entered into the decision-making at the 'pool stage', they did so through students' existing knowledge of location and the association between location and costs of accommodation. In some instances this was based on students' belief that their choice of institution was important to their future income and that this must outweigh any variation in immediate financial cost:

Interviewer: So do you feel you're pretty knowledgeable about the financial support and loans and that kind of thing?

Martin (SD SS, Interview 1): Yeah, I think I am now, 'cos I've researched it all up, but I could have done a better job by researching it before I went to [visit] university?

Interviewer: Okay, so you didn't do that until.

Martin: But I didn't want to let finances be a factor because in the careers it's all determined on if you get a degree, what university you go to.

Interviewer: So it was deliberate, then that you didn't look at financial issues before you chose your university?

Martin: Yeah, it was yeah.

This student suggested that the effects of a degree on his career are 'all determined' by the university he attends. A minority of socially disadvantaged students did consider financial issues other than those associated with accommodation costs when choosing their initial pool of institutions. One student had considered finance in her selection of a pool of universities, looking at elite or 'good' universities and the additional financial support they would offer. She made a point of asking about finance on open days and also speaking to students about this while she was there.

Sarah (Interview 1): Well, most uni's on the open days gave us stuff about the cost of living. It's quite difficult to find the cost of ... I mean the information about how much tuition fees are and how much bursaries are, it was quite fine. But to work out like accommodation and other living costs, it's quite difficult to find out.

Most of the interviewed students had attended at least one university open day, the majority of which incorporated a session on financial support. Students can utilise a range of sources in gathering information to use in making decisions about university entrance. The questionnaire asked students to indicate which out of a list of possible sources of information they had used to gain information about financial support. They were allowed to select any number of items in the list and the results are presented in Table 6.

Table 6 Sources of information used to gain information on financial support

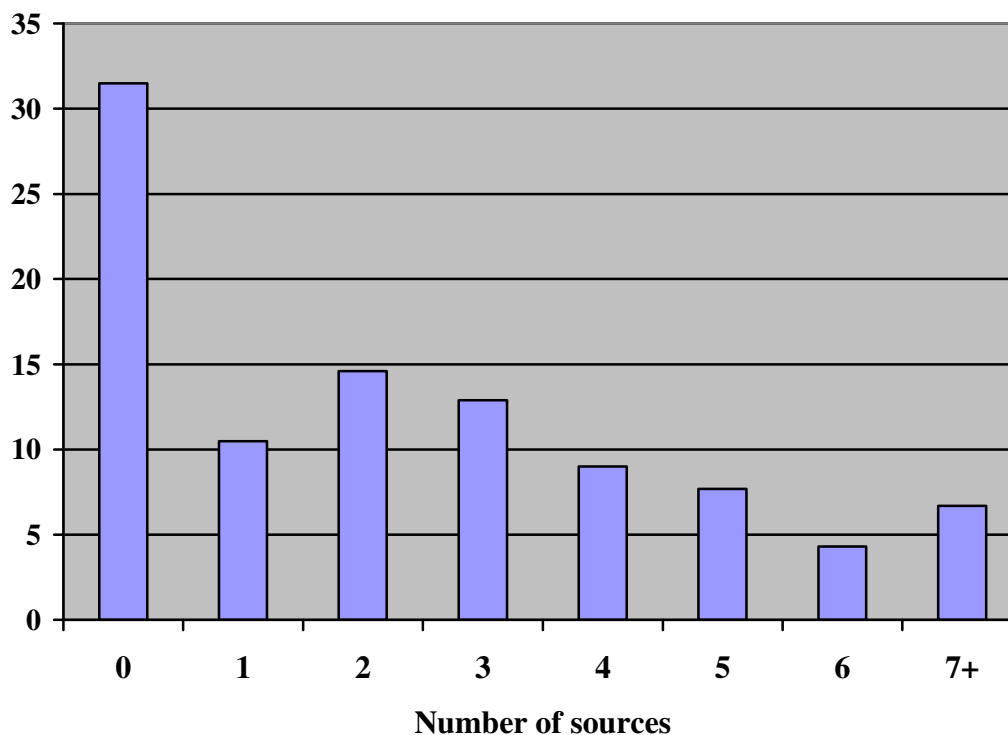
Source	Proportions of students who used the source
Higher Education	
UCAS Directory / UCAS Big Guide	11%
UCAS Website	23%
University prospectuses	36%
University open days	27%
Formal university visits interviews	11%
University websites	31%
Higher Education fairs/conventions	8%
Parents and peers	
Parents	17%
Other family members	10%
Friends	15%
Schools, Colleges, Teachers	
Personal tutors	10%
Subject teachers	7%
School/college advice and guidance services	13%
Other educational agencies	
Aimhigher activities	3%
Aimhigher website	4%
External Connexions staff / careers advisors	5%
Visiting speakers	12%
National Media	
Search engines (e.g., Google)	12%
Newspapers	8%

In terms of frequency of reference, HE sources predominate. Parents are referred to more frequently than schools, and other external agencies such as Aimhigher programmes are referred to only minimally. These relative priorities were repeated in the interviews. Even by the time of the second research interview very few students had heard of the bursary map website and only a few had viewed the student finance direct website.

Most students referred to a narrow range of sources (Figure 1) with the median number being two. A substantial number did not indicate any source. We investigated whether this was likely to be a non-response to the question. In the same response

table students were also asked to indicate their sources of information about universities and courses in general. Only 4% made no response in this part of the table. We concluded that failing to indicate an information source on financial support was more likely to indicate that no sources had been used, rather than a non-response to the question. This interpretation is consistent with the qualitative data from interviews.

Figure 1. Percentages of students using a given number of information sources on finance



There are two other significant sources of variation in the information used by students on financial support: the extent to which different types of student make more use of one source of information than another; and the extent to which schools and other educational agencies support students' decision-making.

3.2.2 What differences are there between students in their approach to gathering information?

Students who were intending to move away to study were more likely to say in interviews that they had referred to national university guides and league tables and that they tended to report having visited a larger number of HEIs. Since socially disadvantaged students are under-represented in the 'intending to live away from home' category, there was also variation by social background. Reference to league tables was particularly stressed by students from independent schools. They referred to narrowing down their choice of institutions by reference to the Times University Guide and other league table information.

Almost all the independent school students had visited four or five universities prior to their first interview with the research team. Independent school students and

socially advantaged students from state schools were quite proactive about this process, visiting outside open days, ringing up lecturers and university staff with queries. In contrast, Lloyd and Steve, socially disadvantaged state school students, had only visited one local university and had only looked at that university's information pack.

There were some indications from the interviews that students from independent schools or more advantaged backgrounds might be making use of a greater range of sources. For example, one independent student commented:

Bodhi (Interview 1): I think you definitely need a wide range of sources of information because often the universities in their websites will try and make themselves look, you know, better than they are, and I think you need quite a wide sort of awareness of universities and where to apply and everything and I don't think you can get that from just one source.

This contrasted with the search process of Jack (SD SS), whose sole sources of financial information had been a session put on by the school/college late in the academic year (provided by Aimhigher) and flicking through a single prospectus for a local university. However, an analysis of the questionnaire responses concerning the number of sources cited by students (Figure 1) found that this was unrelated to whether students attended an independent school, parental income or education.

The quantitative data also indicated that second generation students were more likely to use their parents as a source of information (Table 7). This difference was significant at the 1% level, but it remained the case that 75% of second generation students still did not cite parents as a source of information on financial support.

Table 7 First and second generation students' use of parents as a source of information on financial support

Parents as a source of information	First generation students	Second generation students
Did <i>not</i> use parents as a source of information on financial support	897 (86%)	366 (75%)
<i>Did</i> use parents as a source of information on financial support	143 (14%)	120 (25%)
Totals	1040 (68%)	486 (32%)

This low rate of reference to parental advice contrasts with the impression created through the interview data. Many interviewees indicated they were quite happy to leave financial issues to their parents, who would then pass the relevant information on to them. Asked if they thought they would be in debt at the end of their degree, some students replied 'Who me?', suggesting that the whole issue of funding their HE experience was something perceived as completely outside of their responsibility. Almost all students interviewed said that they received advice and guidance from their parents, regardless of whether or not parents had been to university themselves. There are different possible explanations of this difference between the two types of data. The interviews may have over-stated parental effects and the survey data may underestimate these effects. Given the other results it may be that parents were consulted on the overall financial implications of university choice such as accommodation costs, but that limited reference was made to parents in relation to available financial

support which, for many students, was becoming a consideration only late in the application process.

Students whose parents had experience of HE (either through attending university themselves and/or with children at university), however, were felt to have provided more relevant information on institutions and financial support. Students from socially advantaged backgrounds were more likely to report that parents had encouraged them to prioritise university reputations in making their choice.

Louise (SA SS): I didn't know anyone else who did that. I mean I didn't know about them, but it's my step-dad who started picking them out. I've got them from the past 3 years as well, so I can see whether they've gone up and down. I've actually lent them out to my friends to help them decide.

Some students discounted their parent's experience of HE as outdated. However, some socially advantaged parents also had access to other parents with children at university who were a source of information on finance.

Siblings already at university were also considered a good source of advice. This enabled socially advantaged students to access information from students across a range of HEIs. Similarly, students in schools where the 'norm' was to move away to university had access to friends who were more likely to be following this route and can access information on a range of institutions this way. Using family and friend networks was evident in a number of students' narratives, but particularly in those students from more advantaged backgrounds. Independent school students particularly made use of friends and family networks, making frequent reference to talking to friends about HE related issues. In other schools, where the tradition is for students to stay local, if they attend university at all, access to such networks may be limited. Students from state schools and colleges in Urban Area A, for example, were predominately socially disadvantaged and their access to narratives around traditional HE experience may be limited when compared with other students.

The interviews also suggested that whilst some students adopted a proactive stance towards gathering information, others tended to wait for whatever came their way. There was a tendency for socially disadvantaged students to be more reactive, referring only to the information that was put before them. For example, two socially disadvantaged students described their sources of information by referring to sources that were given to them:

Interviewer: So how have you been finding out about finances?

Marie: Mixture between tutor and that finance talk, and then there was There was a bit in the back of, I think it might have been the [name of HEI] prospectus, where the grants ...

And:

Interviewer: Did you look for that information [on finance] yourself or was it on a sheet that came with the prospectus?

Lloyd: It came through the post, like a little pack.

Interviewer: And have you looked at the bursaries they offer at [HEI he has applied to]?

Lloyd: No.

Interviewer: Okay. Do you know if you might be eligible for a bursary at [HEI he has applied to]?

Lloyd: Not sure. It depends on how your income is.

3.2.3 What difference do schools and other educational agencies make to students' decision-making?

Interviewees reported that schools and colleges emphasised type of university and type of course as the key factors in deciding on study in HE:

Louise (SA SS): I've noticed a lot of the teachers helped the other students who don't know what they want to do at university, or where to go, because I guess they haven't got Well, like my parents gave me the league tables and gave me stuff to look through whereas they've been more on their own. But the teachers have helped them a lot really.

Information about financial support was very limited:

Interviewer: Do the college give you any information on that kind of thing [finance]?

Alice (SD SS, Interview 2): Not so much on finance... it's been more about actually trying to choose a university rather than thinking about finance.

And:

Andy (SA SS, Interview 1): No, it's kind of like you're doing your A levels, you're aiming to go to university and I think they just assume that you'd get it when you go to the open days.

And:

Interviewer: So given that you haven't really actually made any active choices about looking for information on financial cost and all that kind of thing, is there anything that you feel that could have been given to you that you haven't had?

Tom (SA SS): On the financial side the school hasn't given us much information.

This is consistent with the rather low percentages of students in Table 4 indicating that they had received information about financial support through their school or college. However, when an institution or a teacher did provide advice on finance available it was usually taken very seriously by students:

Holly (Interview 2): Yeah, my mum and dad went to that [activity at the school]. You see before we were clueless and that really helped us...

Interviewer: So have you had all your information about finance from that evening?

Holly: Yeah.

And:

Interviewer: So what sort of information has your tutor given you?

Alice (SD SS, Interview 2): Well, she was just talking about money and things and they said I would probably be better to stay at [name of local university] if I felt that I'm worried about money, obviously with debt and things.

When information on finance was provided it tended to focus on personal money management rather than on the implications of the range of choices open to students:

Interviewer: You know the talk that the people gave, where there was the stuff about finance, did they fill you in on any information around that [costs of studying at different universities]?

Holly (Interview 2): They did a little bit. It was just like a presentation saying 'Oh, you might spend this much on your phone for a month and then you've got like, you

know, food costs'. Just giving advice saying you know, 'Try markets and stuff. Just where to get your stuff from to save money.

Information on financial support also tended to be provided late in the year after choice of course and institution had been largely settled. For example, some Urban Area A schools and colleges provided talks by student loan advisors. Similarly, one institution provided information for Year 13 pupils in April on bursaries and how these differ by institution. Providing such information late in the year may encourage students and their parents to think of finance as something to consider after they have made their decision about which university to attend. This may be very suitable for those students for whom finance is not an issue, but for students who need extra advice or financial support it may create problems.

There was some variation in experience that could be associated with the type of institution attended. Interviews with independent school students indicated that finance was less of a focus for the school. Students had access to a careers advice team, interviews with the head and support from teachers, but the emphasis was very much on elite universities and subjects rather than finance. This could potentially isolate or disadvantage some students who are less financially well off as there appeared to be relatively little finance related advice:

Interviewer: Did your school give you any information on bursaries?

Simon (Interview 2): No. That's not a problem really. I mean I think there's quite a lot of actually kids who, obviously no one here's not privileged, but there are quite a lot of people who are less so than others, but I think that's kind of a failing point really because I mean I know that we could do with a helping hand with people just saying 'Well here's your options so we can see what there is'. I know there's a fair few other people who are on assisted places as well who just at least want to know if you have the options. It would be pretty useful because as it is for us it's pretty confusing just trying to fill in that finance form 'cause obviously we've never gone through that sort of thing before. The school, its kind of part of their, y'know developing you, helping out with the uni' stuff so that could have been something that we could have done with.

Very few students referred to Connexions in relation to financial information or appeared to have spoken to their Connexions Personal Adviser in relation to HE decision-making overall. State school pupils appeared to have had little contact with careers education guidance staff, whilst almost all the students from further education colleges interviewed had spoken to the head of the careers department there.

3.3 TO WHAT EXTENT DO STUDENTS TAKE THE AVAILABILITY OF BURSARIES INTO ACCOUNT IN THEIR DECISIONS ON WHERE TO STUDY FULL-TIME IN HIGHER EDUCATION?

3.3.1 How good is students' knowledge about financial support?

There are several financial factors for students to consider when deciding upon their course of study in HE: cost of accommodation and travel, the effect of different degrees and institutions on future income, possibilities for part-time employment and the opportunity cost of pursuing these opportunities, variation in fees, and eligibility for bursaries. Students who had decided not to pursue study in HE felt significantly less knowledgeable about student finance (37% reported being 'not knowledgeable at all', compared to 11% of students who were considering going to university). Only 25% of the students not going to university believed they were knowledgeable or very knowledgeable about student finance. Nonetheless, 59% of students who had decided not to pursue study in HE reported that avoiding debt had affected their decision 'much' or 'very much' as compared with 31% of students who were intending to go to university. These figures leave open the possibility that some, at least, of the students who had chosen not to go to university would have considered doing so if they had known what financial support was available to them. However, very few of the students who were choosing not to go to university would have been eligible for a bursary that required high examination grades. Only 1% of students choosing not to go to university had achieved a grade A or A* in either mathematics or English at GCSE. None had achieved a grade A or A* in both.

According to the Minister of State (Denham, 2007) just over half of the students who entered higher education in 2006 received a maintenance grant. However, only 22 % of the students in our sample who were expecting to go to university thought they would be eligible for a maintenance grant (the figure for those not going to university was only 10%, with the majority of students in both categories responding 'don't know'). Many students are not sufficiently well informed about these grants for their decisions about higher education to be influenced by their eligibility for such benefits.

The level of knowledge about finance amongst the students interviewed was not high. Of the eight students from the independent school, two felt that they '*hadn't a clue*' because this was simply not an issue for them. Of the remaining students, four appeared to have some knowledge of the basic financial support system but had not looked specifically for any information relating to this, two showed more awareness with one student, Bodhi, having looked specifically for information on additional financial support that might be available to him from the RAF. By the time of the second interviews all of the students knew more about the financial support they would have access to, apart from the two students for whom this remained a non-issue. For some this had primarily been a natural development of their knowledge over the course of the academic year, others had been driven to find out more about specific issues. For example, one student had clarified their status as an overseas student and another (scholarship) student had found out about additional financial support and the availability to university students of 'perks' such as cheaper rail travel.

Of the eleven socially advantaged students in state schools, eight had relatively low levels of knowledge of student finance when first interviewed. Of these, one student

said that he had not looked for any information but had just ‘assumed’ that it was cheaper to stay at home. As a result he was only considering local universities and subsequently decided not to apply to HE⁶. Three students had more knowledge. All three had looked for information on accommodation costs and two had also noted all the information on finance available during university visits. By the second interview, of the eight students with low levels of knowledge, four were more aware and one still relatively vague⁷. Of the remaining students, one felt that he had gained a better understanding of finance because he had looked into it with his parents and through talking to students on university visits. One did not appear any more aware, saying instead that his parents were sorting out anything to do with finance, and another did not take part in a second interview. Overall, of the five students in this group who did show evidence of increased financial knowledge, four attended institutions in Urban Area A and appeared primarily to have benefited from school-related activities (e.g., a talk held at the school/college; a book handed out by the school).

The level of awareness of financial support amongst the eighteen socially disadvantaged students in the state schools was also relatively low at the time of the first interview. Twelve had relatively low levels of knowledge. These students had not actively looked for information on finance saying instead that they would look at this after they knew which university they would be attending. Four students were relatively aware. One of these students specifically wanted to attend a university in the south of England and had investigated the financial implications of pursuing this objective. Another of these ‘well-informed’ socially disadvantaged students had had an older sibling attending a local university. Of the eighteen socially disadvantaged students the only two with high levels of knowledge about financial support were expecting to achieve high grades and were considering Oxbridge applications. By the second interview most students had increased their knowledge; one student still appeared to have little financial awareness, however, and a further two students remained confused as to what financial support they might receive⁸.

The majority of the students defined as socially disadvantaged were based in Urban Area A and, as discussed above, a number felt that they had benefited from an information session held at their school or college prior to the second interview. This session focused on the practicalities of form filling etc. and was open to parents as well as students. However, if finance has more implications for non-traditional students is the timing of this session more geared to students for whom financial issues are about how to ‘do’ things, rather than increasing knowledge to facilitate informed decision-making? For students for whom finance is not an issue this timing causes no problems. However, for students who would take finance into account in their choice of institution the current timing of advice on finance is too late (e.g., restricting students’ choice to local HEIs because of a perceived need to reduce cost; finding out that other universities might offer more after they have chosen is too late).

For example, Steve (SD SS) knows that finance is key issue, but made his decision to apply to HE late. As result not only does he feel he has not got time to search for

⁶ We were informed of his decision by the school as the student did not take part in a second interview.

⁷ Of the other 3 students in this sub-group, 2 did not take part in a second interview and 1 had deferred entry for a year, so had not looked at this issue further.

⁸ Of the 18 students who took part in the original phase of interviews, 2 were unavailable for a second interview.

information but he does not know *where* to search. This situation is exacerbated by a lack of confidence in achieving his grades:

Interviewer: Do you think you're pretty knowledgeable about financial support and those kinds of issues?

Steve: Not really. That's one of the things I've been trying to look for, but haven't found ... I think some (HEIs) have sent financial information through, but not all of them.

Interviewer: Is that something you've been putting off finding out about or is that something you wish you could find more out about now?

Steve: Yeah, just because it would help me to sort of say, 'Well I can go to this university because it is affordable, but I can't go to that one because it isn't'.

In contrast, Sarah (SD SS) expressed a high level of awareness of her financial situation in both interviews. Sarah is a high achiever confident of her grades; her decision to enter HE is longstanding and she realised that finance would be a key issue for her in relation to this:

Sarah: I think it's probably just the fact that I know, always knew that the financial aspect of university was going to be a bit of a problem for me. So I wanted to know that I could get it worked out in my head, that I could do it without getting too [much in debt].

Interviewer: So in the research that you've been doing, what differences have you discovered between the costs of studying at the different universities [Institutions A to D in the following quote] on the different courses?

Sarah: Well most of them are the same. Like, obviously tuition fees wise. The difference in like the price of accommodation and stuff varied depending on where it was. Somewhere like [Institution A] is quite an expensive place to live, which isn't good. But then they have different bursaries, 'cos they have to give you like £300 if you're going to get a full maintenance grant, but most of them are giving like £1,000. Whereas [Institution B] and [Institution C] are both giving £3000. And like [Institution D] have, for physics, they have a scholarship exam for it which is, it's quite a long shot, but if you do get it, you get like £4000 a year I mean that would be like a dream come true type of thing.....

Overall, there was confusion amongst some students about maintenance grants. Some had not heard of these at the time of the first interview, including those students we have defined as socially disadvantaged who were more likely to be eligible for this form of support. Although many were more knowledgeable in the second interview this does suggest that students from disadvantaged backgrounds may not be aware of this additional support. This is of concern, particularly given that these students have already chosen to stay on post-16 and could reasonably be expected to have higher levels of awareness than those students who leave full-time education at 16.

3.3.2 What do students know about bursaries?

The proportions of students in answering the questionnaire asserting that they understood what is meant by a bursary (72%) and indicating that they know that bursaries varied between universities (75%) were very similar (Table 8). Nearly half of the students (45%) did not know whether they would be eligible for any bursary.

Some students are more likely than others to be eligible for a bursary and we might expect that students who are more likely to be eligible are also more likely to know. Students from lower income families and students expecting high grades have greater incentives to find out about their eligibility.

Table 8 Eligibility and knowledge of bursaries

Question	% Yes	% No	% Don't know	% Response rate
Do you know what is meant by a bursary?	72%	26%	N/A	98%
Do you think you would be eligible for a bursary?	29%	26%	45%	100%
Do you feel that bursaries are the same for all universities?	25%	75%	N/A	96%

N = 1628

The estimates reported in Table 9 show that students with higher GCSE grades are very much more likely to know that bursaries vary. Students from lower income families who would be first generation undergraduates are no more likely than other students to know about the variation in bursaries. Students from Urban Area B are more likely to know that there is variation. This may be a 'school effect' or a consequence of a greater number of local HEIs in Urban Area B.

Table 9 Variation in knowledge about bursaries: believing that bursaries vary across universities

Case	Probability
If the student has the characteristics of the comparator case...	.76
Except... if student comes from Urban Area B	.84
Except... if student has high GCSE scores	.89

A more encouraging picture emerges from an analysis of the accuracy of students' beliefs that they will be eligible for a bursary (Table 10).

Table 10 Variation in beliefs about eligibility for bursaries

Case	Probability
If the student has the characteristics of the comparator case...	.27
Except... if student is male	.35
Except... if student comes from a single parent family	.43
Except... if student comes from a high income family	.06
Except... if student comes from a low income family	.60
Except... if student comes from a low income single parent family	.75
Except... if student has high GCSE scores and comes from a low income family	.67
Except... if student has high GCSE scores and comes from a high income family	.09

Students are significantly more likely to believe that they are eligible for a bursary if they come from low income or single parent families and if they have high GCSE scores. These effects are cumulative. In line with many gender comparisons (Davies et al, 2005), males are more likely than females to believe that they will be eligible for a bursary.

Overall, level of knowledge about specific types of bursary was weak (Table 11). A minority of students were aware of local bursaries and bursaries available for students with high grades.

Table 11 Knowledge of specific types of bursary

Question	% Yes	% Response rate
Are you aware that some universities offer an additional bursary to local students?	34%	95%
Are you aware that some universities offer an additional bursary for students achieving high grades at A-Level?	44%	95%

N = 1526

These relatively low levels of knowledge would not be a problem if lack of knowledge was restricted to students who were ineligible for the bursaries. To some extent this is the case, as shown by the estimates in Table 12. However, since students with lower GCSE grades are much more likely to intend to go to a local university, the fact that only a third of these students are aware that there may be a bursary available to local students is worrying. Another area of concern is the lower level of awareness amongst Asian students of bursaries available for students with high grades.

Table 12 Variation in students' awareness of particular types of bursary

Case	Probability
Awareness of a local bursary	
If the student has the characteristics of the comparator case...	.39
Except... if student has low GCSE scores	.32
Except... if student has high GCSE scores	.55
Awareness of a bursary for high achieving students	
If the student has the characteristics of the comparator case...	.49
Except... if student is Asian	.39
Except... if student has low GCSE scores	.32
Except... if student has high GCSE scores	.80
Except... if student is Asian and has high GCSE scores	.72

Most of the students surveyed (94%) reported that they had looked for information about universities and the system of financial support. However, less than one third of

these said they had actively searched for information specifically about bursaries (Table 13a).

Given these results, we investigated whether the replies were linked to certain characteristics of students that may indicate some degree of limited rationality in their decision-making. Bursaries are available to high achieving students, local students and those whose families are on low incomes. Other students may rationally not spend time investigating such sources of finance. Variation in the probability of different types of students searching for information on bursaries is presented in Table 13b.

Table 13a. Search for bursaries

Question	% Yes	% Response rate
Have you actively searched for information about bursaries?	30%	96%
		N = 1526

Table 13b. Search for bursaries

Case	Probability
If the student has the characteristics of the comparator case...	.40
Except... if student is from a single parent family	.50
Except... if student is second generation	.30
Except... if student goes to an independent school	.17
Except... if student has high GCSE scores and comes from a low income family	.77
Except... if student has high GCSE scores and comes from a high income family	.68

Our results do suggest that students who are more likely to gain a bursary are more likely to look for information. Students who attended an independent school were less than half as likely as our comparator case to have actively searched for information about bursaries. Second generation students were also less likely to search, but the effect was smaller. However, the most important factor in increasing the percentage is examination performance, with an estimated three quarters of those with high GCSE scores, who come from a low income family, responding that they have actively searched. The percentage remains high (at just under 70%) even if the family has a high income. However, there are substantial numbers of students who are not looking for information on bursaries even though they belong to groups with a high likelihood of eligibility.

During both interview phases students were asked about the awareness of bursaries. Table 14 presents an overview of students' level of awareness at the time of the first interviews. Overall, very few students expressed a fair or good level of awareness of bursaries, the majority of students having either 'heard the name' or very vague knowledge.

Although students attending an independent school were, on average, less likely than other students to be eligible for a bursary, their knowledge of bursaries was no worse

than other students. In some respects it was better. Richard's remarks (SA IS) were fairly typical:

Richard: I haven't really looked into it ... it's not that much of an issue for my family who are quite well off. So I haven't really looked into the costs, it's just if I like the uni' I'll apply for it.

Table 14 Knowledge of bursaries at Interview 1, by social advantage and school (Nov 06)

Knowledge of bursaries	Independent school students	Socially advantaged students at state schools	Socially disadvantaged students at state schools	Totals
Did not know what bursaries were at Interview 1	2	3	3	8
Either heard bursary name or had very vague knowledge – some confusion with maintenance grants at times	4	8	13	25
Fair or good knowledge	2	0	2	4
Totals	8	11	18	N = 37

Two of the students attending an independent school had fair to good knowledge. One student had actively searched for this information in relation to a bursary provided by the armed services.

Students from both socially advantaged and socially disadvantaged groups in state schools had low levels of knowledge about bursaries, the majority saying they either knew the name or indicating some awareness. A number also appeared to confuse bursaries with maintenance grants. Some who claimed to understand bursaries were extremely vague as to what was meant by this. Two socially disadvantaged students had a good knowledge of bursaries. Sarah, a high achieving student, had explicitly sought information on additional financial support as part of the process of choosing a university. Martin, also confident of achieving high A-level grades, had consciously not sought financial information prior to making a decision because he did not want this to affect his initial choice-making. He had, however, been looking at the bursaries on offer in the information packs he had received from the universities that he was considering. He had also checked their websites to investigate his eligibility for bursaries at those institutions.

By the time of the second interviews, most students were aware of the bursary scheme and most claimed to have become more knowledgeable about the overall system of financial support. However, many remained uncertain, particularly in relation to eligibility (Table 15). Nearly half the socially disadvantaged students still had very limited knowledge, although the majority of this group had had an opportunity through school to attend an information session on HE finance. Only five of the socially disadvantaged students had either applied or were going to apply for a bursary. Of these only three could be described as knowledgeable. One had applied to an elite institution offering a high bursary. One had applied to a non-local university

offering a subject bursary. One had applied to a local university offering a bursary to students from link schools.

None of the socially advantaged students at state schools interviewed a second time appeared knowledgeable about bursaries or said that they had applied for a bursary, and one remained unaware. Of this group, two thought they were eligible for income-related bursaries and were going to apply.

Table 15 Knowledge of bursaries at Interview 2, by social advantage and school (May 07)

Knowledge of bursaries	Independent school students	Socially advantaged students at state school¹	Social disadvantaged students at state school²	Totals
Did not know what bursaries were by Interview 2	2	1	1	4
Knew but knowledge was vague – students thought they were eligible or were going to apply	0	2	2	4
Knew but knowledge was vague – students did not know eligibility	0	2	6	8
Knew but knowledge was vague – students had not looked further because they thought they were not eligible	4	3	2	9
Knew, looked for information and know will get bursary if go to chosen institution	2	0	3	5
Totals	8	8	14	N = 32

¹Three students did not take part in the second set of interviews. ²Two students did not take part in the second set of interviews and two have been left off the table because they have decided not to go to university and therefore did not continue their search for information.

The majority of the independent school students believed that bursaries were not relevant to them. One student, previously less aware of bursaries, had actively sought to increase his knowledge. This student was currently on a scholarship and finance would be more problematic for him as he felt that the family income, whilst not high, put them just above the threshold for income related bursaries. However, he felt that he might be eligible for the Oxford bursary scheme.

More detailed information about the seven students who displayed a greater awareness of bursaries is presented in Table 15. None of these students were ‘first generation’ entrants to HE and each gave a rationale for their search for information on bursaries. Simon, a scholarship student, was aware of his need for additional financial support as he came from a single parent background. Bodhi wanted to study medicine and believed there might be bursaries available for this kind of study. He wanted to make sure that he did not miss a potential opportunity, although there was never a question for him that his parents would not be able to support him. Russell initially thought he might need and be eligible for additional financial support in the likelihood of a change in his family’s financial circumstances. As this did not occur, he had not looked any further at the time of the second interview.

Parents' limited ability to provide financial support was the major driver for the socially disadvantaged students. All four students were confident academically. They were 'low income/high grade students' who expected high grades and aimed to study at research-intensive universities. They came from families in which at least one parent had experience of HE (either as a graduate or current student). Each recognised that finance could be a problem for them and actively sought information. This combination of attributes meant that they had strong incentives for seeking information: they were confident that they would be successful in university and achieve a degree that would yield a strong income premium. They had easy access to information that would alert them to the financial costs during their study and the significance of financial support that might be available. In Liam's case, this decision was taken by his mother, who after initially expressing a preference that he should stay local to reduce cost, actively sought out this information. Martin, as a disabled student, was already aware that additional financial support would be available to him.

Table 16 Background of those students expressing higher awareness of bursaries⁹

Status	Student	First generation entrant	First choice HEI
Socially advantaged students at independent school	Simon	No	Elite
	Bodhi	No	Elite
	Russell	No	Elite (gap year)
Socially disadvantaged students at state school	Martin	No	No second interview
	Sarah	No – mother currently working in HE	Elite
	Kirsty	No – mother was a mature student	Local, red brick
	Liam	No – mother currently mature student	New

There is some indication that students with graduate parents are more likely to search for information about bursaries (Table 13b). This can be illustrated by Steve (SD SS), a first generation entrant. He was as certain as the students in Table 16 that he intended to go to university and he was equally clear in both interviews on his need for additional financial support. However, he had not actively sought information on bursaries, was vague as to what they were and did not know his eligibility. Yet, as with all patterns, there are contrasting cases. Two 'second generation students' (Beth and Marie, both SD SS students) had not seriously investigated bursaries.

3.3.3 To what extent do students take availability of bursaries into account?

The majority of students (89%) did not take bursaries into account in their decisions about where to study. Black students were much more likely, and students from high

⁹ Socially advantaged students had parents in occupations such as doctors and teachers. 'Socially disadvantaged students' had parents employed in a range of occupations including pottery worker, social work assistant and self-employed upholsterer. The student who was applying to an elite university had one parent in relatively low paid employment in a professional setting.

income families were less likely, to report that they took bursaries into account (Table 17).

Only a very small number of interviewed students had chosen not to enter HE. Of these, two felt that if they had known about a bursary this would ‘probably’ have impacted upon their decision.

Table 17 Estimated probabilities of whether bursaries are a factor for students in choosing a university

Case	Probability
If the student has the characteristics of the comparator case...	.13
Except... if student is Black	.29
Except... if student comes from a high income family	.06

One of the interviewees, Alice (SD SS), provides an example of a student asserting that bursaries had not influenced her decision. Alice was a first generation student from a low income family. She professed little knowledge of the bursary scheme, but she thought that a non-local institution she had considered was offering additional support of £800. This information had been provided unsolicited by the HEI. By the second interview she had changed her mind and had decided instead to go to a local university. At the open day of the local university she had attended a presentation on bursaries and thought she might be eligible for £270 which she would ‘more than likely’ apply for. However, she felt that this had not affected her decision-making. She felt more comfortable at the local university and her original choice was too far away and too expensive. There are two main strands in this account. First, this student is directly considering the expense entailed in attending one university rather than another, but the difference in bursaries available was not sufficient to play an important role in her thinking. Second, she was not *expecting* bursaries to play a significant role and even though she had some idea of the awards for which she might be eligible she had not searched for this information and was uncertain about its accuracy. That is, bursaries might be playing a limited role because students are unaware of what is available.

The survey and interview data provide some indications of the role that each of these explanations might play. For example, Alice indicates that a believed difference of £539 was not enough to persuade her to move away. She preferred the local university even though finance was a consideration for her. Two other socially disadvantaged students had found a bigger difference between the financial support packages offered by different universities:

Interviewer: Were they [bursaries] a factor in deciding which university to choose?

Martin: They were actually, yeah. Before I got my offers I had a look at the financial help and at [Institution A] if you get three As they will give you £1,000 but [Institution B] is like £5,000.

And:

Interviewer: Now you know more about your financial situation, has this influenced your thinking about which university, if so in what way?

Liam: Well if it is too expensive I wouldn't really be able to afford to go there. Finding out that at [Institution A] I get a subject award also helps influence me. £1,000 for doing a subject will help pay towards my tuition fees.

Interviewer: So that has had an influence?

Liam: Yes.

Liam had not become aware of bursaries until late on in the process of applying for university courses. He was asked whether earlier knowledge of bursaries might have affected his decisions:

Interviewer: If you had known about the bursaries before, i.e., that you could get different ones, would that have influenced your choice?

Liam: I have already opted for [Institution A] and I still think I would have gone for [Institution A].

Interviewer: When you were doing your UCAS, if you had gone on that bursary map [website] and somewhere like [name of elite institution] had said that you could have this bursary, lets say £1,000, would that have influenced you towards selecting that university?

Liam: Well, if they had offered me a bursary I would have probably gone and looked at it as well because, it's not that finances are the only decision, but it would make me consider it and I would have gone and looked at it.

Although Liam initially says it would have made no difference, he shifts his position when two other factors are introduced: £1,000 and a type of university he was considering in his decision. This kind of hypothetical scenario was posed in one of the survey questions. The question asked students what effect a £2,000 bursary would have on their choice of university. Students replied on a scale of 1 (not at all) to 4 (very much) (Table 18). This question is focused on choice between a pool of universities that a student has considered as initial possibilities.

Table 18 Possible influence of obtaining a bursary on choice of university

	1 (not at all)	2	3	4 (very much)	% Response rate
Suppose one of the universities you were considering offers you a £2,000 bursary, how much would that influence you to choose that university?	10%	25%	40%	22%	93%
					N = 1417

To examine variation in response of different types of student to this question we combined replies 1 and 2 as 'unimportant' and 3 and 4 as 'important'. Table 19 shows the estimated probabilities of students indicating that a £2,000 bursary would be an important factor. A large percentage (84%) of students from low income families indicated that such a bursary would be important in their decision-making. This question suggests that bursaries could be very significant in competition between similarly ranked universities and also between local universities regardless of rank.

An alternative explanation is that information about bursaries is very complex and it only comes to students' attention late in the year. The students who were interviewed

had become aware that the criteria for the award of bursaries included income and grades. However, most were unsure about whether they might be eligible.

Table 19 Estimated probability that a £2,000 bursary would have an important effect on choice of university

Case	Probability
Replying ‘important’ to ‘Suppose one of universities you are considering offers you a £2000 bursary, how much would that influence you to choose that university?’	
If the student has the characteristics of the comparator case...	.77
Except... if student is from a single parent family	.67
Except... if student comes from a high income family	.75
Except... if student comes from a low income family	.84

The evidence of how students search for information indicates that few had been aware of the bursary system before selecting their initial pool of universities. When directly asked if earlier information would have been useful to them, interviewees replied positively:

Interviewer: Is there any information that you feel you need but you have not yet had?

Kate (SA SS, Interview 2): I think it would have been better to get more written information on bursaries and that kind of thing. I really don't know where to look when someone tells you to look somewhere.

Interviewer: Would you have liked this information earlier?

Kate: Yes, once you have made your six choices you are kind of restricted to them. I think you need that a lot earlier. Not so much the loan side because that is going to be standard wherever, but the actual bursaries that each university gives. The differences between the universities would have been good.

Interviewer: So you would have benefited from being pointed towards this before you did your UCAS form?

Kate: Yes, as I applied for [elite institution] in December we would have needed this information really early like at the end of Year 12.

Finally, since perceptions of institutional quality are very important in the decision-making of some students, potential effects of bursaries on these perceptions should be considered. One independent school student talked of institutions giving away ‘loads of bursaries as being desperate for students’. A second socially advantaged student from a state school was considering turning down a bursary of £1000 offered by one post-1992 institution willing to accept them with lower entry qualifications than other universities because the offer had led them to infer that the university was more desperate for students and therefore must be of lower status.

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5 APPENDICES

APPENDIX 5.1 PROFILE OF SCHOOLS AT WHICH INTERVIEWS WERE CONDUCTED¹⁰

Bishopgate College

Bishopgate College of Further Education is a large highly successful college in Urban Area A with pass rates and student success levels amongst the best in the country. The College is one of three within Urban Area A that work closely and cooperatively together. The college draws from a wide catchment area, much of which has high levels of deprivation. The College has a population of over 2,500 full-time students and 10,000 part-time students, providing a wide range of full-time and part-time academic and vocational courses to learners of all ages and abilities. The number of students aged 16 to 18 is approximately 2200. The college is particularly noted for its computing courses and art department. In 2007 the colleges' pass rates on A-Levels (over 97%) and advanced vocational courses exceeded all national benchmarks.

Information, advice and guidance concerning HE is provided via presentations on various aspects of the university application procedure and financial support for students. Students have access to Connexions Advisors and the colleges Sixth Form Centre organises visits to various universities and to the Staffordshire University Higher Education Fair. Careers literature and a full range of university prospectuses are available in the school library.

St Agnes Catholic High School

St Agnes Catholic High School is a popular and oversubscribed 11 to 18 voluntary aided community comprehensive school serving a socially and economically diverse area in Urban Area A. The school is mixed gender and is slightly below average in size, having approximately 900 students, around 90 of whom are in the Sixth Form. St Agnes is a specialist school for Performing Arts. A less than average number of students are from ethnic minority groups. Few students are entitled to free school meals, and few have learning difficulties, disabilities, or Statements of Special Educational Need. Pass rates at GCSE and A-Level are currently in line with the national average; which is an improvement on previous years.

In terms of information, advice and guidance concerning HE students have access to a Connexions Advisor and a full range of careers literature and university prospectuses are available in the school library. The school organises visits to universities and to the Staffordshire University Higher Education Fair, and has a number of activities on university finance; one by Aimhigher and one on student loans.

¹⁰ School and interviewee names have been changed to preserve anonymity.

Ravenswood Sixth Form College

Ravenswood Sixth Form College, which is situated in a relatively rural area of Urban Area A, is served by a consortium of three schools from the local area; a Catholic high school, and two community comprehensive high schools. It is a mixed 16 to 18 school of non-denominational religion, with around 380 students on roll. The centre is renowned locally for the quality and range of its A-Level courses and A-Level results are consistently above the national average.

Students at Ravenswood have access to a Connexions Advisor. The College has a well resourced library and information centre where careers literature and a full range of university prospectuses are available. The college organises visits to universities and the Staffordshire University Higher Education Fair and has presentations on university finance and the application procedure.

Isaac Newton Boys School

Isaac Newton Boys School is an independent day school for boys aged 11 to 18 operating within Urban Area B. The school has approximately 850 students on roll, around 235 of whom are in the Sixth Form. It is multi-ethnic, multi-cultural institution and identifies more than 20 different national origins amongst its students. English is not a first language for around 15% of students. Approximately 50 students have particular learning difficulties or disabilities, around 40% of whom receive support from the school, often in place of another curriculum subject. Admission is by the schools own entrance examinations and interview at Years 7 and 9 and to the Sixth Form at Year 12, where the offer of a place depends also on specified achievement. Around a quarter of students are supported by scholarship or assisted place. Attainment at GCSE and A-Level is outstanding, well above the national average for all maintained selective schools; the school has consistently been at or near the top of the league tables for the past 10 years.

The school has a Head of Careers and a specialist careers advisor who maintains a very comprehensive and up-to-date resource centre. It draws on close links with industry, commerce and HE to provide a wide range of speakers for specialist talks and for exhibitors to an annual Careers Fair. Careers lessons are timetabled in Years 9, 11, and 12. Careers advisors are available throughout the day for advice on such topics as university access, gap years, and financial support, filling in application forms and interviews and open days.

Deanswood School

Deanswood School is a large comprehensive school of non-denominational religion for mixed gender students aged 11 to 18. It is very popular and oversubscribed. The school operates within an area of Urban Area B where approximately 20% of local students attend grammar schools. Eligibility for free school meals and the proportion of students from minority ethnic backgrounds is below the national average. The proportion having learning difficulties and disabilities is above the national average. The school specialises in two areas; Technology and Music, and has special facilities for 22 visually impaired students. Pass rates at GCSE and A-Level, and for vocational courses are generally above the national average. There are around 1300 students on

roll. Around 40% of students progress into the Sixth Form. The Sixth Form is part of a consortium.

Students at Deanswood have access to a Connexions Advisor, and careers literature and a full range of university prospectuses are available in the school library. Students are actively encouraged to visit as many universities as possible prior to making their decisions and the Sixth Form pays for two university visits per student in Year 13. A number of tutorials and assemblies cover issues relating to university applications and financial support and there are organised 'UCAS' evenings: one on the application process, another on finance by Aston University, and an evening specifically aimed at parents.

APPENDIX 5.2 PROFILE OF INTERVIEWED STUDENTS¹¹

Kirsty

Kirsty attended St Agnes Catholic High School in Urban Area A where she studied a mixture of Arts and Science subjects, chosen partly because of personal interest and partly because of links to future career pathways. She chose to attend a local university to study a joint Sociology and Psychology degree and was confident that she would achieve the required entry grades. She believed that a joint degree would offer a wider range of post-university options. Kirsty decided that she wanted to apply to HE when she was around 14 years old, prompted by a belief that otherwise she would get a 'dead-end job' and be stuck in the local area if she did not get qualifications. She has discussed her decision with both her teachers and her mother (a mature student now working in the NHS), who is very supportive of her wish to enter HE.

From a low income background, Kirsty lives with her mother, grandmother and younger brother. Financial support is a key issue. This restricted her choice of HEIs and she only considered universities within daily travelling distance. Course content and the institution's academic reputation were taken into consideration second to the cost of travel to university. By the time of the autumn interview Kirsty had visited local universities as well as a non-local university at the far edge of what she considered her travelling range. She had also made extensive use of the internet for her research into universities. Although she was choosing to stay local she did not feel that she would get a worse experience by living at home.

Kirsty was very worried about how she would survive financially and did not want to rely on her mother for financial help beyond living at home. In the autumn interview Kirsty said she had heard of bursaries but had not yet looked into them and did not think that she would be eligible for a bursary at some of the HEIs to which she had applied. She was unaware that she might be eligible for a maintenance grant. By the spring interview she was aware that she would be eligible for a full maintenance grant and that she could get a bursary for local students from her chosen local HEI. She was also aware that other institutions would have offered her a bursary based on her level of parental income.

Kirsty emphasised that she made her choices based on cost and reputation – although she is opting for a local university in order to reduce travel costs she is accepting the offer from the institution she considers has the highest reputation for her chosen subject. Kirsty says that she has not received any information on financial support from her school although there was a talk that she had not been able to attend.

Kirsty had quit her part-time job (working 12-16 hours per week) as she felt her school work was suffering. She is, however, intending to work part-time throughout university and is looking to increase her hours of work to more than 16 hours per week. She thinks her final level of debt will be around £10,000 and finds this worrying but, she hopes, ultimately worthwhile because she will get a better job. A university qualification is a key driver for Kirsty's ambitions for the future.

¹¹ School and interviewee names have been changed to preserve anonymity.

Steve

Steve attended Bishopgate College of Further Education in Urban Area A where he studied Business and Science subjects which he chose through interest and because he regarded them as suitable pathways towards his preferred type of career. He expressed some concern over achieving his target grades and opted to take part in 'HE Card', a local Aimhigher initiative, in order to gain additional points to support his university application. He was also worried about where he would go if he failed to achieve the necessary entry grades for his chosen local university.

From a low income background, Steve was a first generation applicant to university. He lived with his mother (a secondary school support teacher), his father (a supermarket worker), and a younger sister. Steve referred a lot to his parents' wishes. They were keen that he should enter HE to help him get a good job. However, they felt it would be better for him to attend a local university and remain living at home because it would reduce the financial burden. Steve made his decision to apply for HE in his first year at college. Because of financial considerations Steve only considered those institutions within daily travelling distance. He looked briefly at a couple of university websites and only visited one, a local (post-1992) university. He subsequently applied to this university and chose it as his first *and* insurance choice. He did feel, however, that the institution offered a good selection of course options.

Steve believed that he was not particularly knowledgeable about financial issues and would have liked to have had more information to help him choose between HEIs.. He had not looked at accommodation costs because he had already decided that living away was not an option he could afford. He had looked at tuition fees at the local university to which he had applied and doesn't feel it will be too tough for him financially if he stays at home and continues to work part-time. He currently works around 18 hours a week and hopes to either increase the number of hours he works whilst at university or to find a job offering him higher rates of pay. Steve's parents cannot afford to help him financially and he would not ask them to do so.

At the time of the autumn interview Steve had not heard of the maintenance grant. He had heard of bursaries but had no idea what they were. By the spring interview the college had provided a talk on finance from which he derived some financial information. He was more knowledgeable about maintenance grants and thought he would be eligible for around half of the full amount. He had not looked into bursaries, but felt that this would not have affected his decision-making because he had already decided he did not want to move away from the local area.

Steve expected to accumulate £9,000 of debt which he believed would be worthwhile because a degree would enable him to secure a better job. He was not worried about the prospect of being in debt but this was primarily because he elected to remain living at home. If he had chosen to move away the issue would be of concern to him. He did believe that studying locally could restrict his chances in terms of opportunities and access to good work placements, possibly limiting future career choices. He did not think his overall experience of higher education would suffer as a result of choosing to study locally. He describes attending university as something that he needs to do, rather than wants to do; essentially another 'block' of learning that will move him nearer to his goal of getting a good job.

Sarah

Sarah attended Deanswood School in Urban Area B where she studied Mathematics and Science subjects. She was a high achiever who had been identified as Gifted and Talented at school. Sarah had always wanted to go to university. She had chosen an elite university outside of the local area as her first choice, and another university outside the local area as her insurance choice. She needed to achieve high grades to gain acceptance and was confident that she would achieve these grades. She made her first choice based on reputation of the institution and the course offered. The institution also offered a higher level of additional financial support for students with high grades which she says was not one of the deciding factors initially but a consideration when making her final decision.

From a low income background she lived her unemployed father and her mother who was a research assistant at a local university. She is a second generation student applicant to university. She describes her parents as supportive but not 'pushy'. Her By the autumn interview Sarah had already visited a number of HEIs, and looked at various prospectuses and websites, and at the Times University Guide. In making her decisions she considered indicators that she regarded as evidence of the quality of the institution and students' reports of the social experience. Sarah was keen to move away to university. Although she believed she could minimise debt by studying locally it was not an option because she wanted the experience of living on her own. She really liked one of her local universities but did not consider studying there purely *because* it was local. She felt that moving away to study might not be a completely sensible decision financially, however, and appreciates that it will be financially tough. At the other end of the scale she did not look at any London based institutions because of the additional costs this would incur.

Sarah was very knowledgeable about the financial support she could access. She had actively sought information from various sources (parents, websites, university prospectuses, Aimhigher literature). She was aware of the higher cost of living in certain areas, the accommodation costs, and had knowledge of the various bursaries available from different institutions. She thought that she would be eligible for the full maintenance grant. She felt she might get a part-time job whilst at university but was also concerned with the need to balance this with her workload and social life. Furthermore, the university she had chosen as her first choice 'did not allow students to work during term time'. Sarah estimated her final level of debt at around £20,000. Although she considered the amount to be high she was hopeful that her future earnings would be more than sufficient to justify this outlay.

Umish

Umish attended Isaac Newton's Boys School in Urban Area B where he studied Arts and Mathematics subjects. He thought they would be useful in terms of his future progression into HE where he planned to study Law. A second generation applicant from a high income background (who attends an independent school) Umish lives with his mother (a micro-biologist), and his father (a pharmacist with his own company). His two older sisters are currently in HE. Umish always intended to enter HE and did not feel that this was a conscious decision on his part. Each member of his family had been to university and it seemed the natural thing to do. He had long term plans to be a solicitor or a barrister.

In deciding which university to apply to, Umish had spoken to a range of teachers and careers guidance staff at his school but felt that advice from people his own age had been the most useful. He saw the process of knowledge gathering as driven by his personal initiative. His family were keen that he should attend a top university as defined in the Times League Tables, although Umish had placed less importance on league tables as he believed they tend to fluctuate. He had used them to choose what he regarded as the best HEIs in his field and then selected from those. Both his parents see attending a top university as a way of ensuring he gets a better job in the future.

Umish did not see any benefit in studying locally and had chosen to apply to universities outside of his local area. He was very keen to study in a city-based institution and at the time of the autumn interview he had received offers from two HEIs, selecting one London HEI for his first choice. Although he required three As for his first and insurance choices, and was not confident in achieving them, he had no contingency plans if he did not achieve the grades. In his view, all the top universities asked for three As and he was only interested in going to such institutions.

In relation to financial support, Umish was aware of financial issues, particularly relating to the difference between London-based HEIs and those outside the city, but this had not been a factor in his decision-making. His parents would pay his tuition fees and some of his living costs and he would use his student loan to cover the remaining living costs. He was not eligible for any maintenance grant and had not searched for information on bursaries because he did not think he would be eligible for this type of support. He was not worried about getting into debt, estimating his final debt level at around £16,000. He also believed he would not need to rely on working part-time whilst studying.

Liam

Liam attended St Agnes Catholic High School in Urban Area A where he studied Arts and Science subjects. He was a confident student. He expected high grades and had chosen to study a subject at university that would be new to him. Liam had always wanted to go to university; he enjoyed studying and believed that good academic qualifications were crucial for his future career opportunities.

A first generation applicant from a relatively socially disadvantaged background Liam lived with his mother (a social work assistant currently studying at HE part-time) and his father (a skilled pottery worker). He had an older sister studying at a local university. His family were keen that Liam should attend university.

Liam had chosen universities outside of the local area for his first and insurance choices. His mother initially wanted him to study locally because of the cost. However, Liam was very firm in his choice of subject (having researched the job opportunities he believes they are good) and he had to move away to do his chosen course. He also believed that moving away is part of the university experience and would not consider a local university even if they offered the course he wanted. The issue of finance was of concern to his family and Liam's mother had taken over this side of the information search.

Liam was pro-active in searching for information relating to his course; he and his family had visited four HEIs at the time of autumn interview and he had subsequently spoken to the Head of Department at one of the institutions to get additional information. He believed that the university visits had provided the most useful

information in terms of his decision-making. The quality of the course had been the major influence on his choices, although he also stressed he was also influenced by whether he liked the university itself and believed that it offered 'a good student experience'. Finance was not a key factor in Liam's decision-making, although he did feel that it would be financially tough for him. By the spring interview he had decided against one institution because it was too expensive.

By the time of the autumn interview Liam did not believe he would be eligible for a maintenance grant and whilst he had heard of the term bursary he wasn't sure what it was and this had not influenced his initial choice of HEIs. He did not receive any information on finance from his school until shortly before the spring interview. During the spring interview Liam confirmed that his mother did not begin to search for information on bursaries until around February or March of that year. He was aware now, however, that he was eligible for a £1,000 bursary from his first choice HEI and reported that this had influenced his final decision-making to some extent. Overall, he expressed the opinion that while a bursary would not be the key factor in his choice, if an institution offered a 'decent enough' bursary he would visit and then make his decision.

Liam had 11 hours per week of paid employment whilst studying for his 'A' levels. Once at university he intended to work around 15 – 18 hours per week. Balancing this with his workload was a worry to him. However, he was not particularly worried about the level of debt he would incur because repayment is income contingent and he believed that his degree would enable him to earn more than sufficient to justify incurring this level of debt.

APPENDIX 5.3 INTERVIEW STUDENTS BY AREA, TYPE OF SCHOOL AND SOCIAL ADVANTAGE¹

Table 20 Distribution of interviewed students by area, type of school or college and social advantage

Area	Type of school/college	Socially advantaged students	Socially disadvantaged students	Totals
Urban Area A				
Bishopgate	FE College	1	7	8
St Agnes	Roman Catholic Comprehensive	3	5	8
Ravenswood	Sixth Form College	3	5	8
Urban Area B				
Isaac Newton	Independent School	8	0	8
Deanswood	Community Comprehensive	4	1	5
Totals		19	18	37

Additional Information:

- Thirty-two of the total 37 students were interviewed twice; five only took part in one interview.
- Eleven Urban Area A students (45.8%) had chosen to 'stay local' as opposed to only one Urban Area B student (7.7%).
- Of the 19 socially advantaged students three had chosen to study locally (15.8%) whilst ten (52.6%) had chosen to attend a university away from home (one was taking a foundation year, two were taking a gap year, and three had only one interview rendering the information unavailable).
- Of the 18 socially disadvantaged students ten (55.6%) had chosen to 'stay local' whereas three (16.7%) had chosen to attend a university away from home (one was not sure, one had since decided not to enter HE, one elected to study away but following a gap year, and two had only one interview).

¹School and interviewee names have been changed to preserve anonymity.

APPENDIX 5.4 CHARACTERISTICS OF SCHOOLS INVOLVED IN THE QUESTIONNAIRE ANALYSES

Appendix 5.4.1 Characteristics of schools involved in the questionnaire analyses – Urban Area A institutions¹

School	School type	Specialist school type	Religious character	Number of students in study (% of the number of students in sample year in parentheses)	Gender breakdown (% male)	Date questionnaires completed (spring term 2007)	School session in which questionnaires were completed	Number of tutor groups involved in study
NS1	Comprehensive	Currently under bid	N/A	31 (47%)	48%	End Feb	Tutor groups	All 4
NS2	Comprehensive	Technology	N/A	23 (37%)	59%	End March	Tutor groups	All 11
NS3	6th Form College	N/A	N/A	261 (44%)	47%	Beg April	Tutor groups	All 40
NS4	Comprehensive	Arts	N/A	13 (52%)	69%	Mid March	Tutor groups	†
NS5	6th Form College	N/A	N/A	92 (62%)	46%	End Feb	Tutor groups	All 10
NS6	FE College	N/A	N/A	142 (50%)	40%	End Feb	Tutor groups	All 18
NS7	Independent	N/A	N/A	82 (82%)	35%	End Jan	Tutor groups	All
NS8	State Selective	Science	RC	43 (32%)	40%	Mid March	Tutor groups	All 6
NS9	Comprehensive	Arts	RC	34 (77%)	35%	Mid March	Extended tutor period	All 3
NS10	Comprehensive	Maths & Computing	RC	36 (75%)	23%	End Feb	Tutor groups	All 3

¹School names have been coded to preserve anonymity. † School unwilling to disclose this information

Appendix 5.4.2 Characteristics of schools involved in the questionnaire analyses – Urban Area B institutions¹

School	School type	Specialist school type	Religious character	Number of students in study (% of the number of students in sample year in parentheses)	Gender breakdown (% male)	Date questionnaires completed (spring term 2007)	School session in which questionnaires were completed	Number of tutor groups involved in study
WM1	Comprehensive	Technology	RC	31 (53%)	61%	Mid March	PHSE lessons	All 4
WM2	Comprehensive	Arts	N/A	47 (39%)	34%	End Feb	Registration	All 8
WM3	Comprehensive	Arts	C of E	33 (57%)	35%	End Feb	Tutor groups	All 7
WM4	6th Form College	N/A	N/A	380 (63%)	46%	Feb/March	Tutor groups	All 32
WM5	FE College	N/A	N/A	88 (21%)	6%	Beg March	Tutor groups	One school of the college
WM6	Comprehensive	Computing	N/A	34 (37%)	11%	End Feb	Tutor groups	†
WM7	Independent	N/A	N/A	93 (77%)	100% (boys school)	Beg April	Tutor groups	All 14
WM8	Comprehensive	Technology, Music	N/A	57 (67%)	40%	End March	Tutor groups	All 5
WM9	Independent	N/A	N/A	78 (50%)	62%	End Feb	Tutor groups	All 10
WM10	Comprehensive	Technology	N/A	30 (45%)	50%	End March	Tutor groups	All 9

¹School names have been coded to preserve anonymity. † School unwilling to disclose this information.

APPENDIX 5.5 DEFINITIONS OF QUANTITATIVE VARIABLES¹

Variable	Definition
Male	1 if Male, 0 otherwise
Single Parent	1 if household had only one parent/guardian, 0 otherwise
Black Ethnic	1 if African, Caribbean, White & African, White & Caribbean, or other Black or mixed Black origin, 0 otherwise
Asian Ethnic	1 if Indian, Pakistani, Bangladeshi, East African, 0 otherwise
Ethnic Other	1 if ethnicity is other than White, Black or Asian, 0 otherwise
2nd Generation	1 if student had at least one parent who went to university, 0 otherwise
State Selective School	1 if student attended a state selective school, 0 otherwise
Independent School	1 if student attended an independent school, 0 otherwise
6th Form College	1 if student attended a 6th Form College, 0 otherwise
FE College	1 if student attended a College of Further Education, 0 otherwise
GCSE Score	The sum of performance at GCSE maths and English, where an A*=4, A=3, B=2, C=1
Low Income	1 if family income is £17,500 or less per annum, 0 otherwise
Mid Income	1 if family income is between £17,501 and £35,000 per annum, 0 otherwise
High Income	1 if family income is above £35,000 per annum, 0 otherwise
Managerial	1 if parent is in a managerial or professional occupation, 0 otherwise
Skilled	1 if parent is in a skilled occupation, 0 otherwise
Unskilled	1 if parent is in an unskilled occupation, 0 otherwise
White Working-Class Male	1 if parent is male, white, unemployed, unskilled, or skilled in a working-class occupation, 0 otherwise

¹ All data is based on student questionnaire replies.

APPENDIX 5.6 LOGIT REGRESSION RESULTS

We used a logit regression for our statistical analyses, given the yes/no character of the dependent variable, which gives the effects of these characteristics other things being constant. The regression estimates are given in the following tables. In presenting our initial results the base case is a prospective student who is female, not from a single parent household, White, first generation, goes to a comprehensive school, and comes from Urban Area A, with a mid family income between £17,501 and £35,000.

Appendix 5.6.1 Logit regression results for ‘Section 3.1.1 – Quantitative results’

Variable	Students intending to study at a local university		Students intending to live at home whilst at local university		Debt minimisation very important in the decision to live at home	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
Male	-.043	.801	-.020	.939	-.244	.382
Single Parent	-.858	.000*	.075	.846	-.542	.190
Black Ethnic	.022	.957	-.632	.209	-.889	.221
Asian Ethnic	.233	.343	1.139	.003*	-.878	.017*
Other Ethnic	-.693	.409	-1.033	.420	20.835	1.000
2nd Generation	-.661	.000*	.133	.685	-.069	.847
Independent	-1.014	.001*	-1.341	.011*	.852	.303
State Selective	-.689	.290	.349	.771	-.245	.840
6th Form College	-.391	.074	.035	.910	.170	.607
FE College	-.175	.565	.252	.582	.282	.517
Urban Area B	.538	.005*	-.385	.189	.528	.097
Low Income	.471	.052	-.007	.985	.185	.598
High Income	-.434	.032*	-.034	.913	-.350	.288
GCSE Score	-.354	.000*	-.173	.044*	.042	.662
Constant	2.307	.000	1.773	.001	-.514	.348

*indicates significant results.

Interpretation

Considering students’ replies on whether they were planning or considering studying at a local university, the significant variables at 1% were: from a single parent family, a second generation student, attending an independent school, from Urban Area B and examination performance as indicated by the GCSE score. High income level was significant at the 5% level. As expected, being a second generation student, going to an independent school, having a high GCSE score or a family income above £35,000 all decrease the probability of ‘going local’. The estimated effect of attending a school in Urban Area B was positive, which may reflect the wider range of choice of universities locally. The analysis indicates that being from a single parent household reduces the probability of staying at home, which may be against initial expectations,

though it should be remembered that our analysis considers income separately and many such households are on low incomes.

In interpreting the second regression, which considers replies on whether the student was planning to live at home, it must be remembered that the sample is restricted to those who have said that they are considering going to a local university and that these students are more likely to be at the disadvantaged end of the spectrum given our earlier analysis; technically there is truncation of the sample. On average, a large percentage (75%) of students ‘going local’ were planning or considering living at home. The significant variables, with estimated positive effects, are GCSE score and whether a student attended an independent school (at 5%). Whether a student was Asian had a significant negative effect (at the 1% level).

We also asked those students planning to live at home whether a need to minimise debt played a part in their decision, using a four point scale. Since the sample here is again restricted to those who have said that they are considering staying at home, it includes a very low number of socially advantaged students. Just over a third (35%) of students who intended to live at home asserted that a desire to minimise debt had been very important in their decision, and 72% of the students answering this question (30% of the total sample) rated the importance of debt minimisation in the upper half of a four point scale. We analysed the ‘very important’ replies compared to other responses using a logit regression¹². However, social background was largely insignificant in explaining which students replied that debt minimisation was very important to their intention to live at home. The only variable of significance (at the 5% level) was being an Asian student, with a negative effect on the probability of answering that minimising debt was very important in their decision.

Appendix 5.6.2 Logit regression results for ‘Section 3.3.2 – What do students know about bursaries?’

Variable	Eligible for a bursary		Bursaries are the same	
	Coefficient	Sig.	Coefficient	Sig.
Male	.347	.050*	.277	.096
Single Parent	.701	.001*	.145	.527
Black Ethnic	.271	.519	.204	.599
Asian Ethnic	.072	.768	.032	.897
Other Ethnic	.277	.691	.043	.958
2nd Generation	-.072	.729	-.071	.716
Independent	-.291	.417	-.283	.396
State Selective	-.034	.958	.366	.513
6th Form College	.136	.551	-.108	.610
FE College	-.122	.687	-.111	.701
Urban Area B	-.210	.296	-.459	.018*
Low Income	1.363	.000*	.031	.894
High Income	-1.697	.000*	.229	.260
GCSE Score	.077	.172	-.223	.000*
Constant	-1.279	.000	-.321	.323

*indicates significant results.

¹² Analysis of the upper half of the four point scale gave no variables of significance.

Interpretation

Considering students' replies on whether they were eligible for a bursary, the significant variables were: male (at 5%), from a single parent family (at 1%), and both a high and low income level (at 1%). The estimates suggest that being male or from a single parent family increases the probability of students replying that they know what is meant by a bursary, while this decreases with income level. Except for the effect of being male, these relationships are related to students' actual eligibility.

Close to three quarters of students replied correctly that bursaries were not the same. The results presented in Table 5.5.2 indicate that the chance of giving this correct reply increases if the student has high examination performance (at the 1% level) and comes from Urban Area B (at the 5% level).

Appendix 5.6.3 Logit regression results for 'Section 3.3.2 – What do students know about bursaries?'

Variable	Actively searched for information about bursaries		Awareness of a local bursary		Awareness of a bursary for high achieving students	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
Male	-.115	.452	.159	.278	.029	.843
Single Parent	.415	.046*	-.283	.174	-.153	.457
Black Ethnic	.165	.662	.238	.504	.288	.429
Asian Ethnic	-.332	.144	-.386	.069	-.432	.039*
Other Ethnic	.014	.984	-.620	.385	.011	.987
2nd Generation	-.427	.017*	.012	.943	.079	.639
Independent	-1.169	.000*	-.180	.487	-.253	.333
State Selective	-.382	.491	-.314	.573	-.526	.345
6th Form College	.092	.641	.084	.661	.145	.453
FE College	-.170	.532	-.099	.712	-.156	.559
Urban Area B	-.162	.351	-.057	.732	.095	.570
Low Income	.510	.016*	.205	.323	.016	.938
High Income	.015	.936	-.175	.331	-.180	.322
GCSE Score	.285	.000*	.158	.001*	.353	.000*
Constant	-1.559	.000	-1.075	.000	-1.446	.000

*indicates significant results.

Interpretation

The estimates above suggest that students are more likely to have actively searched for information on bursaries if they are from a single parent family (at 5%) and that they are less likely to have actively searched if they are second generation (at 5%), attend an independent school (at 1%), or have a low income level (at 5%). These results do suggest that students who are more likely to be awarded a bursary, or for whom it may be more important financially, are more likely to have carried out an active search – although there are still substantial numbers in these categories who are not doing this.

Our results suggest that students with high examination performance have a greater awareness that bursaries can be awarded both to local students and to high achieving students (significant at 5%). Asian students have a lower probability of knowing that bursaries can be awarded to high achieving students (at the 5% level of significance).

Appendix 5.6.4 Logit regression results for ‘Section 3.3.3 – To what extent do students take the availability of bursaries into account?’

Variable	Bursaries a factor in choosing a university		Influence of a £2,000 bursary	
	Coefficient	Sig.	Coefficient	Sig.
Male	.025	.911	.166	.298
Single Parent	.272	.313	.513	.021*
Black Ethnic	1.035	.023*	.260	.479
Asian Ethnic	.517	.080	.127	.561
Other Ethnic	1.760	.013*	-1.634	.142
2nd Generation	-.118	.661	.139	.438
Independent	-.481	.289	.489	.071
State Selective	-1.115	.318	.106	.860
6th Form College	-.235	.402	.089	.678
FE College	-.138	.715	.606	.038*
Urban Area B	.188	.469	.323	.072
Low Income	.412	.123	-.460	.046*
High Income	-.808	.007*	.107	.583
GCSE Score	-.012	.864	.070	.167
Constant	-1.889	.000	-1.511	.000

*indicates significant results.

Interpretation

On average only 12% of students replied that bursaries were a factor in choosing a university. The estimates suggest that the probability increases if students come from a Black ethnic minority (significant at the 5% level). It also increases if students come from our ‘other ethnic’ group, but since this is a disparate grouping it is difficult to interpret. The probability decreases at family income level over £35,000 (at the 1% level) which is in line with expectations.

Students were asked on a four point scale, from 1 ‘not at all’ to 4 ‘very much’ whether being offered a £2000 bursary would influence their choice of university. To examine variation in response of different types of student to this question we combined replies 1 and 2 as ‘unimportant’ and 3 and 4 as ‘important’. Thirty-five percent answered ‘unimportant’. The estimates suggest (all at the 5% significance level) that the probability of this reply increases if students come from a single parent family, if the student attends an FE college, and as income levels increase. The latter is what is expected. For single parent families the effect is opposite to that generally expected, but as before it needs to be remembered that our analysis considers income separately and many such households are on low incomes.