

# Monitoring outcomes of the Student Opportunity allocation and National Scholarship Programme for 2014-15

This document presents the outcomes from HEFCE's monitoring of the Student Opportunity allocation and the National Scholarship Programme for 2014-15, and a summary of the National Scholarship Programme's outcomes for the three years from 2012-13 to 2014-15.

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# **Monitoring outcomes of the Student Opportunity allocation and National Scholarship Programme for 2014-15**

To	Heads of HEFCE-funded higher education institutions Heads of HEFCE-funded further education colleges
Of interest to those responsible for	Implementation of widening participation including access, student success and progression and the National Scholarship Programme; Finance
Reference	2016/11
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## **Executive summary**

### **Purpose**

1. This document presents the outcomes from HEFCE's monitoring of the Student Opportunity allocation (SOA) and the National Scholarship Programme (NSP) for 2014-15, and a summary of the NSP's outcomes for the three years of the programme from 2012-13 to 2014-15.

### **Key points**

2. HEFCE and the Office for Fair Access (OFFA) have carried out joint monitoring of institutions' widening participation (WP) activity expenditure in 2014-15. OFFA published its outcomes of access agreements monitoring for 2014-15 in May 2016.

3. Following our 2016-17 grant letter from the Department for Business, Innovation and Skills, HEFCE is changing its approach on SOA funding and is retargeting the funding in 2016-17 to support government priorities. Further changes to SOA funding for 2017-18 are proposed in our consultation to the sector on funding to support widening access and successful student outcomes, including progression to postgraduate study.

4. The key findings from the SOA monitoring for 2014-15 are:

- a. Overall the higher education (HE) sector has continued to increase its investment in WP activities. The sector's investment in WP activities has risen from £802.5 million in 2013-14 to £842.2 million in 2014-15. The increases have been made to support activity across the student lifecycle: in outreach activity; in academic and pastoral support for students while on their courses; and in supporting their progression from HE into employment or postgraduate study. For the first time the HE sector has reported under a student hardship category, where expenditure amounted to £37.5 million for 2014-15. The total sector investment on WP activity and hardship for 2014-15 was £879.7 million.

- b. In accounting for the funding sources used towards WP activity and hardship, institutions demonstrated that in 2014-15 the HEFCE SOA remained a key source of funding for investment supporting WP work across the student lifecycle and supporting students in hardship.
- c. The HE sector has made considerable progress to widen access to HE, support students to stay on course and support disabled students during the last decade as a result of the sustained institutional investment in WP, including through the SOA.
- d. The increasing sector investment in WP activities over the years provides a clear signal of institutional commitment to supporting students across the student lifecycle. The activity described in the returns demonstrates the importance of HEFCE's funding in helping their efforts to widen access, improve student outcomes and support students in financial hardship. Supporting widening access and successful student outcomes will remain a key priority for HEFCE into the future.

5. The key findings of the NSP monitoring for 2014-15 are:
  - a. 2014-15 was the final year of the NSP, which operated for three years from 2012-13.
  - b. A total of 291 institutions participated in the 2014-15 NSP scheme, with 264 institutions delivering NSP awards to the 2014-15 cohort.
  - c. Overall, in 2014-15, the sector delivered NSP awards over and above the minimum numbers required: 72,333 students from the 2014-15 cohort received an NSP award in 2014-15 (equating to a full-time equivalent of 69,929). This is 47,403 more than the minimum required number of students (24,930).
  - d. A total of £202.6 million was allocated to students through the programme in 2014-15, of which £170.3 million was delivered to the 2014-15 entry cohort, £25.2 million to the 2013-14 entry cohort who were in their second year of study and £7.1 million to the 2012-13 cohort who were in their third year of study.
  - e. Over the three years of the programme, a total of £503 million was spent on eligible recipients through the NSP. This comprises £196.5 million of government allocation and £306.5 million in institutional matched funding (including minimum and additional matched funding).
  - f. 131,586 students received the NSP across the lifecycle of the scheme: 122,916 full-time students and 8,670 part-time. This equates to a full-time equivalent total of some 125,777.
  - g. The government funding of £196.5 million was able to attract institutional matched funding of £306.5 million for the benefit of students.
  - h. The final report of the external evaluation of the NSP, undertaken by CFE Research and Edge Hill University, demonstrated that the NSP succeeded in its aim to provide financial support to students from disadvantaged backgrounds. The research suggests that the NSP complemented existing forms of support, and generally did not duplicate existing financial aid or displace other WP activity.
  - i. Overall, the evaluation of the NSP found that students and institutions supported the idea that the NSP, and financial support in general, could play a role in supporting student

success. Financial support can positively enhance the student experience and student wellbeing, by reducing the need for paid employment and enabling students to participate in social and enrichment activities like internships, extracurricular clubs and volunteering.

### **Action required**

6. This report is for information.

## **Introduction**

7. In January 2016, institutions submitted annual monitoring returns for 2014-15 to HEFCE and the Office for Fair Access (OFFA) with information about the Student Opportunity allocation (SOA), their access agreements, and the National Scholarship Programme (NSP).

8. This report is in two parts:

- **Part 1** provides details of the higher education (HE) sector's overall investment in widening participation (WP) activity across the student lifecycle and in supporting student hardship. (By the 'student lifecycle', we mean in this context the journey that students make into higher education from pre-entry through to the support they receive while on their course of study and on to further support to progress into postgraduate study or employment. This report focuses on students from disadvantaged backgrounds making this journey and the WP activity that supports them. In this context WP activity does not include funding to support individual students through bursaries or other financial awards.) Part 1 also provides details on the sources of funding institutions have used towards their WP activity: specifically HEFCE's SOA, funding from higher fee income under access agreements, and funding from other sources. 'Other sources' will include fee income (over and above that included in access agreements), other HEFCE teaching funding, and external sources such as charitable funds or funds from other organisations. The report also gives details of WP activity and hardship expenditure, analysed by different institutional groupings.
- **Part 2** provides information about the sector's investment in the NSP, and how institutions used this funding to deliver NSP awards to individual students from disadvantaged backgrounds in 2014-15 and across the three years of the programme from 2012-13 to 2014-15.

9. For a full overview of institutions' investment in student financial support, from all funding sources, please refer to OFFA's publication 'Outcomes of access agreement monitoring for 2014-15 publication' (OFFA 2016/04)<sup>1</sup>.

10. For more information on terms used in this report, please see the glossary at Annex A.

## **The Student Opportunity allocation**

11. The SOA is provided to institutions as part of HEFCE's teaching grant to universities and colleges to enable long-term strategic work across the student lifecycle. In 2014-15, 130 higher education institutions and 204 further education colleges received allocations. Only those with more than 100 full time equivalent (FTE) directly HEFCE-funded student numbers in 2014-15 were required to submit a monitoring report. This was a total of 263 institutions.

12. The allocation comprises elements to recognise the extra costs associated with widening access for students from disadvantaged backgrounds (£65.5 million), widening access and improving provision for disabled students (£14.9 million), and improving the retention and success of students most at risk of not completing and so progressing to employment or further

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<sup>1</sup> Available online at <https://www.offa.org.uk/publications/analysis-data-and-progress-reports/>.

study (£268.2 million); making a total of £348.6 million Student Opportunity funding distributed to 334 institutions in 2014-15<sup>2</sup>.

13. The allocation is currently made as a grant to institutions through their teaching funding and each institution decides how best to invest it to support its particular student body. For information about how the allocation is calculated, see 'How we fund student access and success' on the HEFCE website<sup>3</sup>.

## **The National Scholarship Programme**

14. The NSP benefits individual students from disadvantaged backgrounds as they enter higher education in England. Introduced in 2012-13, it was administered by HEFCE on behalf of the Department for Business, Innovation and Skills. The programme was designed to help students with a family income of £25,000 or less, and its awards were additional to other loans and grants for which students could apply. 2014-15 was the final year of the programme.

15. The NSP had a fixed amount of government funding, with £50 million distributed between 291 participating institutions in 2014-15. The planned government allocation for the NSP in 2014-15 was £150 million. However, in November 2013 the Government announced a reduction in NSP funding for 2014-15 from £150 million to £50 million.

16. Institutions charging over £6,000 in fees for any of their HE provision in 2014-15 were initially required to match the government allocation at a ratio of 1:1. Following the announcement of the reduction in government funding, to provide support for a greater number of students, institutions were asked to maintain the total level of matched funding with which they each originally planned to support the programme (the 1:1 matching of the £150 million allocation rather than a 1:1 matching of the revised £50 million). This resulted in most institutions that charged higher-level fees committing more than a 1:1 match of their government allocation. Institutions charging less than £6,000 in fees were not required to match the government contribution in 2014-15.

17. In 2014-15 a total of £202.6 million was allocated to students through the programme, of which £170.3 million was delivered to the 2014-15 cohort, £25.2 million to the 2013-14 cohort in their second year of study and £7.1 million to the 2012-13 cohort in their third year of study.

## **Monitoring and evaluation of activity from 2015-16**

### **Monitoring of the Student Opportunity allocation**

18. HEFCE will continue to conduct the monitoring of the SOA for 2015-16 in a similar way to the 2014-15 monitoring process.

19. In its 2016-17 grant letter from the Department for Business, Innovation and Skills, HEFCE was asked to:

‘...re-target Student Opportunity Funding [in 2016-17] with the aim for further changes in 2017-18. The overall purpose should be to target this funding more effectively to support government priorities, with a greater focus on the institutions with higher proportions of at risk students from disadvantaged backgrounds, including part-time students, and to

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<sup>2</sup> The total SOA distributed to institutions for 2014-15 is based on the adjusted grant tables for 2014-15 issued to institutions in October 2015.

<sup>3</sup> See [www.hefce.ac.uk/sas/funding/](http://www.hefce.ac.uk/sas/funding/).

support access for those students with the educational attainment or potential to succeed in particular geographical areas where there is evidence that entry rates are below expectations.<sup>4</sup>

20. In response to the grant letter, the HEFCE Board determined that in 2016-17 we would:
  - a. Introduce from 2016-17 the National Collaborative Outreach Programme. This is a new stream of funding for a geographically focused national outreach programme that will target places where students have the educational attainment or potential to succeed in higher education but where there is evidence that entry rates are below expectations.
  - b. Increase funding from 2016-17 to improve provision for disabled students, as a transitional measure to support institutions to develop more inclusive approaches to their support<sup>5</sup>.
21. The recently published consultation on our funding to support widening access and successful student outcomes, including progression to postgraduate study, proposes further changes to our funding from 2017-18<sup>6</sup>. Our proposals include:
  - ceasing to provide a formulaic allocation for access, but investing in collaborative consortia in local areas
  - providing a premium to support successful student outcomes, with a greater focus on the institutions with higher proportions of at risk students from disadvantaged backgrounds, including part-time students
  - supporting institutions' transition to inclusive social models of support for students with disabilities.

22. Therefore, from 2016-17, the SOA will no longer exist. Rather, our funding will be delivered to support three distinct areas of activity: National Collaborative Outreach Programme, the student premium and provision for disabled students. The monitoring process will be reviewed to take account of these changes.

## **Outcomes framework**

23. Following the publication in April 2014 of the National Strategy for Access and Student Success by the Department for Business, Innovation and Skills, we have been working with researchers and institutions, and published research reports in July 2015<sup>7</sup>. These reports reviewed

- institutional approaches to addressing differential outcomes
- institutional provision and support for students with mental health problems or intensive support needs

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<sup>4</sup> See 'Funding for higher education in England for 2016-17', [www.hefce.ac.uk/news/newsarchive/2016/Name\\_107598.en.html](http://www.hefce.ac.uk/news/newsarchive/2016/Name_107598.en.html).

<sup>5</sup> See 'Funding for universities and colleges for 2014-15 to 2016-17: Board decisions' (HEFCE Circular letter 03/2016), available at [www.hefce.ac.uk/pubs/year/2016/CL\\_032016/](http://www.hefce.ac.uk/pubs/year/2016/CL_032016/).

<sup>6</sup> See 'Funding to support teaching in higher education: Consultation on arrangements for supporting widening access and successful student outcomes, including progression to taught postgraduate study' (HEFCE 2016/10), available online at [www.hefce.ac.uk/pubs/year/2016/201610/](http://www.hefce.ac.uk/pubs/year/2016/201610/).

<sup>7</sup> For the 'National strategy for access and student success' see <https://www.gov.uk/government/publications/national-strategy-for-access-and-student-success>. HEFCE's reports are indexed at [www.hefce.ac.uk/sas/pp1520/](http://www.hefce.ac.uk/sas/pp1520/).

- institutional provision and support for students with specific learning difficulties
- how institutions measure the effectiveness and impact of their work on access and student success, and how this might be developed to become more reliable and robust.

24. We are using the recommendations in the reports to develop an outcomes framework which will represent the best means of collecting monitoring data and evaluative evidence of the effectiveness and impact of universities' and colleges' interventions in WP. In April 2016, we held an outcomes framework event. Engagement with the sector has suggested that HEFCE, working with OFFA, should offer greater guidance on the definitions institutions should use, the data they need to collect and the types of evidence they should seek to generate through their evaluation and analysis. We intend to take this forward through further engagement with the sector during 2016.

## **Part 1: Overall investment in widening participation activity and hardship in 2014-15**

### **Key findings**

25. The sector's total investment in WP activity (that is access, student success and progression) amounted to £842.2 million in 2014-15. This is an increase of £39.7 million from the previous year. In 2014-15 the sector has for the first time reported its overall investment under a student hardship category (not including student financial support), which amounted to £37.5 million. Therefore the sector's total investment in WP activity and hardship for 2014-15 amounted to £879.7 million.

26. Of the sector's total expenditure in WP activity and hardship, 39 per cent (£345.5 million) is funded through the HEFCE SOA. Funding from other sources accounts for 33 per cent (£287.6 million). The remaining 28 per cent (£246.6 million) is funded from higher fee income (OFFA-countable funding).

27. The funding committed to outreach work for 2014-15 across the four headings of schools and young people, communities and adults, disabled students, and strategic partnerships with schools, was up by £12.3 million from the previous year, amounting to £174.6 million (20 per cent of the total sector expenditure on WP activity and hardship)<sup>8</sup>.

28. The majority of the sector's investment in WP activity is focused on academic and pastoral support for students while they are on a course; this amounts to £447.0 million in 2014-15 (51 per cent of the sector's total expenditure on WP activity and hardship), an increase from £434.2 million in 2013-14.

29. There was also an increase in spending from the previous year on support for students progressing from HE into employment or postgraduate study. Investment in progression work across the two headings of support for progression from HE and support for progression of disabled students amounted to £74.2 million in 2014-15 (8 per cent of the total sector expenditure on WP activity and hardship), up from £64.1 million in 2013-14.

30. The total sector expenditure on WP activities for disabled students – including outreach work and supporting student success and progression from HE – amounts to £67.1 million for 2014-15, an increase from £59.1 million in 2013-14.

31. Institutions spent £33.7 million on supporting students in hardship (4 per cent of the total sector expenditure on WP activity and hardship) in 2014-15<sup>9</sup>. The total sector spending for hardship under the Access to Learning Fund in 2013-14 was £37.4 million<sup>10</sup>. From 2014-15, this fund was incorporated into the HEFCE SOA, to address the needs of students facing particular financial hardship. 2014-15 is the first year that expenditure on hardship has been included in SOA monitoring.

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<sup>8</sup> For 2014-15, to understand the nature and scale of this type of work, we asked institutions for the first time to tell us how much they invest in sponsoring an academy, federation, trust, university technical college or free school as part of their access activity.

<sup>9</sup> The figure of £33.7 million on supporting students in hardship for 2014-15 also does not include WP staffing and administration costs. This amounted to £3.8 million.

<sup>10</sup> A total of 327 institutions were required to submit 2013-14 Access to Learning Fund monitoring in November 2014. The figure of £37.4 million does not include contribution to staff administration and other administration costs, which amounts to £950,182.

32. Institutions reported that of their total sector expenditure in 2014-15 on access, student success and progression activity (£842.2 million), £33.5 million was spent on delivering this activity collaboratively. This is a slight decrease of £2.1 million from the previous year. This may be due to the additional investment of £11 million made through the National Networks for Collaborative Outreach scheme in 2014-15.

### **Accounting for the HEFCE Student Opportunity allocation**

33. A total of £346.1 million of HEFCE SOA was distributed to the 263 institutions we monitored. Institutions with less than 100 FTE directly HEFCE funded student numbers in 2014-15 were not required to submit a SOA monitoring return. The institutions monitored accounted for £345.5 million of the allocation. The remaining funding (£600,000 or 0.2 per cent) relates to a small number of institutions that invested funding to support WP by embedding activity in their student support infrastructure to the degree that they had difficulty in disaggregating this expenditure. In these cases, there is some under-reporting of expenditure.

### **Impact of institutional investment**

34. Sustained institutional investment in WP, including through the SOA, has enabled the HE sector to make considerable progress to widen access to HE, support students to stay on their courses and support disabled students.

35. Institutional investment in WP during the last decade has secured both increased participation and improved retention. The numbers of entrants to HE from the most disadvantaged backgrounds (as measured through the Participation of Local Areas classification) have increased from 13 per cent in the late 1990s to 25 per cent in 2014<sup>11</sup>.

36. At the same time, overall non-completion rates have also improved since the mid-2000s, from a rate of 14 percent in 2002-03 for full-time first degree entrants to 10 percent in 2013-14.

37. Furthermore, between 2003-04 to 2012-13 the number of full-time undergraduate students in HE with a disability (as measured by the numbers in receipt of Disabled Students Allowance) increased from 25,000 to just under 66,000. The non-completion rates for disabled students improved from just over 9 per cent to around 6.5 per cent.

38. Research undertaken for HEFCE by CFE Research in 2013 sought to understand the impact of HEFCE's funding for widening participation on the progress made to widen access and support successful participation<sup>12</sup>. It found that the funding had helped to inform the development of a more strategic approach to widening participation in the majority of institutions. Institutions reported that the funding had contributed to local improvements in access and retention, with a number stressing that the funding and resulting activities had led directly to the improved outcomes.

39. This long-term investment has therefore yielded significant returns for individuals and the economy, delivered sustained improvements in HE progression and retention, and contributed a return on investment to the Exchequer. This is based on the additional returns to the Exchequer

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<sup>11</sup> The POLAR classification groups areas across the UK based on the proportion of the young population that participates in HE. POLAR3 is the latest iteration of this classification.

<sup>12</sup> 'The uses and impact of HEFCE funding for widening participation', CFE Research and Edge Hill University, 2013, available at [www.hefce.ac.uk/pubs/rereports/Year/2013/wpusessimpact/](http://www.hefce.ac.uk/pubs/rereports/Year/2013/wpusessimpact/).

arising from graduates who would not otherwise have entered HE, and the inefficiencies, in terms of wasted investment and lost graduates, avoided through improved retention.

### Funding trends

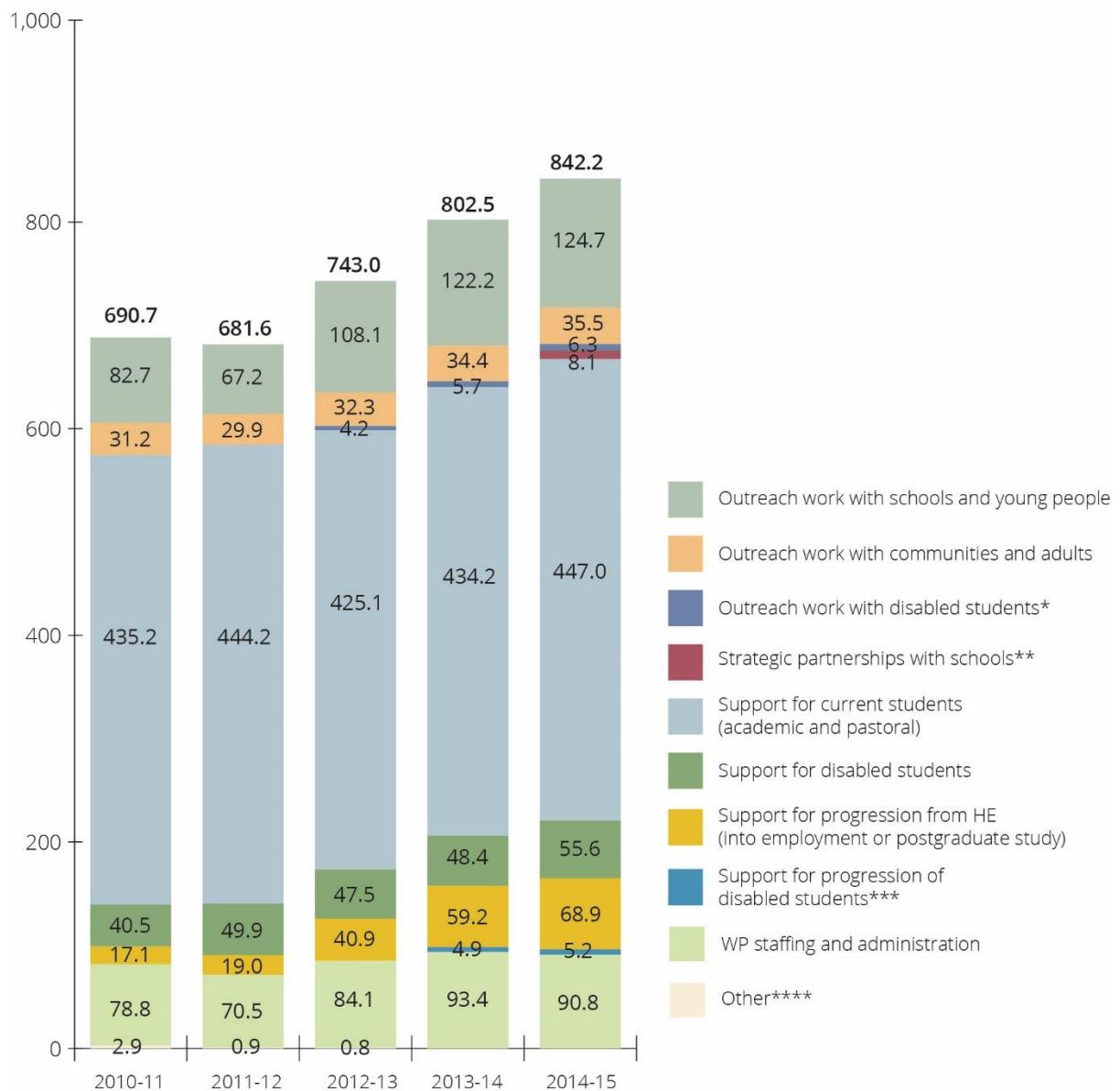
40. The expenditure of £842.2 million shows a rising trend in institutional investment in WP activity since 2010-11 (see Table 1).

**Table 1: Total sector expenditure to support WP activity (£ million)**

<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
690.7	681.6	743.0	802.5	842.2

41. Figure 1 shows how these figures break down in terms of areas of investment.

**Figure 1: Total sector expenditure from 2010-11 to 2014-15 by WP activity**



\* Outreach work with disabled students was not collected separately before 2012-13.

\*\* Strategic partnerships with schools was not collected separately before 2014-15.

\*\*\* Support for progression of disabled students was not collected separately before 2013-14.

\*\*\*\* Other expenditure category no longer collected after 2012-13.

42. Figure 1 shows a growth of £151.5 million in institutional investment in WP activity in 2014-15 compared with 2010-11. Most of this increase is due to a significant rise in expenditure to support progression from HE (an increase of £51.8 million, which is over four times as much in 2014-15 than in 2010-11) and in outreach work with schools and young people (an increase of £42.0 million).

43. There have also been sizable increases in institutional spending since 2010-11 on WP staffing and administration (£15.8 million), support for disabled students (£15.1 million) and support for current students (£11.8 million).

44. Smaller increases in investment have occurred in other WP activities, such as outreach work with communities and adults (an increase of £4.3 million from 2010-11), outreach work with disabled students (an increase of £2.1 million from 2012-13, when this data was first collected), and support for progression of disabled students (an increase of £0.3 million from 2013-14 when this data was first collected).

### **Total sector expenditure on WP activity across the student lifecycle and hardship in 2014-15**

45. The monitoring returns enable us to analyse in more detail the way institutions source and spend funding. Table 2 shows total sector expenditure split across the three stages of the student lifecycle, and expenditure on supporting students in hardship, for 2014-15. The activities include expenditure on WP staffing and administration costs, to show a total cost per activity type.

**Table 2: Total sector expenditure in 2014-15 on WP activity, split across the student lifecycle, and on hardship**

Description	Amount (£ million)	Percentage of total
Expenditure on access activities	220.5	25%
Expenditure on student success activities	533.8	61%
Expenditure on progression activities	87.8	10%
Expenditure on hardship	37.5	4%
<b>Total</b>	<b>879.7</b>	<b>100%</b>

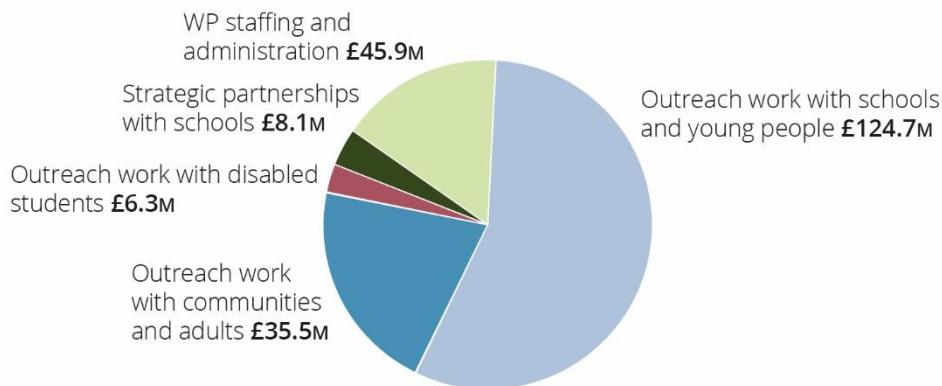
46. Figures 2 to 10 show the total sector expenditure across the student lifecycle and hardship, by type of activity and by funding source. The base data for these figures is available at Annex B.

#### Access activity

47. As part of their access activity, institutions carry out a range of outreach work with different target groups such as schools and young people, communities and adults, and disabled people. Some institutions have formed strategic partnerships with schools. Figure 2 shows that the main focus of institutions' investment in access is on outreach work with schools and young people, amounting to £124.7 million. Figure 3 reveals that the key source of funding used to support access is the OFFA-countable funding of £104.5 million. This is 47 per cent of the total sector expenditure on access of £220.5 million.

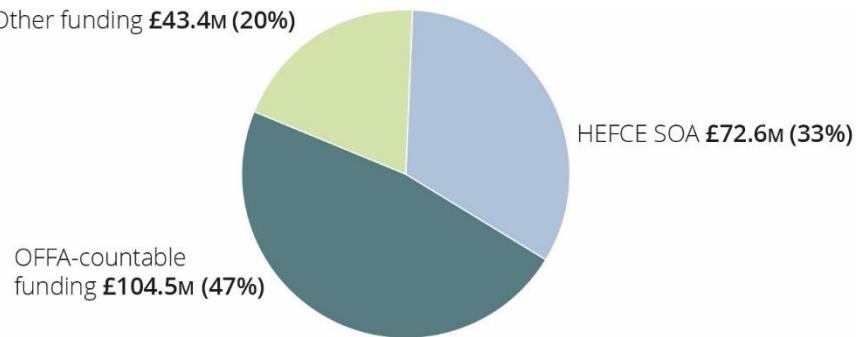
**Figure 2: Breakdown of total sector expenditure on access to HE, by activity**

Total access activity £220.5 million



**Figure 3: Breakdown of total sector expenditure on access to HE, by funding source**

Other funding £43.4M (20%)

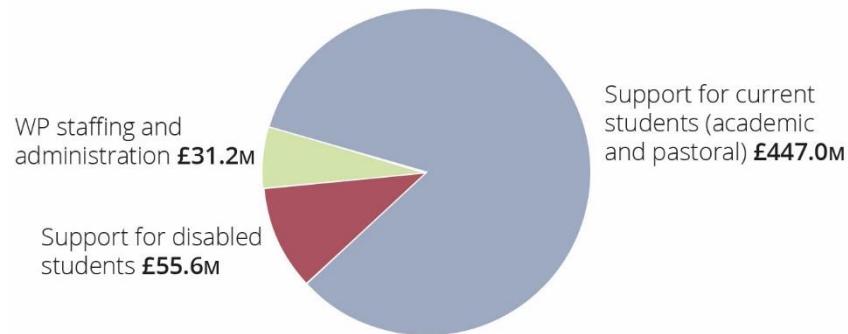


#### Student success activity

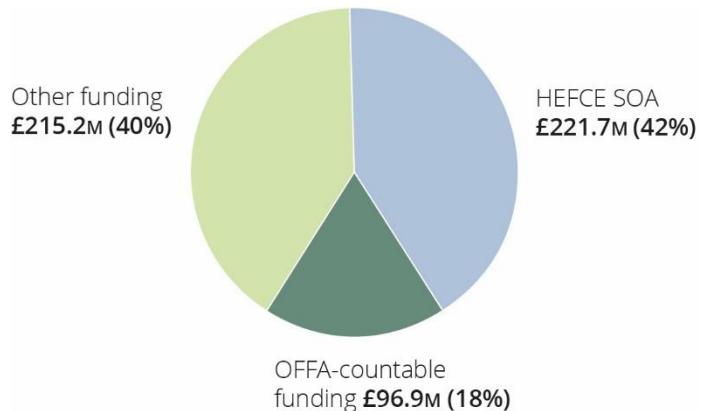
48. Institutions offer additional academic and pastoral support to current students and disabled students while they are on their courses of study, to ensure that they can successfully complete them. Significant investment is made in supporting student success, amounting to £533.8 million (see Figure 4). As shown in Figure 5 most funding for this activity comes from the HEFCE SOA (£221.7 million, 42 per cent of the total sector expenditure on student success activity) and other institutional income (£215.2 million, 40 per cent of the total sector expenditure on student success activity).

**Figure 4: Breakdown of total sector expenditure supporting student success, by activity**

Total student success activity £533.8 million



**Figure 5: Breakdown of total sector expenditure supporting student success, by funding source**

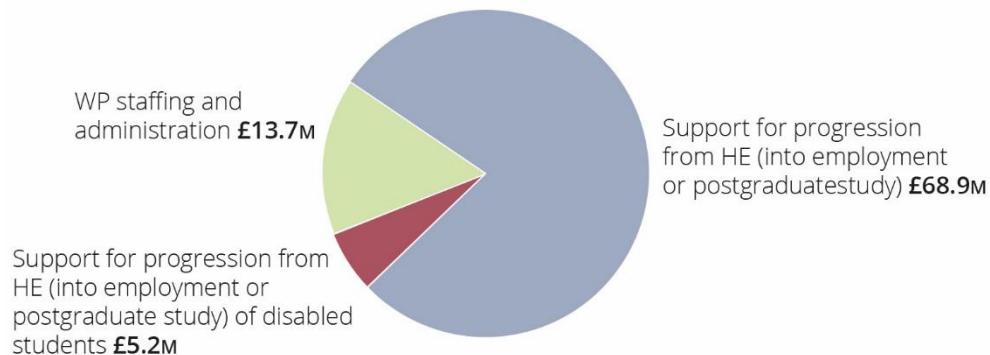


#### Progression from HE activity

49. To complete the student lifecycle, institutions engage in progression activity to enable successful student outcomes. Institutions also provide support to students and disabled students to progress from HE on to employment or postgraduate study. Figure 6 shows a breakdown of the total sector expenditure in this area, a total of £87.8 million. Figure 7 demonstrates that the key source of funding for this area of work is the HEFCE SOA (£36.8 million, or 42 per cent of the total sector expenditure on progression activity).

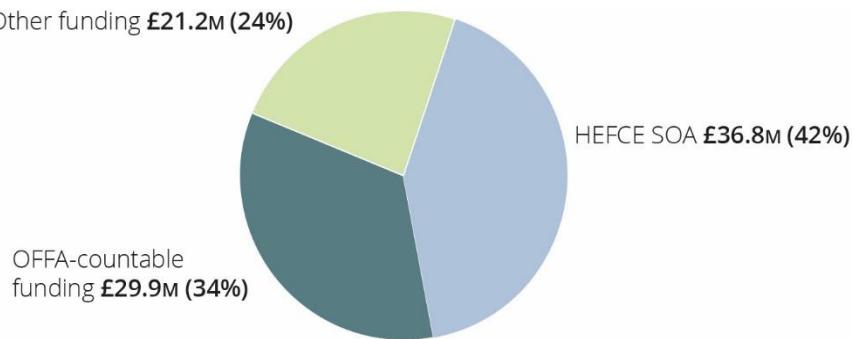
**Figure 6: Breakdown of total sector expenditure in supporting student progression from HE, by activity**

Total progression activity £87.8 million



**Figure 7: Breakdown of total sector expenditure supporting student progression from HE, by funding source**

Other funding £21.2M (24%)

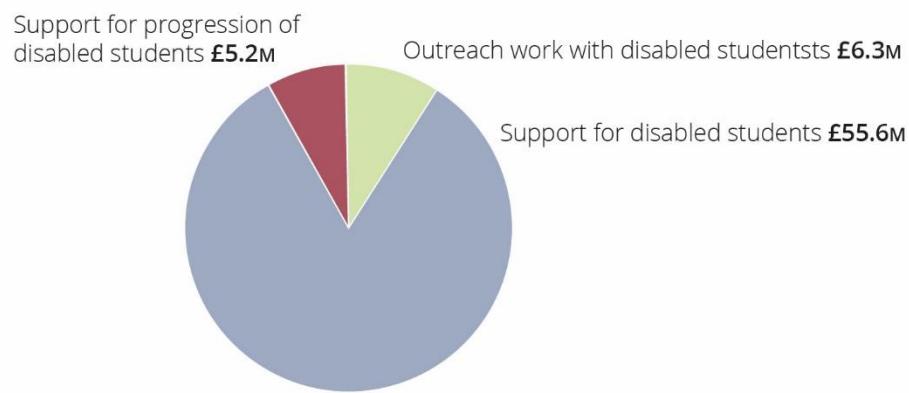


### Supporting disabled students

50. Total sector expenditure on WP activities with disabled students – from outreach work to supporting student success and the progression – amounts to £67.1 million for 2014-15, as shown in Figure 8. This demonstrates an additional investment of £52.2 million by institutions over and above the HEFCE SOA's £14.9 million contribution towards the costs of widening access and improving provision for disabled students, distributed to the 263 institutions monitored for SOA for 2014-15. The majority of expenditure by institutions is focused on the activity to support disabled students while they are on their course of study, which amounts to £55.6 million.

**Figure 8: Breakdown of total sector expenditure supporting disabled students, by activity**

Total disabled students activity £67.1 million

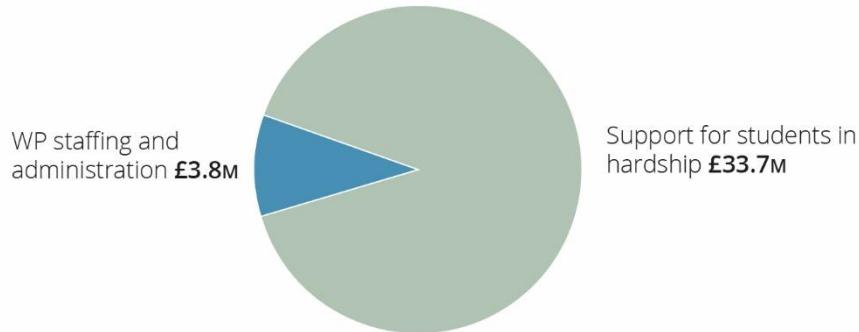


#### Supporting students in hardship

51. The total sector expenditure on supporting students experiencing financial hardship amounted to £37.5 million in 2014-15 as shown in Figure 9. Figure 10 illustrates that institutions funded this expenditure mainly through their OFFA-countable funding, which amounted to £15.3 million (41 per cent of the total sector expenditure on hardship), followed by their HEFCE SOA (£14.4 million, 39 per cent of the total sector expenditure on hardship).

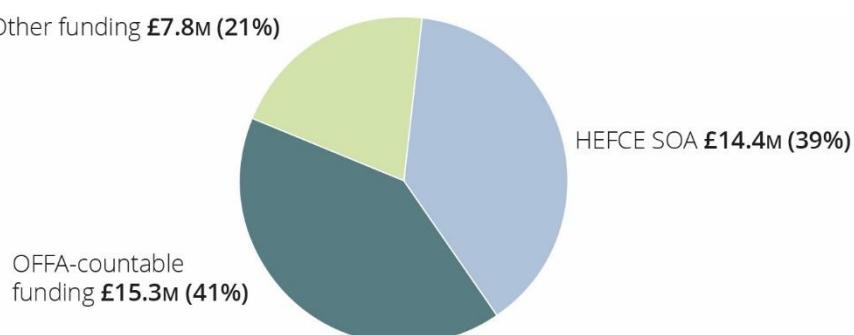
**Figure 9: Breakdown of total sector expenditure supporting students in hardship**

Total hardship expenditure £37.5 million



**Figure 10: Breakdown of total sector expenditure supporting students in hardship, by funding source**

Other funding £7.8M (21%)



## Total sector expenditure on WP activity and hardship in 2014-15, by institutional groupings

52. We have analysed the sector's total expenditure on WP activities and hardship, by disaggregating expenditure between different groupings of institutions as follows

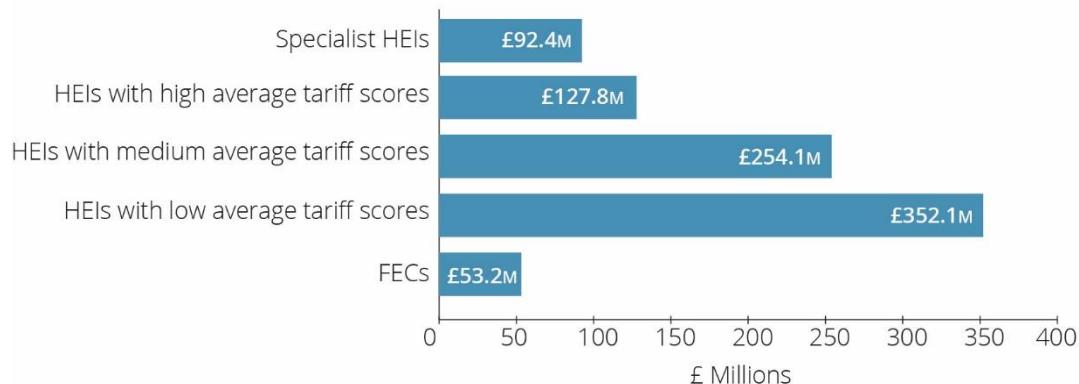
- higher education institutions (HEIs) with high average tariff scores
- HEIs with medium average tariff scores
- HEIs with low average tariff scores
- further education colleges (FECs)
- specialist HEIs.

Figures 11 and 12 show the total WP and hardship expenditure by institutional group and by funding source. The base data for Figures 11 to 22 can be found in Annex C.

53. Figure 11 shows the breakdown of total sector spending on WP activity and on hardship by institutional group. The number and size of institutions in each group differ markedly, and therefore the groupings cannot be compared directly; it cannot be deduced for example whether one type of institution spends more on WP than another.

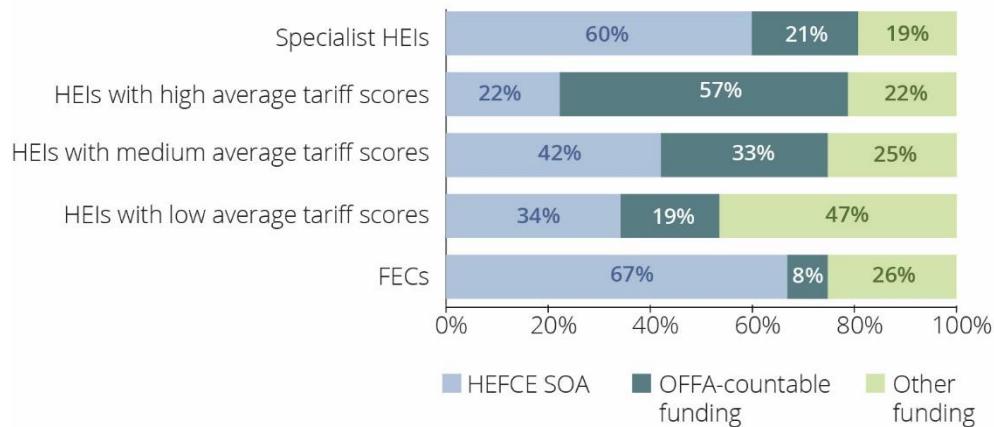
**Figure 11: Breakdown of WP activity and hardship expenditure by institutional groups**

Total WP activity and hardship expenditure £879.7 million



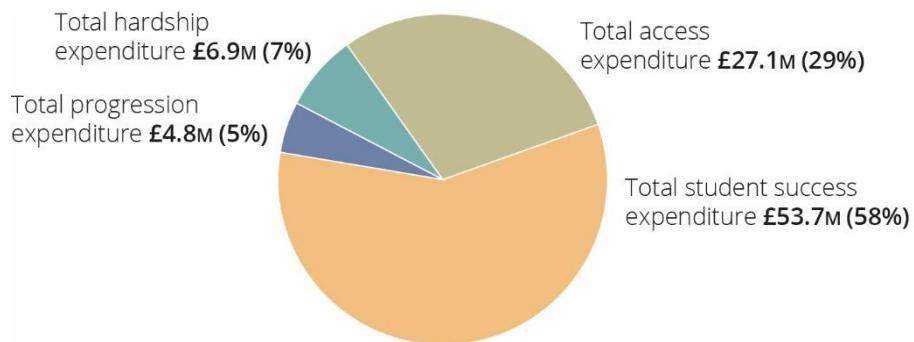
54. Figure 12 shows sources of funding for institutions' total WP activity and hardship expenditure. The data shows that HEIs with high average tariff scores use their OFFA-countable funding under access agreements as 57 per cent of their total WP activity and hardship expenditure. All other institutional groups appear more reliant on the HEFCE SOA and other sources of funding. In particular, HEFCE SOA accounts for 67 per cent of FECs', and 60 per cent of specialist HEIs', total WP activity and hardship expenditure, and the majority of this funding supports the student success and progression elements of the student lifecycle.

**Figure 12: Sources of funds spent on total WP activity and hardship expenditure, by institutional group**

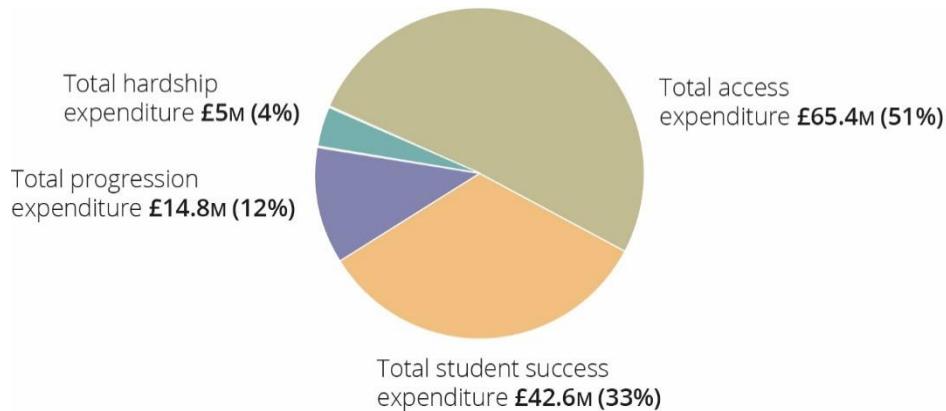


55. Figures 13 to 17 show how the different institutional groups invest in WP activity across the student lifecycle. They demonstrate that the groups differ in how they focus their investment on WP activities on the stages of the student lifecycle and on supporting students in hardship. Proportionally, HEIs with high average tariff scores focus investment more on access activities; while specialist HEIs, HEIs with medium and low average tariff scores and FECs direct their investment towards student success activities. Investment in the progression stage of the student lifecycle also varies by institutional group, however: HEIs with medium average tariff scores spend more on this area than the other institutional groups. Specialist HEIs spend proportionally slightly more on supporting students in hardship than the other institutional groups.

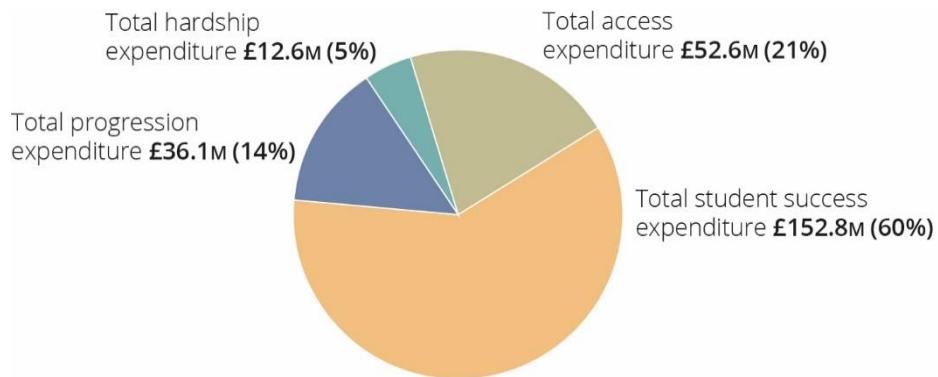
**Figure 13: Expenditure on WP activity and hardship by specialist HEIs**



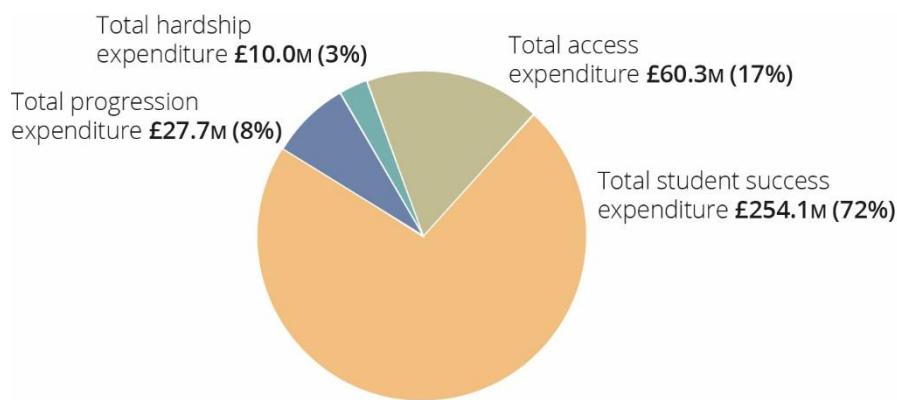
**Figure 14: Expenditure on WP activity and hardship by HEIs with high average tariff scores**



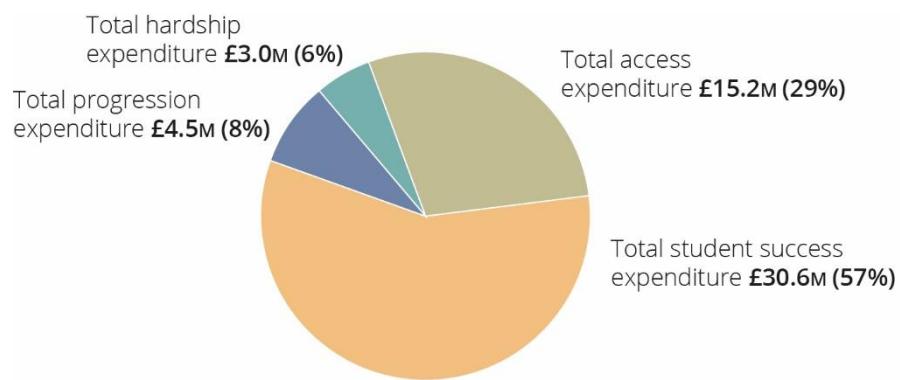
**Figure 15: Expenditure on WP activity and hardship by HEIs with medium average tariff scores**



**Figure 16: Expenditure on WP activity and hardship by HEIs with low average tariff scores**



**Figure 17: Expenditure on WP activity and hardship by FECs**

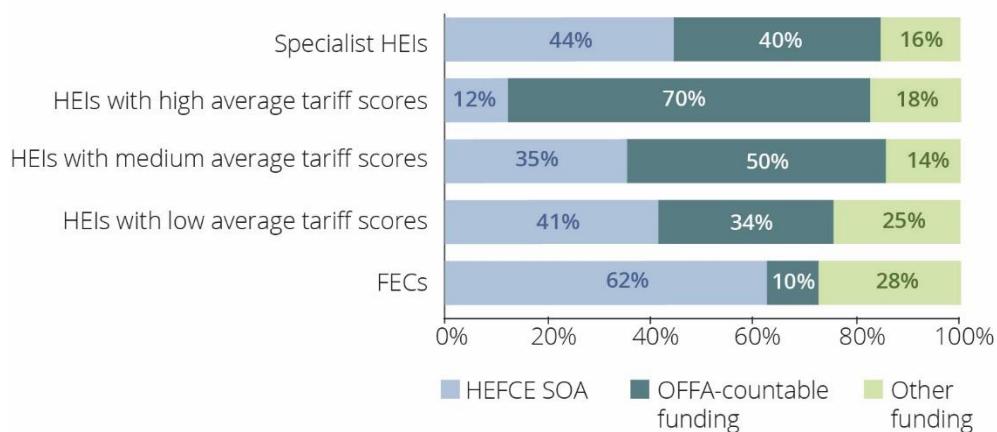


56. Figures 18 to 22 show sources of funds spent on WP activities across the student lifecycle and on hardship by institutional groups.

#### Access activity

57. Figure 18 indicates that institutions with high average tariff scores use OFFA-countable funding as the key source to support expenditure on access to HE activity, at 70 per cent of their total access expenditure of £65.4 million. In contrast, the key funding source to support access activity in FECs is the HEFCE SOA. FECs, which are less likely to charge higher fees, are most reliant on the HEFCE SOA: 62 per cent of their total access expenditure of £15.2 million is funded from this source.

**Figure 18: Institutional groups' sources of funds spent on access to HE activity**

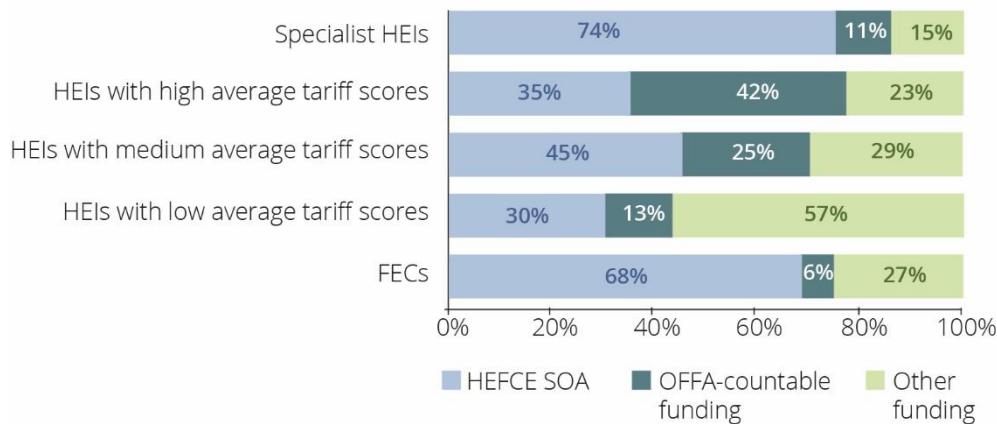


#### Student success activity

58. Figure 19 illustrates that the key funding source used for student success activity is the HEFCE SOA. While all the institutional groupings rely on their HEFCE SOA to fund student success activity, this is particularly true of specialist HEIs and FECs. For specialist HEIs 74 per cent of their total student success expenditure (£53.7 million) is funded through the HEFCE SOA. For FECs the figure is 68 per cent of their total student success expenditure of £30.6 million. HEIs with low average tariff scores are more reliant on other sources of funding to support

student success activities: over half (57 per cent) of their total student success expenditure of £254.1 million is funded by these sources.

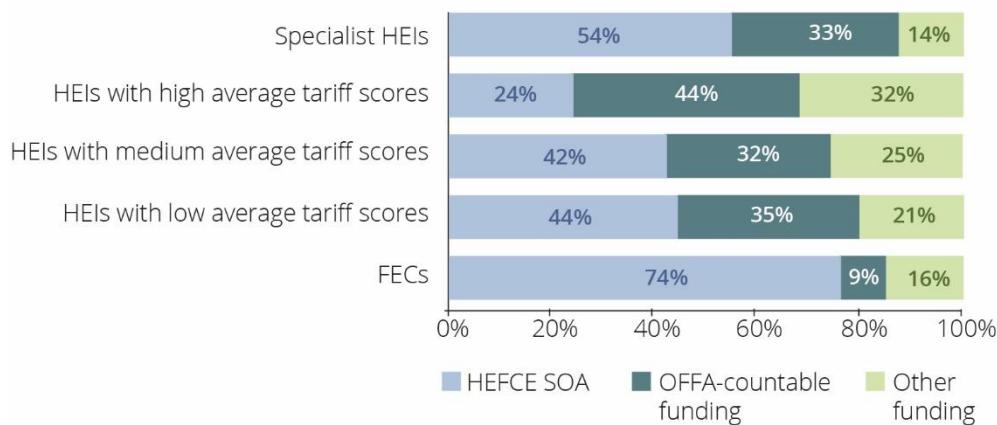
**Figure 19: Institutional groups' sources of funds spent on student success activity**



#### Progression from HE activity

59. The key funding source for activity to support progression to employment or further study is the HEFCE SOA (see Figure 20). As with student success activity, all institutional groupings rely on their HEFCE SOA to fund progression from HE activity; however, FECs are the most reliant on it, with 74 per cent of their total progression expenditure of £4.5 million being funded through the HEFCE SOA. HEIs with high average tariff scores are more reliant on their OFFA-countable funding to support progression from HE activities: 44 per cent of their total progression expenditure of £14.8 million is funded by OFFA-countable funding.

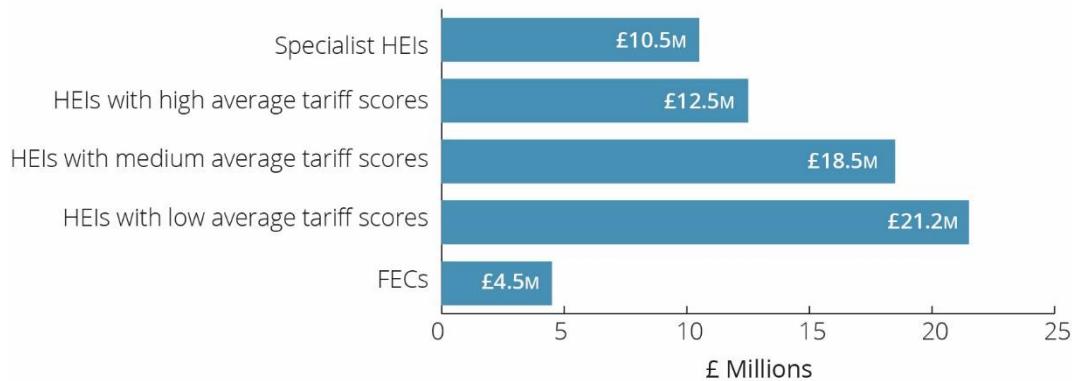
**Figure 20: Institutional groups' sources of funds spent on progression from HE activity**



#### Supporting disabled students

60. With regard to support for disabled students – from outreach work to supporting student success and the progression of disabled students from HE – institutions collectively spent £67.1 million in 2014-15. Figure 21 shows expenditure on WP activities with disabled students by institutional group. Again it should be noted that the number and size of institutions in each group differ markedly, and therefore the groupings cannot be compared directly in the chart.

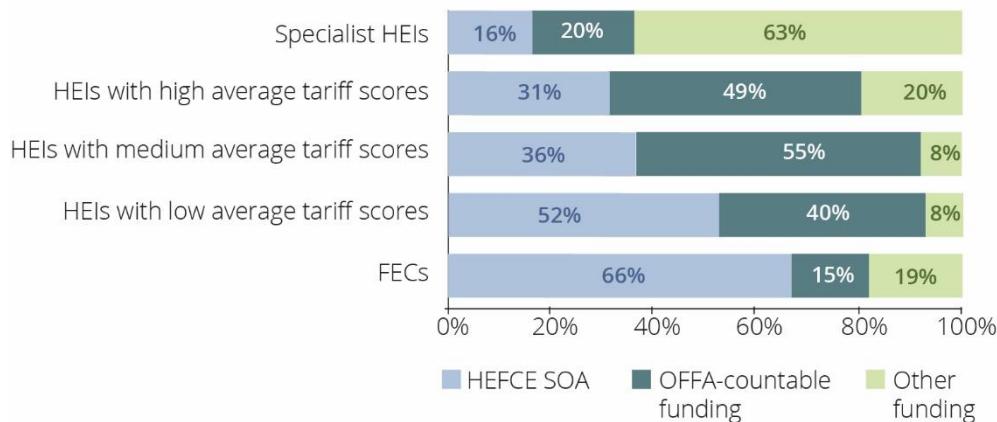
**Figure 21: Institutional groups' investment in supporting disabled students**



### Supporting students in hardship

61. Figure 22 demonstrates that each institutional group relies on different sources of funding towards its investment in supporting students in hardship. For FECs the key source of funding for hardship expenditure is the HEFCE SOA, funding 66 per cent of their total expenditure on hardship (£3 million). For HEIs with medium average tariff scores the key source of funding for hardship expenditure is the OFFA countable funding, at 55 per cent of the total £12.6 million spending. For specialist HEIs the key source of funding for hardship expenditure is other sources of funding, at 63 per cent of the total £6.9 million spending.

**Figure 22: Institutional groups' sources of funds spent on supporting students in hardship**



### Conclusion

62. The SOA monitoring information provided by institutions for this report enables HEFCE to understand the HE sector's investment in activity to widen access, improve student retention and success, support progression to employment of further study and support students in hardship. The increasing sector investment in activities over the years demonstrates institutional commitment to WP across the student lifecycle. The information also continues to emphasise the important role of the HEFCE SOA in supporting institutions' WP activities and hardship expenditure. Supporting widening access and successful student outcomes will remain a key priority for HEFCE into the future.

## **Part 2: Financial support under the National Scholarship Programme<sup>13</sup>**

63. The NSP benefitted individual students from disadvantaged backgrounds as they entered higher education in England. Introduced in 2012-13, it was administered by HEFCE on behalf of the Department for Business, Innovation and Skills. The programme was designed to help students whose family income was £25,000 or less, and its awards were available in addition to other loans and grants for which students could apply. 2014-15 was the final year of the programme, and eligible recipients received a minimum award of £2,000 in their first year of study.

64. The NSP had a fixed amount of government funding, with £50 million distributed between 291 participating institutions in 2014-15. The planned government allocation for the NSP in 2014-15 was £150 million; however, in November 2013 the Government announced a reduction in NSP funding for 2014-15, from £150 million to £50 million.

65. Institutions charging over £6,000 in fees for any of their HE provision in 2014-15 were initially required to match the government allocation at a ratio of 1:1. Following the announcement of the reduction in government funding, to provide support for a greater number of students, institutions were asked to maintain the total level of matched funding with which they each originally planned to support the programme (the 1:1 matching of the £150 million allocation rather than a 1:1 matching of the revised £50 million). This resulted in most institutions that charged higher-level fees committing more than a 1:1 match of their government allocation. Institutions charging less than £6,000 in fees were not required to match the government contribution in 2014-15.

66. Institutional matched funding could be used to create additional awards for eligible students in 2014-15, or carried forward to top up the awards of the 2014-15 cohort in subsequent years.

### **Key findings**

#### Overview of expenditure, delivery and recipients over the lifecycle of the NSP

67. Over the three years of the programme, a total of £503 million was spent on eligible recipients through the NSP. This comprises £196.5 million of government allocation and £306.5 million institutional matched funding (including minimum and additional matched funding). Institutions plan to spend another £64.3 million on subsequent years' NSP awards after 2014-15.

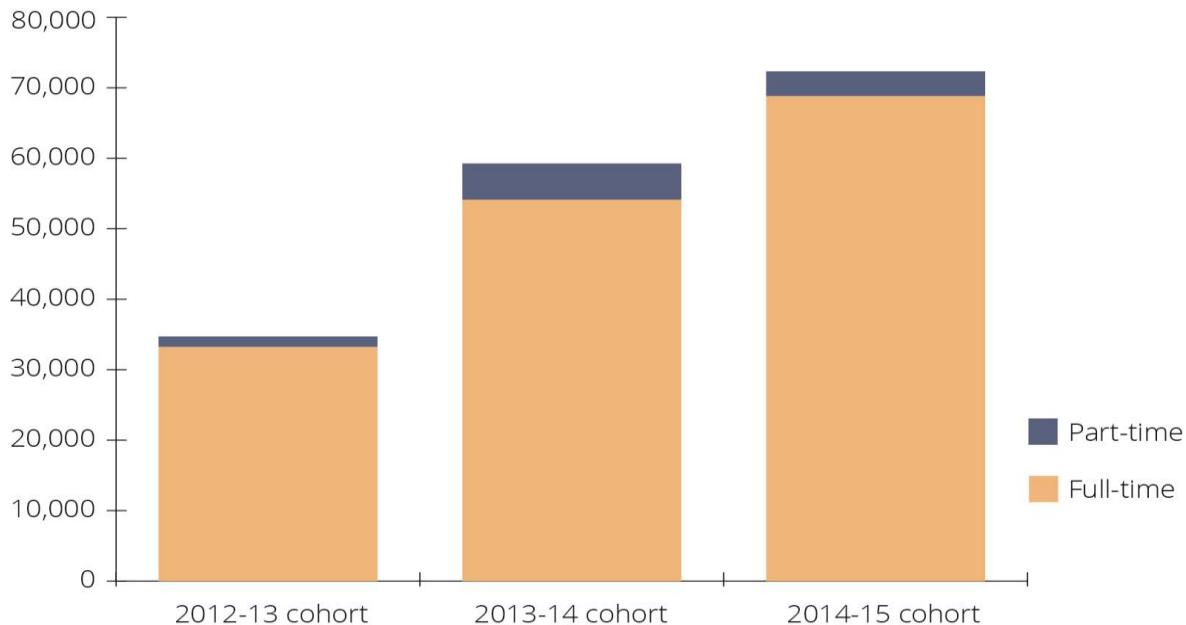
**Table 3: Breakdown of NSP expenditure across the lifecycle of the programme (2012-13 to 2014-15)**

	£ Millions
Total government allocation spent	£196.5
Total institutional matched funding spent	£306.5
<b>Total spent on all NSP cohorts</b>	<b>£503.0</b>

<sup>13</sup> Accurate data as at May 2016.

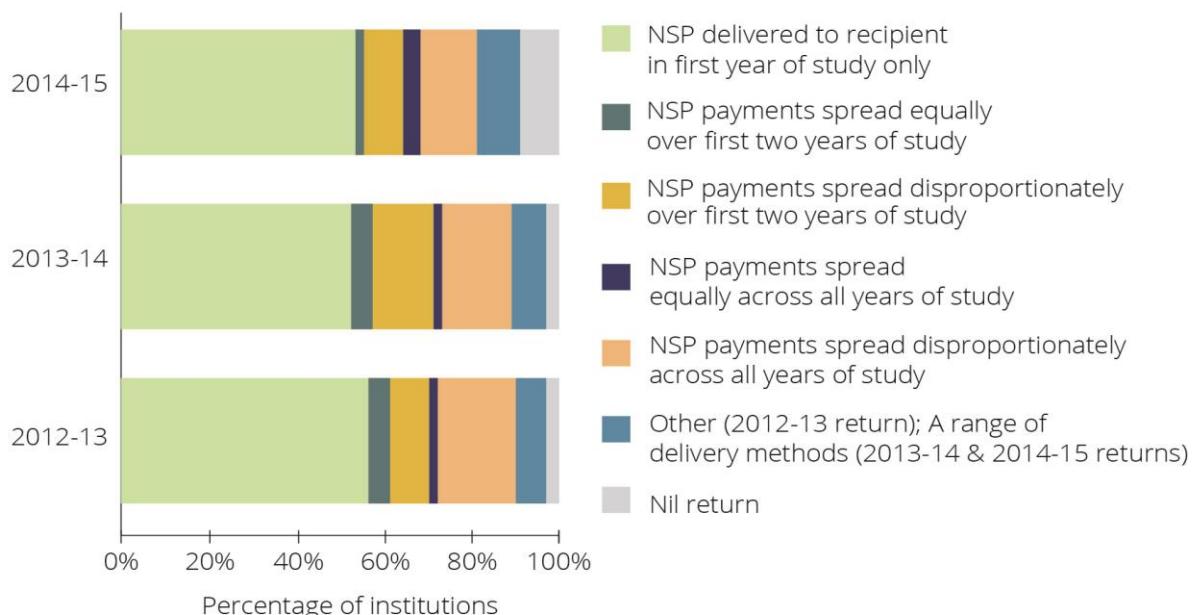
68. The monitoring data (Figure 23) shows that over 131,500 students received the NSP across the lifecycle of the scheme: around 123,000 full-time students and 8,500 part-time. This equates to a total of over 125,000 FTE.

**Figure 23: NSP recipients in their first year of study over three years of scheme**



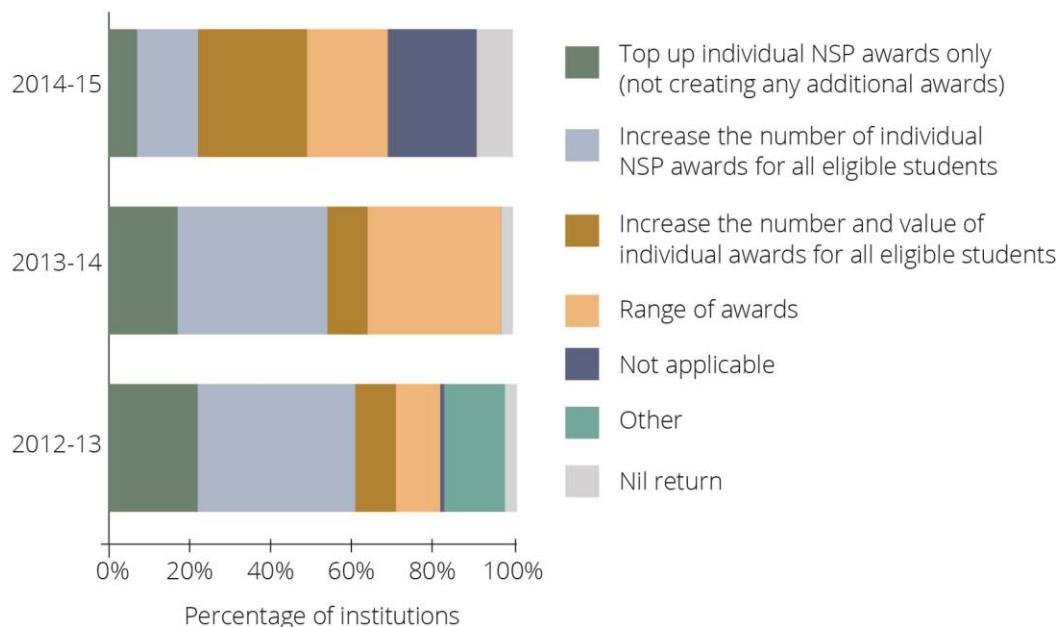
69. As Figure 24 demonstrates, throughout the duration of the scheme, the majority of institutions delivered NSP awards in the first year of study only (57 per cent in 2012-13, 53 per cent in 2013-14 and 54 per cent in 2014-15). The second most popular method of delivery was spreading NSP payments disproportionately across all years of study (18 per cent in 2012-13, 13 per cent in 2013-14 and 13 per cent in 2014-15).

**Figure 24: Delivery of NSP awards to eligible recipients across the duration of the programme (2012-13 to 2014-15)**



70. During 2012-13 and 2013-14 the most popular use for matched funding was to increase the number of individual NSP awards, with 39 percent of institutions choosing this method in 2012-13 and 37 per cent in 2013-14. Figure 25 shows that in 2014-15 the number of institutions choosing this method decreased to 15 per cent, and the most popular use for matched funding was instead increasing both the number and value of individual awards, with 27 per cent of institutions using this approach.

**Figure 25: Delivery of institutional matched funding to eligible NSP recipients across the duration of the programme (2012-13 to 2014-15)**



#### NSP spending on the 2014-15 cohort in 2014-15

71. Of the overall £542.6 million spent on financial support by HE providers in 2014-15 (OFFA 2016/04), £202.6 million was delivered through the NSP. Of this, £170.3 million was delivered to the 2014-15 cohort. Table 4 shows the sources of funding for this. The Government contributed £50 million, of which £49.9 million was allocated to institutions. £49.9 million of this allocation was spent in 2014-15.

**Table 4: Breakdown of NSP expenditure on 2014-15 cohort in 2014-15**

	£ Millions
Total government allocation spent	£49.9
Total minimum matched funding spent*	£97.2
Total additional matched funding spent†	£23.1
<b>Total spent on 2014-15 cohort in 2014-15</b>	<b>£170.3</b>

\* Matched funding spending is more than the government allocation because matched funding was maintained by institutions charging higher fees at the 1:1 matching level for the original government allocation of £150 million. Institutions charging basic fees were not required to provide matched funding. Matched funding can also be spent in subsequent years on the 2014-15 cohort.

† Institutions had the option to contribute additional matched funding to the scheme if they wished.

72. In 2014-15, 291 institutions participated in the NSP scheme, with 264 institutions delivering awards to the 2014-15 cohort. Of the 291 institutions included, 54 per cent chose to deliver the NSP to students in their first year of study only. Others allocated awards over more than one year, and report that they will deliver a further £49.2 million of institutional matched funding to 2014-15 entrants in subsequent years.

73. As shown in Table 5, 72,333 students from the 2014-15 cohort received NSP awards in 2014-15. This is 47,403 more than the minimum number of students required (24,930) based on allocating awards of £2,000 from the government allocation of £49.9 million. Matched funding was used either to create additional awards or to increase the value of awards.

**Table 5: Number of NSP recipients in 2014-15 from the 2014-15 cohort**

Number of full-time students who received an award	68,814
Number of part-time students who received an award	3,519
<b>Total (headcount)</b>	<b>72,333</b>
Total FTE	69,928.64

#### Understanding these findings

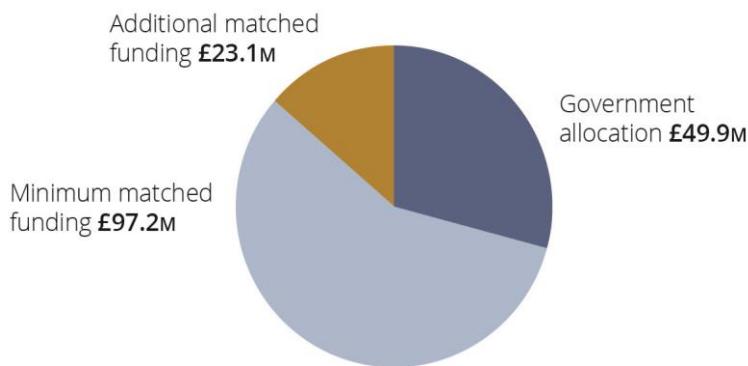
74. Just under £170.3 million was awarded to 2014-15 HE entrants in the 2014-15 academic year from the 291 participating institutions. An additional £49.2 million of institutional matched funding is forecast to be spent on the 2014-15 cohort in subsequent years of study, taking the total spending forecast for the 2014-15 cohort over £219.5 million.

75. An element of matched funding was required from institutions charging higher fees in 2014-15. Institutions charging over £6,000 in fees for any of their HE provision were required to match the original government allocation (of £150 million) at a ratio of 1:1 (161 institutions). Institutions charging less than £6,000 in fees were not required to commit matched funding (130 institutions). Over £97.2 million of matched funding was spent on the 2014-15 cohort in 2014-15, with £33.8 million carried forward to spend on the 2014-15 cohort in subsequent years of study.

76. Institutions were able to allocate additional matched funding towards their 2014-15 NSP schemes (over and above that required by the rules of the programme), and 133 institutions

chose to support their students in this way. Figure 26 demonstrates that just under £23.1 million of additional matched funding was spent on the 2014-15 cohort, with £15.4 million carried forward to spend on the 2014-15 cohort in subsequent years. Approximately £9.3 million of unspent additional matched funding has been redirected to student success measures (outreach, student success and progression).

**Figure 26: Breakdown of NSP spending on the 2014-15 cohort in 2014-15**



77. One hundred and forty-nine institutions recorded underspending on the 2014-15 cohort compared with their initial plans, to a total of £19.5 million<sup>14</sup>. This comprised £1.1 million of government allocation and £18.4 million in institutional matched funding. The underspending was due to a combination of factors; for example, some recipients withdrew before the end of their first year and therefore did not receive their full allocation. There were also instances of under-allocation of awards at some institutions, for example where they were unable to identify sufficient eligible students.

78. As 2014-15 was the final year of the programme, institutions were unable to carry forward any of their government allocation. Eighty-one institutions reported government allocation underspending totalling £1.1 million, which will be reclaimed by HEFCE on behalf of the Department for Business, Innovation and Skills.

79. In the final year of the scheme institutions were able to carry forward minimum and additional matched funding to spend on the 2014-15 cohort in subsequent years. For those that reported underspend but did not intend to award students in subsequent years, the remaining underspending on minimum and additional matched funding was redirected towards student success measures (outreach, retention and progression). In 2014-15, institutions carried forward a total of £49.2 million of matched funding to spend on the 2014-15 cohort in subsequent years. Fifty-one institutions repurposed a total of £9.1 million of their matched funding to other student success measures.

80. The 72,333 students from the 2014-15 cohort who received an NSP award in 2014-15 constitute over a third (39 per cent) of the estimated 183,000 English and European Union (EU)

<sup>14</sup> This total includes funds from both the government allocation and the institutional matched funding (both minimum and additional) which were not spent in 2014-15 and were not allocated to be spent on the 2014-15 cohort in subsequent years. In the final year of the scheme, institutions are required to re-purpose unspent matched funding towards access and student success measures.

new entrants to publicly funded English higher education who had a household residual income of £25,000 or less in 2014-15 and were eligible receive funding from Student Finance England<sup>15</sup>.

81. Individualised data was collected by HEFCE for all cohorts in receipt of the NSP in 2014-15: this includes the 2014-15, 2013-14 and 2012-13 cohorts. Analysis of the characteristics of the students who received NSP awards is at Annex D.

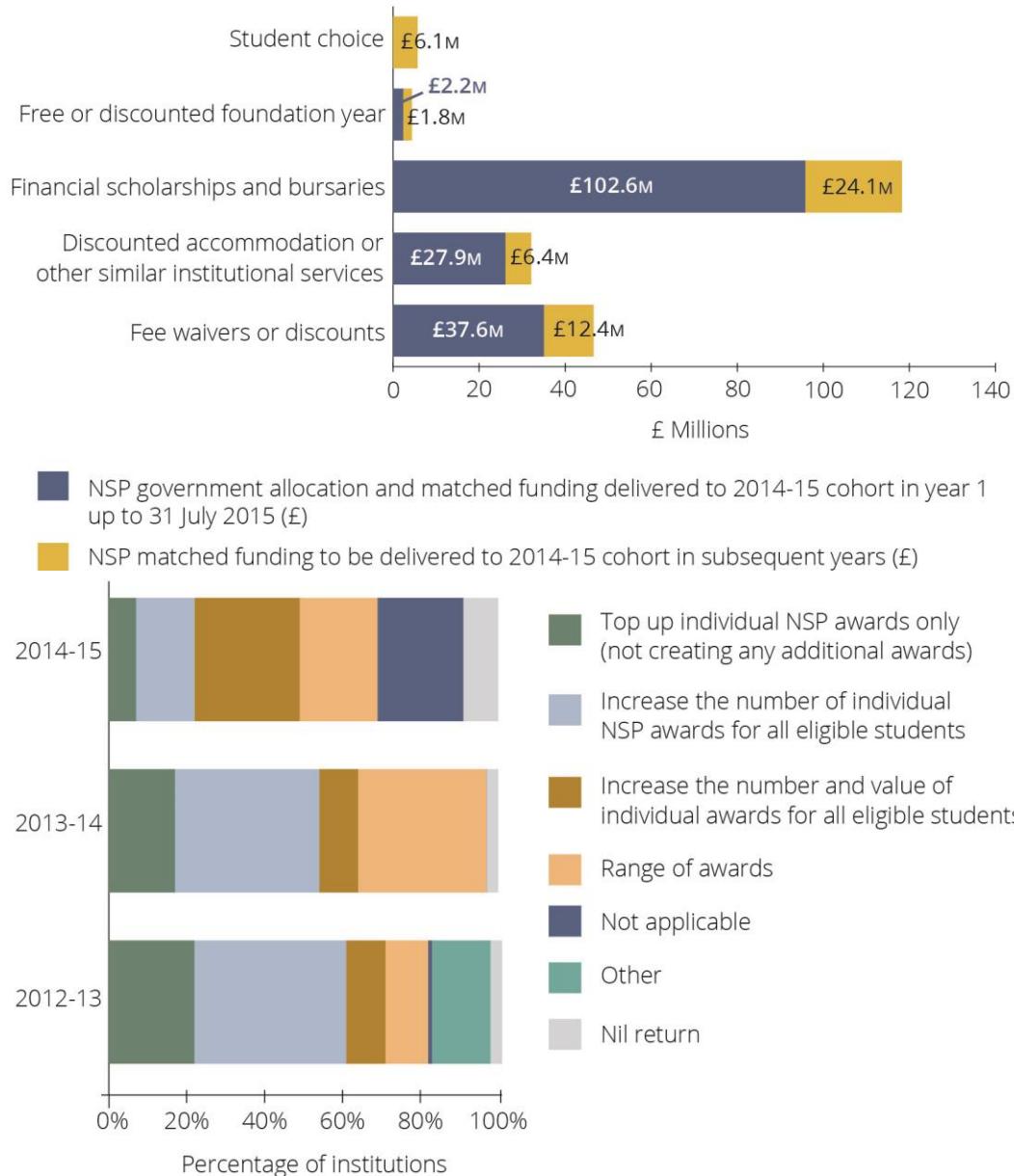
### **How and when institutions delivered their NSP awards**

82. The Government provided options from which institutions could choose how they offered their NSP awards. In 2014-15 the cash bursary rules changed and the restrictions were removed on the maximum amount (previously £1,000) that a student could receive as a financial scholarship or bursary (cash) over the duration of the award. Figure 27 shows how institutions chose to allocate their NSP awards to the 2014-15 cohort in 2014-15.

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<sup>15</sup> Based on HEFCE analysis of Student Loans Company data. Students from Wales, Scotland and Northern Ireland receive student finance from other bodies.

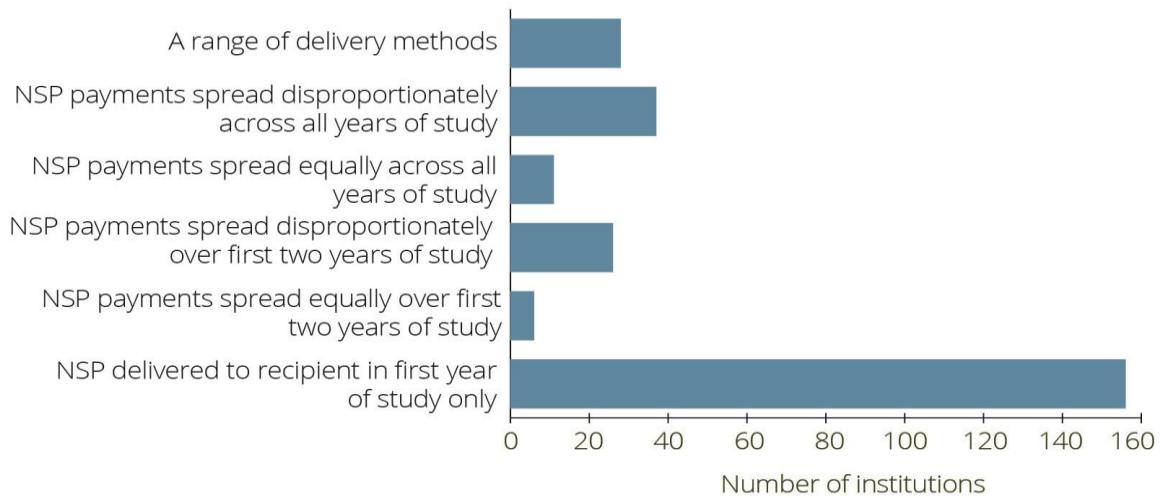
**Figure 27: How institutions delivered NSP awards to the 2014-15 cohort in 2014-15, and planned subsequent years' spending**



83. Throughout the programme there were more eligible students than awards available. To manage this, institutions had the option to apply additional criteria to the national criteria set by Government. Of the 291 participating institutions, 180 (62 per cent) chose to do this. The most common additional criteria are reported in Annex D and Table D1, which show how institutions used them to select eligible recipients, including whether they were mandatory to a student receiving an award.

84. Fifty-four per cent of institutions delivered their NSP awards to students in their first year of study only (see Figure 28). Other institutions chose to spread their NSP payments across more than one year to assist retention and success.

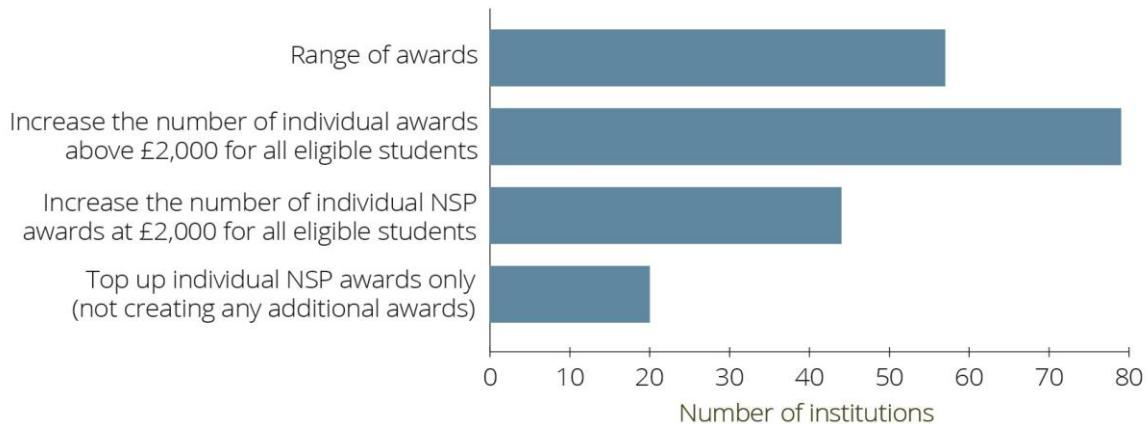
**Figure 28: When institutions are delivering their NSP allocations to eligible 2014-15 cohort recipients**



#### How institutions used their matched funding allocations<sup>16</sup>

85. Institutions used their matched funding in a variety of ways, as shown in Figure 29. Institutions that selected 'Range of awards' delivered their NSP awards using a combination of the options detailed.

**Figure 29: How institutions allocated their NSP matched funding to the 2014-15 cohort in 2014-15**



#### **Subsequent year spending – NSP spending on the 2013-14 and 2012-13 cohorts in 2014-15**

##### NSP spending on the 2013-14 cohort in 2014-15

86. A total of £41 million was carried forward to spend on the 2013-14 cohort in subsequent years. Table 6 shows the sources of funding for this spending.

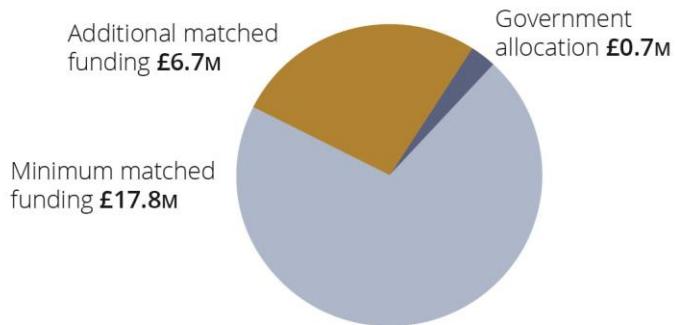
<sup>16</sup> This refers to both minimum and additional matched funding.

**Table 6: Sources of NSP expenditure for the 2013-14 cohort in 2014-15**

	<b>Government allocation £ millions</b>	<b>Institutional matched funding £ millions</b>	<b>Total £ millions</b>
<b>Carried forward from 2013-14</b>	£0.6	£39.9	£40.6
<b>Reallocated from subsequent year underspending on the 2012-13 cohort</b>		£0.4	£0.4
<b>Total</b>			<b>£41.0</b>

87. Over £25.2 million was spent on this cohort in 2014-15 and an additional £14.4 million was carried forward to spend on the 2013-14 cohort after 2014-15. Figure 30 demonstrates the breakdown of expenditure for the 2013-14 cohort in 2014-15.

**Figure 30: Breakdown of total NSP expenditure on the 2013-14 cohort in 2014-15**



88. In addition, £3.7 million was redirected to the 2014-15 cohort, £0.2 million will be reclaimed by HEFCE on behalf of the Department for Business, Innovation and Skills and £0.6 million was repurposed for other student success measures. This totals more than the £41 million, as some institutions chose to spend more than originally planned and carried forward.

89. A total of 16,240 students from the 2013-14 cohort received the NSP in subsequent years, of which 16,082 were full-time students and 158 part-time, some 16,182 FTE.

90. Institutions were asked to outline the method of delivery for their NSP awards in 2014-15 and subsequent years for the 2013-14 cohort. The most popular method of delivery was fee waivers or discounts (54 per cent of expenditure). The second most popular method of delivery, in terms of expenditure, was discounted accommodation or similar institutional services (23 per cent), followed by financial scholarships and bursaries (15 per cent). The breakdown of expenditure is shown in Figure 31.

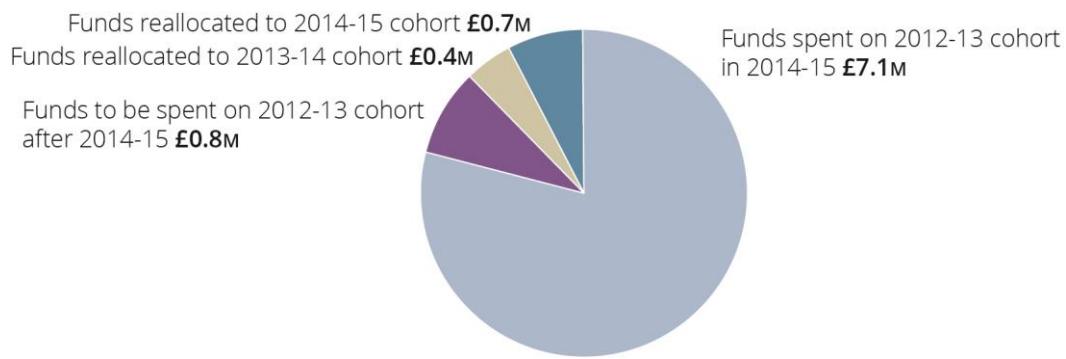
**Figure 31: How institutions delivered NSP awards to the 2013-14 cohort in 2014-15, and planned subsequent years' spending**



#### NSP spending on the 2012-13 cohort in 2014-15

91. Of the £8.4 million carried forward from the 2013-14 academic year to spend on the 2012-13 cohort in subsequent years, over £7.1 million was spent on this cohort in 2014-15. As Figure 32 demonstrates, an additional £0.8 million was carried forward to spend on the 2012-13 cohort after the 2014-15 academic year, while £0.4 million was reallocated to the 2013-14 cohort and £0.7 million to the 2014-15 cohort to be spent in the 2014-15 academic year. This totals more than the £8.4 million carried forward, as some institutions chose to spend more than originally planned.

**Figure 32: Breakdown of plans for NSP funds carried forward from 2013-14 to spend on the 2012-13 cohort**



92. A total of 4,652 students from the 2012-13 cohort received the NSP in 2014-15, of whom 4,602 were full-time and 50 part-time. This equates to an FTE of approximately 4,637.

93. Institutions were asked to outline the method of delivery for their NSP awards in 2014-15 and subsequent years for the 2012-13 cohort. As for the 2013-14 cohort, the most popular method of delivery was fee waivers or discounts (72 per cent of expenditure). The second most

popular method of delivery, in terms of expenditure, was financial scholarships and bursaries (15 per cent) followed by discounted accommodation or similar institutional services (13 per cent). The breakdown of expenditure is shown in Figure 33.

**Figure 33: How institutions delivered NSP awards to the 2012-13 cohort in 2014-15, and planned subsequent years' spending**



## Conclusion

94. The NSP monitoring information provided by institutions for this report enables HEFCE to understand the HE sector's contribution to the National Scholarship Programme across the three-year duration of the programme. Over 131,500 students benefitted from the national programme and a total of £503 million was spent through the scheme. The government funding of £196.5 million was able to attract institutional matched funding of £306.5 million, for the greater benefit of students. The large sector investment in the NSP over the three years of the programme demonstrates institutional commitment to providing financial support to students across the student lifecycle.

95. The final report of the external evaluation of the NSP, undertaken by CFE Research and Edge Hill University, demonstrated that the NSP succeeded in its aim to provide financial support to students from disadvantaged backgrounds. The research suggests that the NSP complemented existing forms of support, and generally did not duplicate existing financial aid or displace other WP activity.

96. Overall, the evaluation of the NSP found that students and institutions supported the idea that the NSP and financial support in general could play a role in supporting student success. Financial support can positively enhance the student experience and student wellbeing, by reducing the need for paid employment and enabling students to participate in social and enrichment activities like internships, extracurricular clubs and volunteering.

## Annex A: Glossary

**Access agreement:** A document written by an institution as a condition of charging higher than the basic fee. An access agreement sets out:

- how the institution intends to protect and promote fair access to higher education for people from lower income backgrounds and other groups that are currently under-represented at the institution
- the tuition fees it intends to charge
- the milestones and objectives the institution chooses to use to monitor its progress in improving access
- working estimates of the higher fee income it expects to receive and to spend on access measures.

Access agreements must be approved and monitored by OFFA.

**Full-time equivalent (FTE):** For comparison purposes, numbers of students are converted to full-time equivalents. This is because a direct headcount can be a poor indication of the actual volume of activity.

**Further education college (FEC):** In this context, 'FEC' refers to further education colleges or sixth form colleges which receive HEFCE funding. (See also **Institutions**.)

**Hardship:** Institutions may provide information, advice and guidance for students with ongoing financial problems; and financial support for students in unexpected hardship that might impact on their participation in higher education, in the form of grants or loans for general living costs (such as rent, food, utilities and childcare) and course-related costs (such as books, materials and travel).

**Higher education (HE):** Programmes leading to qualifications, or to credits which can be counted towards qualifications, which are above the standard of GCE A-levels or other Level 3 qualifications.

**Higher Education Funding Council for England (HEFCE):** HEFCE funds and regulates universities and colleges in England. For more information see [www.hefce.ac.uk](http://www.hefce.ac.uk).

**Higher education institution (HEI):** In this context 'HEI' refers to a HEFCE-funded university or higher education college. (See also **Institutions**.)

**Higher fee income:** Income from fees above the basic level. For example, if an institution charged the maximum fee of £9,000 for full-time undergraduates in 2013-14, when the basic fee was £6,000, its 'higher fee income per student' will have been £3,000 ( $\text{£9,000} - \text{£6,000} = \text{£3,000}$ ).

**Institutions:** The wide variety of institutions, mostly universities and colleges, that HEFCE funds to deliver higher education courses and qualifications. For the purposes of our monitoring, we divide them into two categories – see **Higher education institution** and **Further education college**.

**National Scholarship Programme (NSP):** A financial award scheme which ran in academic years 2012-13 to 2014-15. It was designed to benefit students from disadvantaged backgrounds as they began their studies, and was administered by HEFCE on behalf of the Government. In

2014-15, each award was a minimum £2,000 pro rata in the first year of study. Participating higher education providers received a government allocation, which was matched by those providers charging higher level fees ('matched funding'). Institutions charging basic fees were not required to provide matched funding. Additional funding could be allocated by any institution on top of the minimum match.

**OFFA-countable funding:** This is funding from higher fee income – see **Higher fee income**.

**Office for Fair Access (OFFA):** The independent regulator of fair access to higher education in England. Its role is to promote and safeguard fair access to higher education for people from lower-income and other under-represented backgrounds. For more information see [www.offa.org.uk](http://www.offa.org.uk).

**Other sources of funding:** This includes fee income over and above that included in access agreements, other HEFCE teaching funding, and external sources such as charitable funds or funds from other organisations.

**Outreach:** Any activity that involves raising aspirations and attainment among potential applicants from under-represented groups and encouraging them to apply to higher education. This includes outreach directed at young or mature students aspiring to full- or part-time study.

**Participation of local areas (POLAR):** This classification groups areas across the UK, based on the proportion of the young population that participates in higher education. POLAR3 is the latest iteration of this classification. For more information see [www.hefce.ac.uk/analysis/yp/POLAR/](http://www.hefce.ac.uk/analysis/yp/POLAR/).

**Progression:** To ensure that widening participation encompasses the whole student lifecycle, we are interested in understanding how institutions support undergraduate students from disadvantaged backgrounds to progress beyond their courses to employment or postgraduate study. Support for progression encompasses a wide variety of activities such as support for internships, help with interview skills and embedding employability into the curriculum.

**Student Opportunity allocation (SOA):** Public funding delivered through HEFCE to higher education institutions and further education colleges. In 2014-15, the Student Opportunity allocation totalled £348.6 million. It comprised the following elements:

- £65.5 million to recognise the extra costs associated with recruiting and supporting students from disadvantaged backgrounds currently under-represented in higher education
- £14.9 million to widen access and improve provision for disabled students
- £268.2 million to improve the retention of students most at risk of not completing.

**Student success:** Institutions work to retain and support students from disadvantaged backgrounds through their studies and on to successful outcomes in work or further study, through approaches such as induction programmes, study skills support, curriculum development and mentoring of students by people working in the professions.

**Tariff scores:** We group higher education institutions according to the average tariff scores of their young UK-domiciled undergraduate entrants. The average tariff score considers all entrants who are under 21 when they begin their studies and hold Level 3 qualifications subject to the UCAS tariff. Institutions in the top third of the ranking by average tariff score are said to have 'high average tariff scores', and those in the bottom third have 'low average tariff scores'.

**Under-represented groups:** This refers to groups who are currently under-represented in higher education compared with their representation in wider society, such as:

- people from lower socio-economic groups or from neighbourhoods where higher education participation is low
- people from low-income backgrounds
- disabled people
- people who have been in care.

**Widening participation (WP):** Policies and activities designed to ensure that all those with the potential to benefit from higher education have the opportunity to do so, whatever their background and whenever they need it.

## Annex B: Total sector expenditure on widening participation activity and hardship for 2014-15

The table below represents the base data used in Figures 2 to 10.

<b>Table 3a – Activity expenditure</b>		
<b>Activity type</b>	<b>Category</b>	<b>Expenditure on activity (£m)</b>
Access activity	Outreach work with schools and young people	124.7
	Outreach work with communities and adults	35.5
	Outreach work with disabled students	6.3
	Strategic partnerships with schools	8.1
	WP staffing and administration	45.9
	<b>Total access expenditure</b>	220.5
	<b>HEFCE SOA</b>	72.6
	<b>OFFA-countable funding</b>	104.5
	<b>Other funding</b>	43.4
Student success activity	Support for current students (academic and pastoral)	447.0
	Support for disabled students	55.6
	WP staffing and administration	31.2
	<b>Total student success expenditure</b>	533.8
	<b>HEFCE SOA</b>	221.7
	<b>OFFA-countable funding</b>	96.9
	<b>Other funding</b>	215.2
Progression activity	Support for progression from HE (into employment or postgraduate study)	68.9
	Support for progression from HE (into employment or postgraduate study) of disabled students	5.2
	WP staffing and administration	13.7
	<b>Total progression expenditure</b>	87.8
	<b>HEFCE SOA</b>	36.8

	<b>OFFA-countable funding</b>	29.9
	<b>Other funding</b>	21.2
<b>Total activity expenditure</b>		842.2
<b>of which uses HEFCE SOA</b>		331.1
<b>of which uses OFFA-countable funding</b>		231.3
<b>of which uses other funding</b>		279.8

**Table 3b – Hardship expenditure**

<b>Hardship</b>	Support for students in hardship	33.7
	WP staffing and administration	3.8
	<b>Total hardship expenditure</b>	37.5
	<b>HEFCE SOA</b>	14.4
	<b>OFFA-countable funding</b>	15.3
	<b>Other funding</b>	7.8

**Table 3c – Total WP activity expenditure and hardship expenditure summary**

<b>Total WP activity expenditure and hardship expenditure</b>	879.7
<b>of which uses HEFCE SOA</b>	345.5
<b>of which uses OFFA-countable funding</b>	246.6
<b>of which uses other funding</b>	287.6

**Table 3d – Collaborative activity**

Please report on all expenditure on WP activity that was delivered collaboratively. By collaborative activity, we do not just mean collaboration between providers of higher education. We would normally expect collaborative activity to include many stakeholders rather than be between a single HEI and schools, colleges or other stakeholders receiving outreach, but collaboration could be formed in a number of ways, for example between one HEI and several FECs, other higher education providers, employers, third sector organisations, schools, colleges, training providers, local authorities and so on.	
How much of the expenditure reported above was spent on collaborative activity? (estimate an amount (£m) )	33.5

Notes: 'WP' = 'widening participation'; 'SOA' = 'Student Opportunity allocation'; 'OFFA' = 'Office for Fair Access'; 'HE' = 'higher education'; 'HEI' = 'higher education institution'; 'FEC' = 'further education college'.

## Annex C: Total widening participation expenditure for 2014-15, by institutional group (£)

The tables below represent the base data used in Figures 11 to 22.

Institutional group*	Access activity								
	Outreach work with schools and young people	Outreach work with communities and adults	Outreach work with disabled students	Strategic partnerships with schools	WP staffing and administration	Total access expenditure	of which HEFCE SOA	of which OFFA-countable funding	of which other funding
Specialist HEIs	9,034,105	11,964,898	966,251	845,079	4,267,909	27,078,242	11,933,309	10,761,258	4,383,675
HEIs with high average tariff scores	43,465,530	5,534,059	909,248	949,990	14,501,363	65,360,189	7,876,497	45,479,802	12,003,891
HEIs with medium average tariff scores	31,951,406	7,432,312	1,300,017	2,842,638	9,096,864	52,623,237	18,665,353	26,458,841	7,499,043
HEIs with low average tariff scores	34,550,348	6,701,479	2,440,189	2,556,048	14,026,689	60,274,753	24,674,765	20,397,631	15,202,358
FECs	5,693,910	3,895,393	706,537	883,175	4,027,883	15,206,899	9,476,635	1,445,249	4,285,015
<b>Total</b>	<b>124,695,299</b>	<b>35,528,141</b>	<b>6,322,242</b>	<b>8,076,931</b>	<b>45,920,707</b>	<b>220,543,320</b>	<b>72,626,558</b>	<b>104,542,781</b>	<b>43,373,982</b>

Student success activity							
Institutional group	Support for current students (academic and pastoral)	Support for disabled students	WP staffing and administration	Total student success expenditure	of which HEFCE SOA	of which OFFA-countable funding	of which other funding
Specialist HEIs	41,510,595	9,026,056	3,154,065	53,690,717	39,898,933	5,803,512	7,988,272
HEIs with high average tariff scores	28,597,039	10,793,506	3,250,197	42,640,741	14,983,511	17,831,791	9,825,439
HEIs with medium average tariff scores	128,040,005	15,316,228	9,431,030	152,787,263	69,310,663	38,496,020	44,980,580
HEIs with low average tariff scores	226,677,897	17,239,191	10,188,063	254,105,151	76,763,780	33,076,197	144,265,174
FECs	22,195,644	3,204,248	5,187,536	30,587,429	20,735,290	1,737,301	8,114,838
<b>Total</b>	<b>447,021,181</b>	<b>55,579,229</b>	<b>31,210,891</b>	<b>533,811,302</b>	<b>221,692,177</b>	<b>96,944,821</b>	<b>215,174,304</b>

Progression activity							
Institutional group	Support for progression from HE (into employment or postgraduate study)	Support for progression from HE (into employment or postgraduate study) of disabled students	WP staffing and administration	Total progression expenditure	of which HEFCE SOA	of which OFFA-countable funding	of which other funding
Specialist HEIs	3,376,650	501,027	873,981	4,751,658	2,560,235	1,544,295	647,128
HEIs with high average tariff scores	12,889,077	770,851	1,132,279	14,792,206	3,536,448	6,510,138	4,745,620
HEIs with medium average tariff scores	29,523,528	1,854,287	4,761,157	36,138,972	15,253,416	11,686,981	9,198,575
HEIs with low average tariff scores	20,608,816	1,519,353	5,563,827	27,691,996	12,088,416	9,760,084	5,843,496
FECs	2,542,875	573,237	1,350,355	4,466,468	3,315,285	420,673	730,510
<b>Total</b>	<b>68,940,946</b>	<b>5,218,756</b>	<b>13,681,599</b>	<b>87,841,300</b>	<b>36,753,801</b>	<b>29,922,171</b>	<b>21,165,328</b>

Hardship						
Institutional group	Support for students in hardship	WP staffing and administration	Total hardship expenditure	of which HEFCE SOA	of which OFFA-countable funding	of uses other funding
Specialist HEIs	6,521,232	350,737	6,871,969	1,130,615	1,392,088	4,349,266
HEIs with high average tariff scores	4,705,520	337,162	5,042,682	1,559,501	2,484,930	998,251
HEIs with medium average tariff scores	11,517,710	1,035,152	12,552,861	4,554,111	6,932,681	1,066,070
HEIs with low average tariff scores	8,712,557	1,318,133	10,030,690	5,230,477	3,995,321	804,892
FECs	2,241,444	745,562	2,987,007	1,964,916	460,995	561,097
<b>Total</b>	<b>33,698,463</b>	<b>3,786,746</b>	<b>37,485,209</b>	<b>14,439,619</b>	<b>15,266,014</b>	<b>7,779,576</b>

<b>Total WP activity expenditure and hardship expenditure</b>				
<b>Institutional group</b>	<b>Total WP activity expenditure and hardship expenditure</b>	<b>of which HEFCE SOA</b>	<b>of which OFFA-countable funding</b>	<b>of which other funding</b>
Specialist HEIs	92,392,585	55,523,092	19,501,153	17,368,340
HEIs with high average tariff scores	127,835,819	27,955,957	72,306,661	27,573,201
HEIs with medium average tariff scores	254,102,334	107,783,543	83,574,523	62,744,267
HEIs with low average tariff scores	352,102,591	118,757,437	67,229,233	166,115,921
FECs	53,247,802	35,492,126	4,064,217	13,691,460
<b>Total</b>	<b>879,681,131</b>	<b>345,512,155</b>	<b>246,675,787</b>	<b>287,493,190</b>

Note: 'WP' = 'widening participation'; 'SOA' = 'Student Opportunity allocation'; 'HEI' = 'higher education institution'; 'FEC' = 'further education college'.

Institutions have been grouped using the average tariff score of their UK-domiciled undergraduate entrants under 21 in the 2012-13, 2013-14 and 2014-15 academic years. Specialist institutions (where at least 60 per cent of provision is concentrated in one or two subjects) were initially identified, and the remaining institutions were ranked by average tariff score, then grouped into thirds.

## **Annex D: Supplementary information on the National Scholarship Programme for 2014-15**

### **Most popular institutional criteria**

1. Institutions were able to use criteria to determine eligibility for National Scholarship Programme (NSP) awards, to sit beneath the national criteria. Table D1 lists the most commonly used criteria, with how many institutions used each one, and how many of those used it as a mandatory criterion.

**Table D1 Additional criteria used by institutions to determine NSP eligibility in 2014-15**

<b>National and institutional criteria</b>			
<b>Institutional criterion category</b>	<b>Number of institutions using this category</b>	<b>Number of institutions where this criterion was mandatory</b>	<b>Percentage of institutions using this criterion</b>
Care leaver	85	4	29.2%
Income-related	54	34	18.6%
Disability	47	3	16.2%
Achievement related	42	21	14.4%
POLAR or low-participation neighbourhood	34	7	11.7%
First generation in higher education	28	9	9.6%
In receipt of other benefits	24	6	8.2%
School or college	24	9	8.2%
Full-time vs part-time	23	19	7.9%
Resident in England	23	21	7.9%
Financial need	18	7	6.2%
Timely application	18	13	6.2%
Firm choice	17	11	5.8%
Tuition fee	17	15	5.8%
Commitment to study	16	12	5.5%
Socio-economic group	15	2	5.2%
Progression at institution	14	1	4.8%
Carer	13	1	4.5%
Proximity or location	11	4	3.8%

Refugee	11	0	3.8%
Age	10	1	3.4%
Course-based	10	2	3.4%
Ethnic minority group	10	0	3.4%
Access to higher education	9	0	3.1%
Travellers	7	0	2.4%
Written assessment	7	3	2.4%
Accommodation	6	3	2.1%
Engagement in outreach activity	5	1	1.7%
Good ambassador	1	1	0.3%
Other (criterion in addition to the above)	42	21	14.4%

## Individualised data

2. HEFCE collected individualised data from institutions, which provides information on the characteristics of students who received the NSP in 2014-15. Individualised data was collected for all cohorts (2014-15, 2013-14 and 2012-13) who were receiving funding in 2014-15.

3. Where the numbers of students in the following categories do not sum to the total number of 2014-15 NSP recipients (72,333), 2013-14 NSP recipients (16,240) or 2012-13 NSP recipients (4,652), this is because some of them could not be matched to the sources of individualised data (which are the Higher Education Statistics Agency Student Record and the Skills Funding Agency Individualised Learner Record).

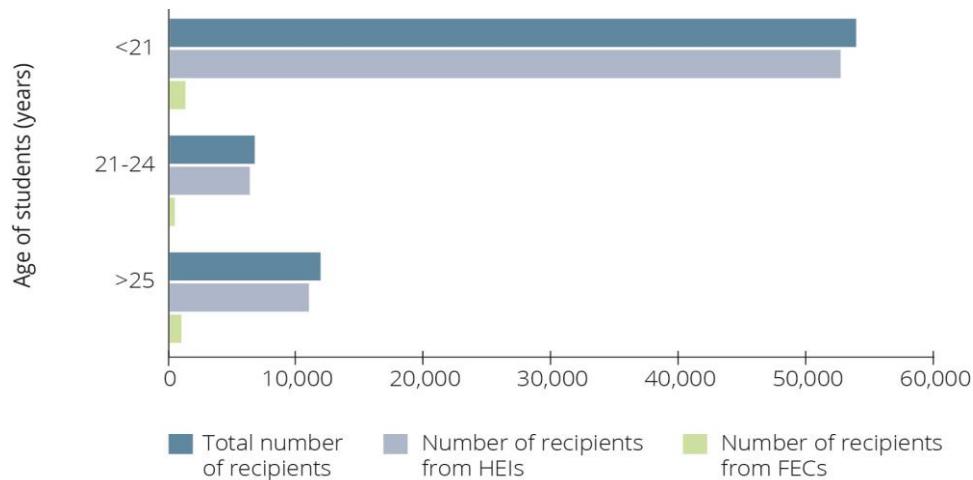
### Age

4. Comparing the age of 2014-15 NSP recipients, the vast majority in both higher education institutions (HEIs) and further education colleges (FECs) were under 21 (see Figure D1), with students over 25 years old forming the second largest group<sup>17</sup>.

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<sup>17</sup> The age used in this analysis is the student's age at the beginning of the academic year for their respective cohort. For the 2014-15 cohort, this is 1 August 2014, for the 2013-14 cohort 1 August 2013, and for the 2012-13 cohort 1 August 2012.

**Figure D1: Age of NSP recipients from 2014-15 cohort**

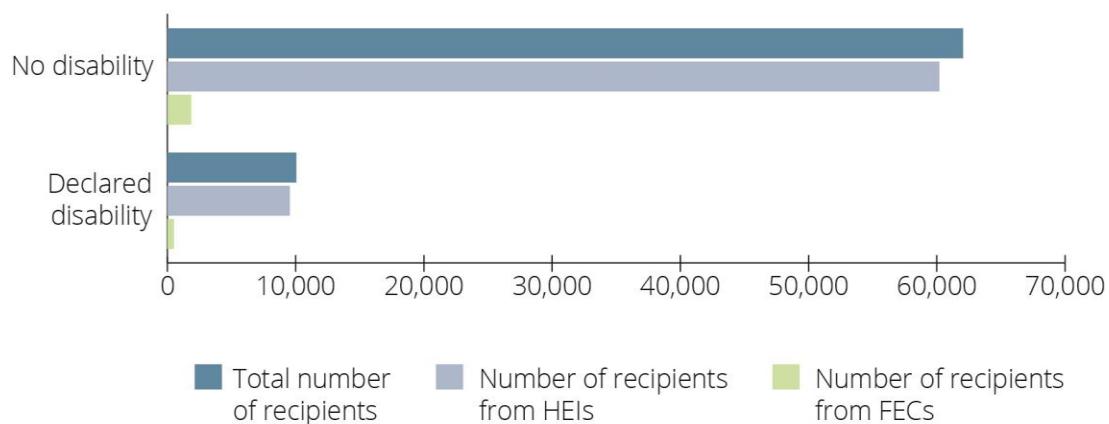


5. The age range of 2013-14 and 2012-13 NSP recipients follows the same pattern, with the majority of students under 21 and students over 25 years old forming the second largest group by a small margin.

#### Disability status

6. Institutions chose to make awards to students declaring a disability by making this a criterion in their award scheme. Disability was used as an institutional criterion by 47 institutions. As Figure D2 demonstrates, Higher Education Statistics Agency records and Individualised Learner Records show that overall 14 per cent of 2014-15 recipients (10,049 students) receiving the NSP were listed as having a declared disability (9,543 in HEIs and 506 in FECs).

**Figure D2: Disability status of NSP recipients from 2014-15 cohort**



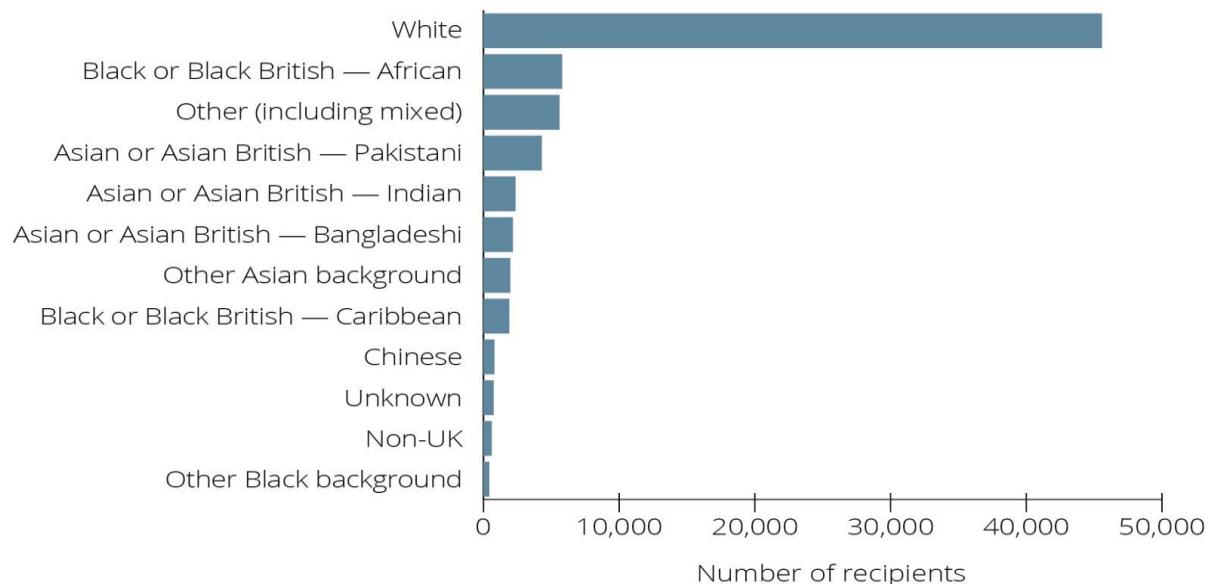
7. A similar percentage of students in the 2013-14 cohort (14 per cent, 2,253 students) and the 2012-13 cohort (15 per cent, 683 students) were listed as having a declared disability in 2014-15.

#### Ethnicity

8. Comparing the ethnicity characteristics of the 2014-15 NSP recipients, Figure D3 shows the majority of recipients were classified as 'White' (63.1 per cent). The next highest

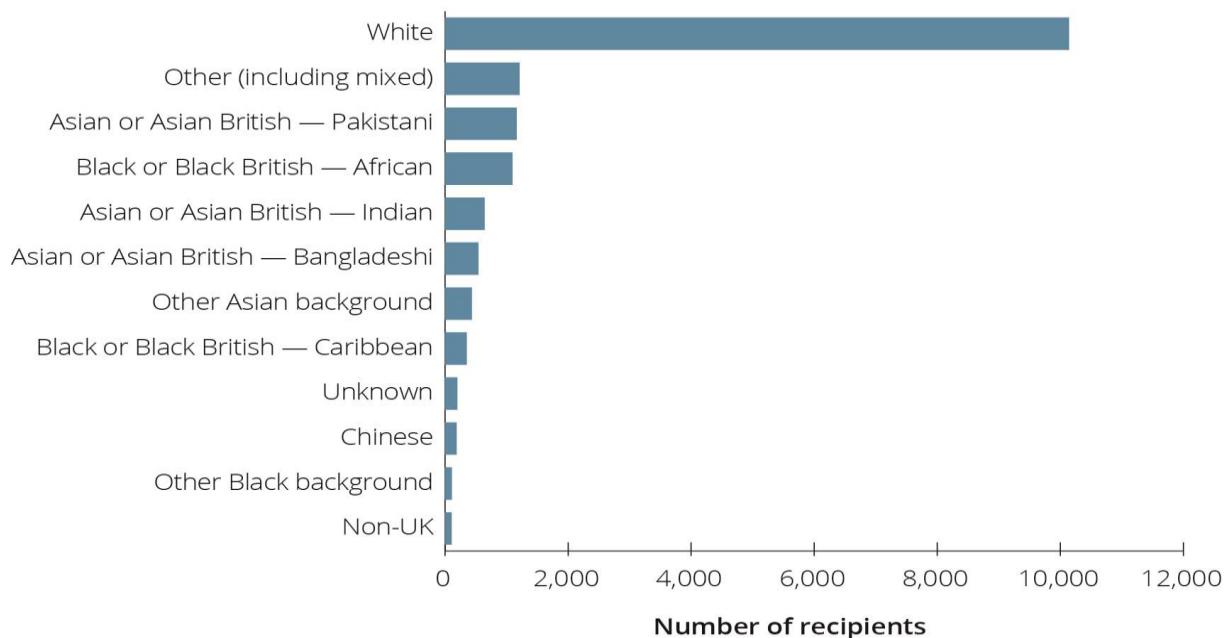
representation was the category of 'Black or Black British – African' (8 per cent), followed consecutively by 'Other – including mixed' (7.8 per cent) and 'Asian or Asian British – Pakistani' (5.9 per cent).

**Figure D3: Ethnicity of NSP recipients from 2014-15 cohort**



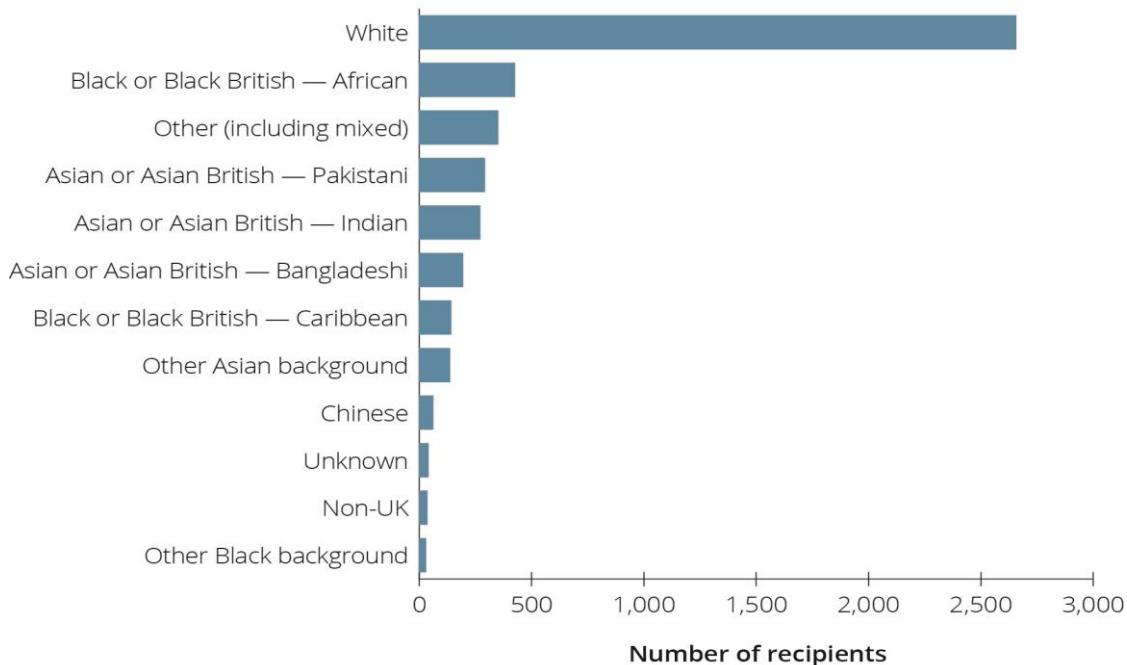
9. The ethnicity characteristics of the 2013-14 NSP recipients follow a similar pattern to those of the 2014-15 cohort (Figure D4) in that the majority are classified as 'White' (62.6 per cent). However, a slight difference in position is demonstrated in the three highest represented groups, with 'Other (including mixed)' (7.5 per cent) the second most represented group, followed by 'Asian or Asian British – Pakistani' (7.2 per cent) and 'Black or Black British – African' (6.8 per cent) respectively.

**Figure D4: Ethnicity of NSP recipients from 2013-14 cohort**



10. Figure D5 demonstrates that the ethnicity characteristics of the 2012-13 NSP recipients follow a similar pattern to those of the 2014-15 cohort, in that the majority are classified as 'White' (57.1 per cent). The next highest representation was the category of 'Black or Black British – African' (9.2 per cent), followed consecutively by 'Other – including mixed' (7.6 per cent) and 'Asian or Asian British – Pakistani' (6.3 per cent).

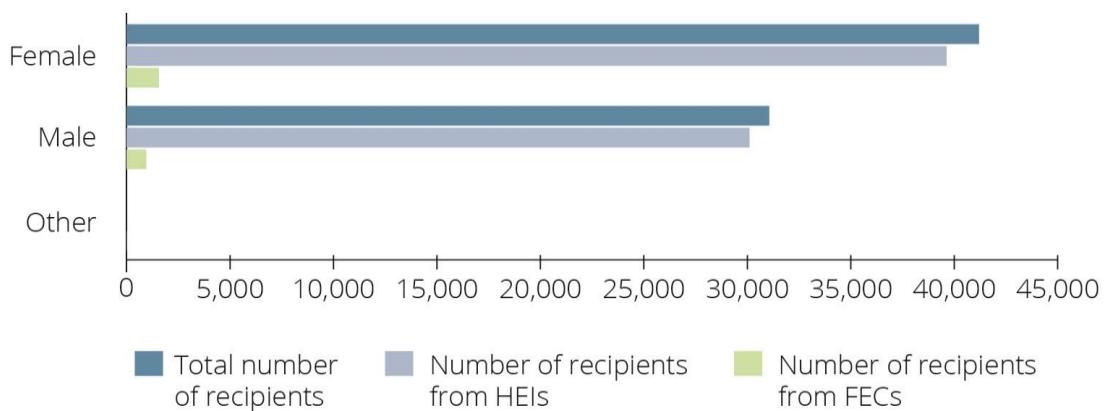
**Figure D5: Ethnicity of NSP recipients from 2012-13 cohort**



### Sex

11. As Figure D6 shows, over 56 per cent of all 2014-15 NSP recipients were female. Female students were in the majority at both FECs and HEIs.

**Figure D6: Sex of NSP recipients from 2014-15 cohort**



12. Similarly, for both the 2013-14 (57 per cent) and 2012-13 (58 per cent) cohorts, the majority of NSP recipients in subsequent years were female.

### Country of domicile

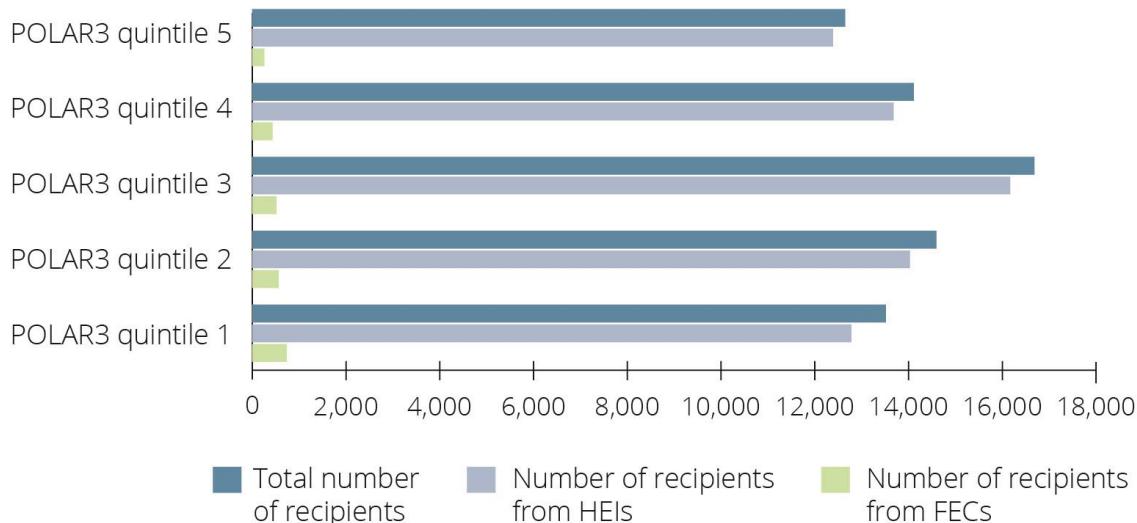
13. The NSP can be awarded to students from England and the European Union (EU) (EU students do not receive the bursary or discounted accommodation options, but are entitled to receive the full £2,000 of the award as a fee waiver). In the 2014-15 cohort, the majority of NSP recipients were domiciled in England (99 per cent), with 492 EU students (0.7 per cent) awarded the NSP.

14. A similar pattern persists for the 2013-14 and 2012-13 cohort in 2014-15: the majority of NSP recipients were domiciled in England (99.2 per cent for 2013-14 cohort and 99.1 per cent for 2012-13 cohort). 100 (0.6 per cent) NSP awards were allocated to EU students in the 2013-14 cohort and 35 (0.8 per cent) to the 2012-13 cohort respectively.

### POLAR quintile

15. The Participation of Local Areas (POLAR) measure<sup>18</sup> was used by 34 institutions as an additional criterion for NSP eligibility, with seven making it a mandatory criterion. As shown in Figure D7, the number of 2014-15 students receiving the NSP is within 6 percentage points across all POLAR quintiles, with the most in quintile 3 (23.1 per cent) and the fewest in quintile 5 (17.5 per cent).

**Figure D7: POLAR3 quintile data for NSP recipients from 2014-15 cohort**



16. POLAR is a measure of the number of young people participating in higher education in a small geographical area; it is not an individual measure of deprivation. For example, we know that there are students living in POLAR quintile 5 areas (those with the highest youth participation in higher education) whose households have a residual annual income of less than £25,000. Therefore HEFCE strongly recommends that POLAR data should not be used as the only or main mandatory institutional criterion for awarding the NSP, but it can be used in conjunction with other criteria.

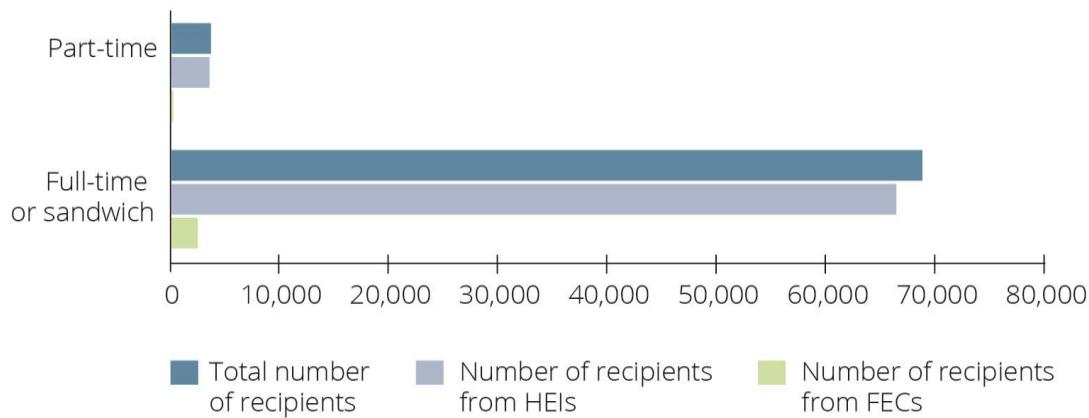
<sup>18</sup> POLAR groups small areas across the UK into five groups ('quintiles') according to their rate of young participation in higher education. Each quintile represents around 20 per cent of the young population. Quintile 1 corresponds to the most disadvantaged areas, and quintile 5 to the most advantaged. POLAR3 is the latest iteration of this classification. For further details on POLAR see [www.hefce.ac.uk/analysis/yp/POLAR/](http://www.hefce.ac.uk/analysis/yp/POLAR/).

17. A similar picture exists for both the 2013-14 and 2012-13 cohorts, with the most recipients in quintile 3 (23.2 per cent for 2013-14 and 25 per cent for 2012-13) and the fewest in quintile 5 (16.6 per cent for 2013-14 and 16.8 per cent for 2012-13).

#### Mode of study

18. The majority of NSP recipients from the 2014-15 cohort were studying at full-time intensity or on sandwich courses (95 per cent). Higher numbers of full-time students were represented at both FECs and HEIs.

**Figure D8: Mode of study for NSP recipients from 2014-15 cohort**



19. A similar picture exists for both the 2013-14 and 2012-13 cohorts, with the majority of recipients studying at full-time intensity or on sandwich courses (98 per cent for the 2013-14 cohort and 97 per cent for the 2012-13 cohort respectively).