

Sutton Trust response to the government's consultation on higher education reform

What are your views of SNCs as an intervention to prioritise provision with the best outcomes and to restrict the supply of provision which offers poorer outcomes? Please explain your answer and give evidence where possible. If you consider there are alternative interventions which could achieve the same objective more effectively or efficiently, please detail these below.

Student Number Controls (SNCs) risk being a blunt instrument to restricting supply of HE provision, and could have unintended consequences for both young people and the higher education sector. The removal of numbers caps has coincided with a period of increased university participation among under-represented groups. Re-imposing number controls would restrict the supply of university places at a time of demographic expansion among young people. When supply of a resource or opportunity is limited, it tends to be taken up by those who are already advantaged and who have the supports, networks and 'know how' to navigate the system. Such a move could have negative impacts on fair access and social mobility.

If the government aims for more young people to choose alternative qualifications at post-18, the focus should be on ensuring that young people can make an informed choice about a range of high-quality options. This can be achieved through:

- A) Increasing the supply of places available on alternative pathways to undergraduate degrees, as well as their financial attractiveness in comparison to HE.
- B) Improving IAG in schools to ensure young people are aware of the range of options open to them, and the right pathways to achieve their goals.

The supply of high-quality technical education opportunities, including degree-level apprenticeships, must improve. Better targeting is also required so higher level apprenticeships can be accessed by young people rather than more experienced employees, often from wealthier backgrounds. Any increase in the number of places in technical routes should be accompanied by high quality IAG to ensure students can make informed decisions. Earlier this year, the Trust found that nearly half (46%) of 17- and 18-year olds say they have received a large amount of information on university routes during their education, compared to just 10% who say the same for apprenticeships and 7% for other FE routes. To improve the range of guidance offered to pupils at school, the Trust has called for more investment in national information sources and programmes on technical education routes to improve the advice available, so that teachers as well as careers staff can offer high-quality information on all post-18 routes.

The Trust is concerned by the introduction of SNCs calculated on the basis of graduate outcomes. Outcomes are shaped by a variety of inter-relating factors including student characteristics (including socioeconomic background, protected characteristics, as well as prior attainment), labour market fluctuations and geographical factors related to the location of a universities. Using such outcomes to define 'quality' undergraduate provision is therefore associated with a high level of uncertainty, particularly at a fine-grained level: for example targeting certain courses at certain universities. Given this uncertainty, particularly given the association between lower graduate

¹ C. Cullinane and K. Doherty (2020) Degree Apprenticeships: Levelling up? Sutton Trust. Available at: https://www.suttontrust.com/our-research/levelling-up/

² E. Holt-White, R. Montacute and L. Tibbs (2022) Paving the way. Sutton Trust. Available at: https://www.suttontrust.com/our-research/paving-the-way/

outcomes and students from low socio-economic backgrounds,³ we have concerns on the impact SNCs could have on disadvantaged students. This is discussed in more detail in our response to question 3.

If SNCs do return, it is vital that universities are not constrained in terms of making contextual admissions decisions, which are even more important in the wake of the pandemic, as disadvantaged students are more likely to have missed class time, negatively impacting on exam performance. If SNCs are in place, institutions would be restricted in the number of students they can admit, meaning they may favour those who have achieved the entry requirements and miss out on talents low income students with the potential to benefit. This would be harmful to widening participation targets across the higher education sector. SNCs should be designed in a way that allows institutions to still meet targets set in their access and participation plans. This could involve ringfencing a set number of places for those from disadvantaged backgrounds, where contextual information is used to allocate places, or making students eligible for Free School Meals exempt from SNCs.

What are your views on how SNCs should be designed and set, including whether assessments of how many students providers can recruit should be made at:

• Sector level? • Provider level? • Subject level? • Level of course? • Mode of course?

Taking a fine-grained approach to SNCs (e.g. setting them for certain courses at certain institutions) increases the uncertainty around using student outcomes as a measure of 'quality'. Whatever the level chosen, the priority should be to mitigate the policy's impact on disadvantaged young people. Restrictions should not be imposed on universities than prevent them from contextualising admissions where required.

If a subject level approach is taken, efforts should be taken to prevent these subjects from becoming the preserve of those from richer backgrounds, by making it difficult for universities outside elite institutions to offer such subjects. For example, Trust research has shown that arts and culture in the UK, one of the country's biggest exports, is highly socio-economically exclusive. It would be a step backwards for those sectors to become even less diverse. Additionally, as discussed below in our question 3, controls at this level may be useful to ensure places available on specific courses match labour market demand in the associated industries.

The Government is considering which outcomes should be used if SNCs are introduced and has identified the three broad categories as quantifiable, societal, and/or strategically important. What are your views of the merits of these various approaches to consider outcomes and/or do you have any other suggestions? Please explain your answer and give evidence where possible. (For further explanatory detail, please see pages 37-40).

As highlighted above, student outcomes are shaped by many different factors, many of which are outside of a university's control. However, if quantifiable outcomes are to be used as a basis for provider or subject level SNCs, they should be benchmarked based on the outcomes of other similar

³ J. Britton, E. Drayton and L. van der Erve (2021) Which university degrees are best for social mobility? Institute for Fiscal Studies and Sutton Trust. Available at: https://www.suttontrust.com/our-research/universities-and-social-mobility/

⁴ E. Holt-White and C. Cullinane (2021) A-levels and university access 2021. Sutton Trust. Available at: https://www.suttontrust.com/our-research/a-levels-and-university-access-2021/

⁵ Sutton Trust (2019) Elitist Britain. Sutton Trust. Available at: https://www.suttontrust.com/our-research/elitist-britain-2019/

providers, to prevent institutions in geographically more deprived areas, or with more deprived intakes, being unfairly penalised. While it is sensible that the government should have the ability to identify and fill strategic skills gaps in the economy, this must be balanced with student choice and equity.

It is vital that a focus on outcomes for SNCs does not undermine the levelling up agenda, by disproportionately impacting universities in areas with greater deprivation, or with weaker labour markets compared with London or other big cities. Using future earnings as an outcome measure, without benchmarking or controlling for student or geographical characteristics, may unfairly penalise institutions in geographically marginalised areas where graduate job prospects are low. Universities should also not be inadvertently incentivised to send their graduates to London where salaries are higher and there are greater numbers of professional jobs.

It is also important that SNCs do not impact on social mobility by negatively impacting lower tariff institutions, who take on the majority of disadvantaged students, ⁶ and consequently tend to have lower graduate outcomes. Placing number controls on these less selective universities would likely be harmful to social mobility. Whilst graduates from lower tariff institutions have lower graduate earnings on average, when taking their background characteristics into account, many from poorer homes in fact go on to relatively well in the labour market, and have better outcomes than if they had not attended university.⁷

The Trust welcomes the consideration of societal and strategically important outcomes when designing SNCs. While it is sensible that the government should have the ability to identify and fill strategic skills gaps in the economy, this must be balanced with student choice and equity. Carrots – such as funding incentives for providers or bursaries for learners in areas of skills needs to boost take up - rather than sticks might be a better approach.

When it comes to *societal* outcomes, it is vital that courses that are typically lower-tariff and lead to careers that are typically low paid, for instance children and adult's social care, are not unfairly penalised by student number controls that focus too heavily on graduate earnings as a measure of outcomes.

Do you have any observations on the delivery and implementation of SNCs, including issues that would need to be addressed or unintended consequences of the policy set out in this section? Please give evidence where possible.

The Trust's largest concerns about delivery and unintended consequences of introducing SNCs are reducing access to higher education for disadvantaged students (discussed in our response to question 1), limiting universities abilities to achieve the targets set in their access and participation plans (discussed in our response to question 2), potential negative impacts on the levelling up agenda (question 3), as well as potentially making the study of some subjects (such as creative arts) only available to those at elite institutions, or to those who can fund themselves outside of the student loan system.

Do you agree with the case for a minimum eligibility requirement to ensure that taxpayer-backed student finance is only available to students best equipped to enter HE?

⁶ J. Britton, E. Drayton and L. van der Erve (2021) Which university degrees are best for social mobility? Institute for Fiscal Studies and Sutton Trust. Available at: https://www.suttontrust.com/our-research/universities-and-social-mobility/

⁷ ibid.

No. We believe that decisions about who can benefit from a particular course should be made by HEIs (and that this should be subject to OfS quality checks) and that there should not be a distinction between admission decisions and right to finance.

Minimum Entry Requirements (MERs) also risk being a blunt instrument that would limit access for disadvantaged students. As highlighted in our response to question 1, the Trust believes it is better to support this group of students by offering high-quality information and guidance (IAG) on post-18 options and improving both the supply and quality of alternative routes on offer.

Without any exemptions being put in place, introducing MERs to access student finance would negatively impact socioeconomically disadvantaged students. These students are less likely to perform well in examinations because of the disadvantages they have faced at school as well as at home. This is particularly notable following the pandemic – in England, 110 days of classroom learning were lost on average between March 2020 and April 2021, and those from poorer backgrounds have experienced larger amounts of learning loss. Disadvantaged pupils living in the most deprived areas saw the largest losses overall: a months in maths at primary, 1.2 months in reading at primary, and 2.7 months in reading at secondary, by the summer 2021. Indeed, the Trust's own research during the pandemic found that most teachers (84%) thought the COVID-19 lockdown and associated disruption would increase the attainment gap, with a third (33%) saying it would increase substantially. Introducing MERs now would disproportionately impact pupils who have suffered during the pandemic.

The exemptions set out in the consultation are necessary to avoid unfairly excluding certain groups from student finance, however the figures provided show that with these exemptions, the number of students potentially impacted is low. If the goal is to ensure that those who attend university ultimately benefit from it, and we are not setting up young people to fail, the Trust believes that it would better to bolster supports for students with lower grades while at university, in order to increase their prospects of success, rather than simply blocking access to such students.

If MERs are introduced, the most important thing for the Trust is to mitigate the impact on poorest students, who would be disproportionately impacted by their introduction. Artificial barriers to aspiration on adult learners looking to upskill should also not be imposed.

Tying MERs to student finance means that they can be avoided by those with access to wealth. Students from advantaged backgrounds who do not meet the MERs for student finance would be more likely to find financial support from elsewhere (for instance, from their family). This would mean that a wealthier student with the same grades as a student from a less privileged background would be more likely to access a place at university – which would be a retrograde step.

The Trust sees increasing the number of high-quality places on alternative pathways, particularly apprenticeships, as more of a priority. The Lifelong Loan Entitlement is a welcome step in addressing

https://cep.lse.ac.uk/ new/publications/abstract.asp?index=8228

⁸ L. Elliot Major, A. Eyles and S. Machin (2021) Learning loss since lockdown: variation across the home nations. Centre for Economic Performance. Available at:

⁹ A. Eyles and L. Elliot Major (2021) Further school closures mean bleak prospects for the young. LSE. Available at: https://blogs.lse.ac.uk/covid19/2021/01/08/further-school-closures-mean-bleak-prospects-for-the-young/
¹⁰ J. van den Brande and J. Andrews (2021) EPI research for the Department for Education on pupil learning loss. Education Policy Institute. Available at: https://epi.org.uk/publications-and-research/epi-research-for-the-department-for-education-on-pupil-learning-loss/

¹¹ R. Montacute and C. Cullinane (2021) Learning in lockdown. Sutton Trust. Available at: https://www.suttontrust.com/our-research/learning-in-lockdown/

the historic imbalance in funding for FE, but more investment is needed to make FE and technical routes more attractive and of high quality. FE courses and apprenticeships need adequate funding and maintenance offers to students, so they are financially viable to prospective students.

Furthermore, there is a risk that the post-18 landscape will become even more confusing and cluttered for prospective students. These issues would be compounded for disadvantaged students who would be unable to draw on informal family and social networks with good connections and plentiful support in preparing for HE study. If any changes are to be made, targeted and appropriate guidance should be offered to disadvantaged students so they are able to navigate the application process as well as the distinction between admission and financial support.

Do you think that a grade 4 in English and maths GCSE (or equivalent), is the appropriate threshold to set for evidence of skills required for success in HE degree (L6) study, managed through their eligibility for student finance?

No.

If MERs were to be implemented, the preference would be for both a Level 2 and Level 3 threshold. This would allow students to have a second chance at achieving the required grades, and would help those who flourish later in their education journey.

Setting MERs at this level alone will disproportionately impact disadvantaged students, as it is those from poorer backgrounds and those that attend more disadvantaged schools who are more likely to get lower grades at GCSE regardless of their ability, as shown by the department's own equalities analysis. Research from the Education Policy Institute has found that while 71 per cent of pupils in England achieve a grade 4 in GCSE English and maths this falls to just over half of pupils from disadvantaged households. The Institute for Fiscal Studies have estimated that nearly one in four undergraduate students from a disadvantaged background would not be able to enter higher education without any further exemptions in place. As highlighted in our response to question 5, the deprivation level of a pupil's school and-or their socioeconomic circumstances can significantly influence a student's exam results - these factors are out of a student's own control.

If MERs are set at this level, contextual data should also be used so that a student's grades can be viewed in the context of their socioeconomic circumstances, not just a raw number. To improve targeting to contextual admissions and widening access schemes, universities and employers need further individual data about the socio-economic background of applicants. Where possible, robust measures like Free School Meal eligibility should be used to determine a student's socioeconomic background. Any information regarding MERs and contextual admissions should be published through UCAS so that students can clearly see the grades that they require to get onto a course. This would help to address the issue of students not knowing what a contextual offer might look like for them and reduce confusion amongst students who see different universities offering different contextual reductions.

¹² E. Hunt *et al.* (2022) Covid-19 and Disadvantage gaps in England 2020. Education Policy Institute. Available at: https://epi.org.uk/publications-and-research/disadvantage-gaps-in-england/

¹³ E. Drayton and L. van der Erve (2022) The impact of student loan minimum eligibility requirements. Institute for Fiscal Studies. Available at: https://ifs.org.uk/publications/16039

¹⁴ J. Jerrim (2021) Measuring disadvantage. Sutton Trust. Available at: https://www.suttontrust.com/our-research/measuring-disadvantage-higher-education-polar-fsm/

¹⁵ L. Bruce (2019) How can we make contextual admissions more accessible? Sutton Trust. Available at: https://www.suttontrust.com/news-opinion/all-news-opinion/contextual-admissions/

Additionally, introducing MERs at this level would naturally hit lower tariff universities harder.

These institutions play a vital role in social mobility – they take on higher numbers of disadvantaged students, many of whom become socially mobile. However, only 81% of students at lower tariff institutions currently meet the proposed level 2 MERs, compared to 91% for middle tariff

institutions and 98% of higher tariff providers (typically Russell Group institutions). ¹⁷ Furthermore, looking at previous student cohorts, around 40% of students do not meet the GCSE and A-level thresholds obtained a first or 2:1 in their degree, though research has shown that degree classification does not make a difference to future earnings for all subjects. ¹⁸ As disadvantaged young people are four times more likely to become socially mobile if they attend university, ¹⁹ introducing MERs – especially before more alternative pathways are established - would prevent many disadvantaged students from accessing HE.

Do you think that two E grades at A-level (or equivalent) is the appropriate threshold to set for eligibility to student finance, to evidence the skills required for success in HE degree (L6) study?

Vac

If MERs are introduced, this threshold with appropriate exemptions in place, as well as the GCSE threshold discussed above, appears to have the smallest impact on access for disadvantaged pupils looking at the government's equality analysis, those from the most disadvantaged POLAR quintile make up a higher proportion (16%) of level 6 entrants without level 2 in English and Maths, as do students eligible for FSM at age 15 (23%).²⁰

Whilst the Trust welcomes the ambition of this proposal to avoid detrimental impacts on social mobility, a large number of capable students would still miss out on a place if no exemptions are included (the government's own equality analysis estimates that this will be around 27,000 students; equivalent to 7% of 18-34 year-old entrants in the 2019/20 academic year)²¹. As discussed previously, students who are at disadvantaged schools and-or have missed significant periods of learning time during the pandemic should not be unfairly penalised for circumstances outside of their control.

If this threshold were to be introduced, decisions for students on the borderline should be made by considering contextual information as well as raw exam performance.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/1058933 /Higher education policy statement reform consultation - Equality analysis.pdf

21 lbid.

¹⁶ J. Britton, E. Drayton and L. van der Erve (2021) Which university degrees are best for social mobility? Institute for Fiscal Studies and Sutton Trust. Available at: https://www.suttontrust.com/our-research/universities-and-social-mobility/

¹⁷ J. Cope (2022) The impact of a minimum entry requirement for access to student finance. WONKHE. Available at: https://wonkhe.com/blogs/the-impact-of-a-minimum-entry-requirement-for-access-to-student-finance/

¹⁸ J. Britton *et al.* (2022) How much does it pay to get good grades at university?. DfE Research Report, https://ifs.org.uk/publications/16031.

¹⁹ J. Britton, E. Drayton and L. van der Erve (2021) Which university degrees are best for social mobility? Institute for Fiscal Studies and Sutton Trust. Available at: https://www.suttontrust.com/our-research/universities-and-social-mobility/

²⁰ Department for Education (2022) Higher education policy statement & reform consultation: Equality analysis. Department for Education. Available at:



Do you agree that there should there be an exemption from MERs for mature students aged 25 or above?

Yes.

The Trust supports there being an exemption for mature students, as a large number of older mature students do not hold any A levels or would not meet the GCSE threshold, and they should not be prevented from getting a degree. Part-time study is an important second chance route for mature learners to social mobility, but over recent years, fee changes have contributed to a decline in study for those from disadvantaged backgrounds.²²

However, whilst the Trust understands that the intention of setting an exemption threshold at age 25 rather than at age 21 is to encourage older students to retake lower level qualifications or complete a foundation year, the current landscape does not offer enough high-quality alternatives to university, and students are not well informed about the range of post-18 pathways on offer. The Trust's views on improving the post-18 landscape are discussed in our response to question 5. Furthermore, the Trust believes changes are required to foundation years to make them valuable. This is discussed further in our response to question 14.

Do you think there should be an exemption from MERs for part-time students?

Yes.

As discussed in our response to question 8, mature and part-time study is important for social mobility. The logic applied to this exemption, where the effect of life experiences on academic attainment is recognised, should be implemented elsewhere when setting exemptions for MERS, particularly for students from disadvantaged backgrounds.

Setting an exemption for part-time and mature students will also align with the government's plans for the Lifelong Loan Entitlement, making higher education a viable option for an individual of any age, not just school leavers.

Do you agree that there should be an exemption to the proposed MERS for students with existing level 4 and 5 qualifications?

Yes.

The Sutton Trust supports an exemption for students who already have existing level 4 and 5 qualifications if these qualifications provide them with the knowledge and skills required to both understand and succeed at level 6.

The Trust welcomes the commitment in the consultation document to ensuring a wide range of high-quality pathways are available for post-18 study, with the option of completing a level 6 qualification later in life still available as an option. For these commitments to be successful, high-quality and impartial guidance must be offered to students so they are aware of the pathways available to them and can make an informed decision. (More on the improvements needed on careers guidance is discussed in our response to question 5).

Do you agree that there should be an exemption from any level 2 eligibility requirement to level 6 study for students with good results at level 3?

²² C. Callender and J. Thompson (2018) The lost part-timers. Sutton Trust. Available at: https://www.suttontrust.com/our-research/lost-part-timers-mature-students/



Yes.

The Trust supports the proposal that those who demonstrate their ability to progress in education at level 3 should be able to progress to study at level 6 regardless of their achievement in level 2, as their grades at level 2 may have been affected by external factors, especially for low income students, which means their level 2 grades were a poor reflection of their future potential.

However, the Trust would disagree with the proposal of only those achieving CCC or above at A level being included in the exemption. It would be better to contextualise all individuals' grades at level 3 in order to help decide which students should be able to progress to level 6. The Trust's views on contextual admissions are discussed in more detail in question 1.

Do you agree that there should be an exemption to MERs for students who enter level 6 via an integrated foundation year, or who hold an Access to HE qualification?

Yes.

The Trust welcomes any exemptions to MERs for Widening Participation students, such as those who hold an Access to HE qualification. However, it is crucial that students who have not gone through the traditional education route are supported throughout their degree so they can succeed.

Foundation years also have the potential to help disadvantaged young people to develop the knowledge and skills required to progress onto higher education. However, the Trust has concerns about the content and time involved in foundation years – more detail is given on this topic in our response to question 15.

Are there any other exemptions to the minimum eligibility requirement that you think we should consider?

Yes.

Whilst the Sutton Trust is against the proposal of MERs overall, if a minimum eligibility requirement is introduced, we believe that contextual admissions should play a significant part in decision making for socioeconomically disadvantaged students, ²³ as recommended in the Augar Review. ²⁴ Without clear exemptions to MERs surrounding contextual admissions in place, the proposal would restrict the ability for institutions to conduct a contextualised admissions process that considers a learner's personal circumstances when considering their prior attainment and future potential. This could reverse the improvements that have been made in widening participation in higher education over recent years.

Do you agree with reducing the fee charged for foundation years in alignment with Access to HE fees?

From a student perspective, a cut in fees would be welcome, as currently the poorest students graduate with the most debt and the existing fees for foundation years exacerbate this. However, the quality of foundation years is vital and these courses should be genuinely helpful for access, rather than used as a means to fill spaces on courses with available places. If fees are cut, quality

²³ V. Boliver *et al.* (2017) Admissions in context. Sutton Trust. Available at: https://www.suttontrust.com/our-research/admissions-in-context-access-gap/

²⁴ Department for Education (2019) Post-18 review of education and funding: independent panel report. Gov.uk. Available at: https://www.gov.uk/government/publications/post-18-review-of-education-and-funding-independent-panel-report

may be harder to achieve, and universities may decide to cut courses with inadequate financial support. This is a particular concern for expensive foundation years like medicine. If fees for foundation years are reduced, the Office for Students should carefully monitor the quality of courses to ensure there are no knock-on impacts.

However, when it comes to student finance for tuition, the Trust believes the introduction of a means-tested student fees is a priority. Currently, it is those from the most disadvantaged backgrounds that are leaving university with the highest debt.²⁵ A means-tested system would reducing this financial burden, waiving debt entirely for those from low-income backgrounds and increasing in steps for those from higher income households. This system should apply to foundation years as well as all undergraduate courses.

There is evidence that debt aversion impacts on young people's decisions to go to university, particularly those from less well-off backgrounds. Research has found that debt averse attitudes are higher among lower class students, controlling for other factors, and that this debt aversion is contributing to lower rates of planned higher education participation. ²⁶ The socio-economic gap in financial worries is also reflected in Sutton Trust polling, which has found that prospective students from low affluence families are more likely to be worried about the cost of university (66%) compared to those from high affluence households (46%). ²⁷

The Trust believes that maintenance grants should also be re-introduced so that students from poorer backgrounds are not graduating with the highest debts (as highlighted in the original Augar review). Since 2016, when maintenance grants were scrapped, students who did not have financial support from elsewhere (for instance, from their family or from savings) have needed to apply for maintenance loans to support their cost of living. As a minimum, the government should restore maintenance grants to at least pre-2016 levels, in line with inflation—the current cost of living crisis will particularly harm disadvantaged students as support is not in line with rising inflation.²⁸

What would the opportunities and challenges be of reducing the fee charged for most foundation years, and of alignment with Access to HE fees? Please explain your answer, providing evidence where possible.

If fees are reduced for foundation years with the intention of improving access to higher education, the courses offered must be of genuine value. When we investigated the foundation years offered by 30 high tariff institutions, we found that the courses offered were not always tailored to those from a socioeconomically disadvantaged background. ²⁹ There is certainly scope for foundation years to contribute to widening access. But to be impactful, the content offered must be suitable for and taught in an appropriate manner for students that have lower attainment than peers who can start an undergraduate course straight away. Reducing the fees for foundation years and making them

²⁵ C. Cullinane and R. Montacute (2017) Fairer fees. Sutton Trust. Available at: https://www.suttontrust.com/our-research/fairer-fees-student-finance-reform/

²⁶ C. Callender and G. Mason (2017) Does student loan debt deter Higher Education participation? New evidence from England. London: Institute of Education

²⁷ C. Cullinane and R. Montacute (2017) Fairer fees. Sutton Trust. Available at: https://www.suttontrust.com/our-research/fairer-fees-student-finance-reform/

²⁸ B. Waltmann (2022) Student loans reform is a leap into the unknown. Institute for Fiscal Studies. Available at: https://ifs.org.uk/publications/16021

²⁹ V. Boliver *et al.* (2017) Admissions in context. Sutton Trust. Available at: https://www.suttontrust.com/our-research/admissions-in-context-access-gap/



more accessible to disadvantaged students provides an opportunity to encourage universities to tailor their foundation years for Widening Participation students.

Ultimately, as discussed previously, whilst reducing the fee charged for foundation years could potentially improve access for disadvantaged young people, other changes, such as the introduction of a means-tested finance system, would be more beneficial. An extra year of study on top of an undergraduate degree creates another year of study that students need to fund –maintenance grants for living costs are just as important as reducing the overall entry fee.

The Trust's concerns about the financial feasibility for institutions to offer foundation years, as discussed in question 14, also apply in this context.

Do you agree there is a case for allowing some foundation year provision to charge a higher fee than the rest? Or is there another way for government to support certain foundation years which offer particular benefits? Please explain your answer.

The Sutton Trust believes that all foundation years should be set at the same cost to prevent students making a decision on their future based on financial considerations. If foundation years are being designed to equip students who have lower grades at levels 2 and 3 with the skills and knowledge to succeed at university, there should not be financial barriers in place that prevent access. As discussed throughout our consultation response, those from disadvantaged backgrounds are less likely to achieve the top grades at school, so are more likely to need this additional support.

If a particular foundation year is seen to be notably beneficial for those from a disadvantaged background, it would be more appropriate to offer enhanced financial support for both fees and maintenance, so that those from the poorest backgrounds can still access the opportunity. As discussed in our response to question 14, the Sutton Trust prioritises a means-tested tuition fees system. If disadvantaged student need the additional support of a foundation year, they should not be graduating with larger debts because of this.

If some foundation year provision were eligible to attract a higher fee, then should this eligibility be on the basis of: • particular subjects • some other basis (for example by reference to supporting disadvantaged students to access highly selective degree-level education)? Please explain your answer.

As discussed in question 16, the Sutton Trust does not support the proposal of higher fees for some foundation years. If a particular course supports disadvantaged students to access highly selective degrees, it should not be attracting a higher fee because, as highlighted throughout our consultation response, financial constraints can act as a barrier to higher education, and such a system could lead to disadvantaged students graduating with more debt than at present.

What are your views on how the eligibility for a national scholarship scheme should be set?

Whilst the Trust welcomes the announcement of this scholarship, we would prefer to see wider changes to the student finance system that would benefit a larger number of disadvantaged pupils. The Trust has long called for maintenance support to be reinstated so that disadvantaged students are not leaving university with larger debts than their financially better-off peers. ³⁰ Re-instating crucial maintenance support should be the priority for any changes to the student finance system.

³⁰ C. Cullinane and R. Montacute (2017) Fairer fees. Sutton Trust. Available at: https://www.suttontrust.com/our-research/fairer-fees-student-finance-reform/

To deliver for social mobility, any scheme should be of an appropriate scale to reach disadvantaged students who could benefit, and financial support should be set at a high enough level for the scheme to have real impact. Without those two elements, any scheme's contribution to social mobility will be limited.

Given that funding for the national scholarship scheme is limited, the scheme should be specifically targeted at disadvantaged pupils so that those who can gain the most benefits from financial support can do so. There are a number of ways eligibility for the scheme should be approached, depending on the priority aims of the scholarship and whether it is to support students financially at university, or to influence their decision making and choices.

If the scholarship is designed to cover the financial costs of being a student as opposed to covering the full tuition fees for a student, whilst the scheme may not attract students who are concerned about the overall cost of studying, it has the potential to allow students to choose wherever they want to study across the country and not have any financial constraints, such as the cost of living. Students should not be constrained in their choice of institution if they are receiving the scholarship – rather than being attached to high tariff institutions only, students should be able to pick any course that they think is best suited to their interests and career path. Having a narrower pool of eligibility criteria will also make the scheme easier to manage from a policy perspective.

Alternatively, students could use the financial support from the scholarship to fund extra-curricular activities and work experience opportunities to truly thrive at university – the Sutton Trust offer an opportunity bursary of £3500 to £5000 in partnership with JP Morgan to students from disadvantaged backgrounds to support with accessing opportunities which boost employability. In research published last year, we found that 20% of working-class graduates could not afford to undertake a work placement during their course. Furthermore, 32% of students who did not take part in student societies said they could not due to paid work commitments. Missing out on these opportunities means that students are missing out on chances to develop key employability and life skills, including communication, leadership and resilience. The National Scholarship Scheme could play an important role in removing financial barriers faced by disadvantaged students to developing key life skills, valued by the labour market.

To identify and targeted students from disadvantaged families, the Trust recommends primarily using individual level markers which can be verified, such as parental income, as these are the most accurate markers available to determine individual levels of socio-economic disadvantage.³³ We would not recommend the use of area-based markers for this purpose, including POLAR, as they are a poor measure of individual circumstances.

³¹ Sutton Trust (2022) Opportunity bursary. Accessed 4th May 2022. Available at: https://www.suttontrust.com/alumni/new-opportunity-bursary/

³² R. Montacute, E. Holt-White and A. Gent (2021) The university of life. Sutton Trust. Available at: https://www.suttontrust.com/our-research/the-university-of-life-skills-employability-students/

³³ J. Jerrim (2021) Measuring disadvantage. Sutton Trust. Available at: https://www.suttontrust.com/our-research/measuring-disadvantage-higher-education-polar-fsm/