

Office for
Students



Update to data analysis of unconditional offers

Relationship with transition to entering
higher education and continuation of
studies into the second year

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Enquiries to Maggie Smart at official.statistics@officeforstudents.org.uk

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Contents

Summary	3
Introduction	6
Unconditional offer-making	8
How has the chance that applicants experience unconditional offers changed?	8
Students entering higher education with unconditional offers	10
Unconditional offers make no difference to the likelihood of a student enrolling in higher education	10
Continuation rates are lower for those entering with unconditional offers compared with other routes	11

Summary

1. Students often apply for courses at higher education providers through UCAS, making their applications and receiving offers before their examination results are known. Unconditional offers are when, during this process, a provider guarantees students a place in higher education before their exam results are known. The proportion of students receiving unconditional offers when they apply ahead of gaining their A-level and other Level 3 qualifications has grown rapidly since 2012. In 2012, only one in every 100 18-year-olds in England received an offer with an unconditional component; by 2018, over a third of students received at least one offer with an unconditional component. UCAS has shown that holding an unconditional offer is associated with lower A-level attainment. The latest Office for Students (OfS) analysis now shows that students who accept unconditional offers are also less likely to continue into the second year of their studies.

Definitions of offers in this report

- **Conditional offers** – Provider decision to grant a place to an applicant, subject to the applicant satisfying academic and/or other criteria.
- **Conditional unconditional offers** – An offer made by a provider which is originally stated as being conditional, then is converted to an unconditional offer once the applicant selects that offer as their first (firm) choice. These offers are identified in the admissions system through free text fields that providers can use to communicate any additional information to applicants.
- **Unconditional offers** – Provider decision to grant a place to an applicant that is not subject to the applicant satisfying academic and/or other criteria. Based on the offer status at 30 June application deadline. Unconditional offers include conditional unconditional offers that were selected as the applicant's firm choice.
- **Unconditional unconditional offers** – Unconditional offers that have not been identified as conditional unconditional offers.
- **Offers with an unconditional component** – Offers with an unconditional component cover all unconditional offers plus conditional unconditional offers that the applicant does not select as their firm choice.

2. In January 2019, the OfS published 'Data analysis of unconditional offer-making' alongside the insight brief 'Unconditional offers: Serving the interests of students?'¹. The data analysis report showed how unconditional offer-making had grown and took a first look at the impact on student success. UCAS has also regularly reported the trends in unconditional offer-making. The most recent UCAS update published in July 2019² showed that the number of unconditional offers continued to increase year-on-year, and the analysis in the 'End of cycle report 2018'³ showed that it has an impact on A-level attainment. UCAS also reported the number and type of unconditional offers made by each higher education provider as part of the 'End of cycle report 2018'. In November 2018, UCAS published a range of good practice resources to promote the responsible and appropriate use of unconditional offers⁴.
3. This report uses data from UCAS to examine trends in unconditional offer-making across higher education providers in England, adding data from the 2018 application cycle to the previously reported 2012 to 2017 data. For years when the higher education administrative data is available, we have tracked individual applicants into higher education and analysed their likelihood to enrol, and to continue into the second year of study. The report extends the analysis reported in January to pick up higher education activity in the 2017-18 academic year. The new data from UCAS also identifies conditional unconditional offers. These are offers that become unconditional if the applicant selects the offer as their firm (first) choice.
4. Our analysis finds that for 18-year-olds in England applying to higher education providers registered with the OfS:
 - a. Unconditional offer-making has continued to grow. In 2018, over a third of applicants had at least one offer with an unconditional component, and one in five received at least one conditional unconditional offer.
 - b. There is no evidence that applicants placed through an unconditional offer are either more or less likely to enrol the following autumn. Regardless of whether they hold an unconditional offer, between two and three per cent of applicants placed through UCAS are not identified as starting higher education in the same year, or at the intended higher education provider. This is not the case for applicants that have come through other UCAS routes such as clearing. These applicants are less likely to be identified as starting higher education, by around half a percentage point.

¹ See www.officeforstudents.org.uk/publications/unconditional-offers-serving-the-interests-of-students/

² See UCAS, 'Unconditional offers – an update for 2019 – published 30 July 2019', available at <https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-analysis-reports>

³ See UCAS, 'End of cycle report 2018 Chapter 3: Unconditional offer-making to 18-year-olds from England, Northern Ireland, and Wales', available at <https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2018-end-cycle-report>

⁴ Available at <https://www.ucas.com/providers/good-practice/unconditional-offers>

- c. A lower proportion of students who enter with unconditional offers continue with their studies after the first year, compared with students who enter with conditional offers. This difference is statistically significant based on modelling of individual students who entered in 2015-16 and 2016-17. The model included factors such as predicted entry grades, level of study, higher education provider, subject, and student characteristics.

- d. We estimate that the impact on continuation rates for entrants in 2015-16 and 2016-17 reduces the continuation rate by 0.65 percentage points once the effect of the other factors has been considered. This means that we estimate around 10 per cent rise in the non-continuation rate, and 185 fewer students who started in these years continued with their studies. Since the number of students entering higher education through unconditional offers increased by 44 per cent in 2017-18, a further 155 students are projected to not continue into the next year of study (340 students in total between 2015-16 and 2017-18 entry years). The increasing number of applicants holding unconditional offers suggests this figure is likely to increase for 2018-19 (projected estimate between 190 and 225 students) and 2019-20 (projected estimate 200 to 240 students).

Introduction

5. When 18-year-olds in England apply to higher education through the UCAS undergraduate scheme they are usually studying for Level 3 qualifications, such as A-levels. Higher education providers usually make offers to these applicants that are conditional on the results achieved later that academic year. In some cases, providers make offers without academic conditions. These are known as unconditional offers.
6. UCAS reports⁵ that unconditional offers may sometimes be made following interviews, auditions or portfolio reviews, to reduce stress placed on some applicants during the high-pressure examination period, and, in recent years, as one of a variety of approaches to attract and retain interest from students in a competitive market.
7. Since 2014, UCAS has been reporting an increase in the number of offers made with an unconditional component, including a subset of these which are conditional on the applicant selecting the offer as their firm (or first) choice (conditional unconditional offers). The most recent UCAS update published in July 2019⁵ showed that the number of unconditional offers continues to increase year-on-year, and the analysis in the 'End of cycle report 2018'⁶ showed that holding an unconditional firm choice in June has a negative impact on A-level attainment. In November 2018, UCAS published a range of good practice resources to promote the responsible and appropriate use of unconditional offers⁷.
8. At the OfS we want every student, whatever their background, to have a fulfilling experience of higher education that enriches their lives and careers. We want to understand whether this change to offer-making, and the associated reduction in A-level attainment, has had an impact on students.
9. This report extends the data analysis we reported in January 2019⁸ to include higher education data from the 2017-18 academic year, and to include the identification of conditional unconditional offers, using application data provided by UCAS. The data includes applications from English 18-year-olds applying for full-time undergraduate higher education through the UCAS undergraduate scheme in the 2012 to 2018 application cycles. We then track individuals from the UCAS data into the Higher Education Statistics Agency (HESA) and Individual Learner Record (ILR) student records. This report includes:
 - a data summary of the changes in offer-making since 2012

⁵ See UCAS, 'Unconditional offers – an update for 2019 – published 30 July 2019', available at <https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-analysis-reports>

⁶ See UCAS, 'End of cycle report 2018 Chapter 3: Unconditional offer-making to 18-year-olds from England, Northern Ireland, and Wales', available at <https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2018-end-cycle-report>

⁷ Available at <https://www.ucas.com/providers/good-practice/unconditional-offers>

⁸ See <https://www.officeforstudents.org.uk/media/dbae94df-12dc-4e90-b73d-fd464963d591/data-analysis-unconditional-offer-making.pdf> published alongside an insight brief at <https://www.officeforstudents.org.uk/publications/unconditional-offers-serving-the-interests-of-students/>

- an updated assessment of whether applicants placed through an unconditional offer are more or less likely to enter higher education as planned
 - an updated analysis of whether applicants placed through an unconditional offer are more or less likely to continue with their studies after the first year.
10. The latest HESA and ILR student record used in this analysis is for the 2017-18 academic year. This enables us to look at the continuation rates for students entering higher education in 2016-17. Students graduating in 2017-18 would have entered higher education in 2015-16 for a full-time three-year course and 2014-15 for a full-time four-year course (there are shorter and longer courses, but three and four-year courses cover most full-time undergraduate courses that 18-year-olds enter). This means that very few would have entered through an unconditional offer; therefore we have not assessed whether there is any measurable impact on degree outcomes.
11. We have defined unconditional offers in the same way as UCAS: an application submitted in the main UCAS application scheme that is recorded as unconditional on 30 June. These include conditional unconditional offers that have been selected by the applicant as firm, as well as those we describe as unconditional unconditional. Unconditional offers are a subset of offers with an unconditional component, which also include those identified as conditional unconditional offers that have not been selected by the applicant as firm. Table 1 shows how these offer types relate to each other.

Table 1: Offers with an unconditional component and how they relate to each other

Unconditional unconditional	Provider decision is 'unconditional' June 30, and the application was made in the main UCAS application scheme. UCAS has not identified that the unconditional status was conditional on selecting the application as firm.	Unconditional offer	Offer with an unconditional component
Conditional unconditional	Provider decision is 'unconditional' June 30, and the application was made in the main UCAS application scheme. UCAS identified that the unconditional status was conditional on selecting the application as firm. Applicant selected as firm (first) choice.		
	Institution decision is 'conditional' June 30, and the application was made in the main UCAS application scheme. UCAS identified that the conditional status would have been changed to unconditional if the application was selected as firm. Applicant not selected as firm (first) choice.		

12. While the UCAS reports consider applications from England, Northern Ireland and Wales applying to higher education providers across the UK, this report considers English-domiciled applicants who apply to providers registered with the OfS in England. The July 2019 UCAS report also considers more recent application data (2019 application cycle). Therefore this report draws on the trends reported by UCAS to comment on changes including 2019.

Unconditional offer-making

The number of unconditional offers has been rising rapidly since 2012, and the nature of those offers is also complex. What does this mean for potential students? Is there a different pattern once we look at it from the student perspective?

How has the chance that applicants experience unconditional offers changed?

13. The chances of an applicant holding at least one unconditional offer is much higher than the chance of an application attracting an unconditional offer. This is because each applicant can make up to five applications. Around 85 per cent of 18-year-old applicants make five choices. Table 2 reflects the status of applicants as recorded by UCAS on June 30 each year. This shows that the proportion of 18-year-olds hold at least one unconditional offer has increased rapidly. In 2012 and 2013, under 1 per cent of applicants held at least one unconditional offer, but by 2018, nearly a quarter (23.7 per cent) of applicants held at least one. The UCAS reported rates⁹ suggest that more than 24.5 per cent of applicants in 2019 held at least one unconditional offer.

Table 2: Number and proportion of English 18-year-old applicants with at least one offer or at least one unconditional offer

Year	Number of applicants	Number of applicants with at least one offer	Proportion of applicants with at least one offer	Number of applicants with at least one unconditional offer	Proportion of applicants that have at least one unconditional offer
2012	213,795	201,440	94.2%	1,680	0.8%
2013	215,930	205,330	95.1%	1,905	0.9%
2014	222,020	212,700	95.8%	9,780	4.6%
2015	230,860	222,445	96.4%	19,655	8.8%
2016	232,830	225,015	96.6%	30,610	13.6%
2017	234,570	228,575	97.4%	41,470	18.1%
2018	230,740	225,900	97.9%	53,640	23.7%

Applicants making main-scheme applications to OfS-registered providers, where the provider decision has been made at June 30

⁹ See Figure 4 UCAS July 2019 update: <https://www.ucas.com/file/250931/download?token=R8Nn7uol>

14. Not all offers with an unconditional component are recorded in the UCAS system. UCAS have identified, through free text fields that the provider uses to communicate with the applicant, evidence of conditional unconditional offers. UCAS note¹⁰ that these are the conditional unconditional offers that they can reliably identify and that there are potentially more that are not identified. Table 3 shows an increase in applicants who had at least one offer with an unconditional component (the wider set of offers that include those conditional unconditional offers where the applicant did not select the offer as their firm choice). In 2018, over a third of applicants (35.9 per cent) were holding at least one offer with an unconditional component. The UCAS reported rates¹¹ suggest that this rose above 37.6 per cent in 2019. This means that applicants in 2018 were more than five times more likely to receive at least one offer with an unconditional component than applicants in 2014.
15. The proportion of applicants with at least one conditional unconditional offer has also increased. In 2018 more than one in five applicants received an offer that would only become unconditional once the applicant selected it as their firm choice. The UCAS July 2019 report suggests that this rose to around one in four applicants in 2019.

Table 3: Number and proportion of English 18-year-old applicants with at least one offer with an unconditional component or at least one conditional unconditional offer

Year	Number of applicants with at least one offer	Number of applicants with at least one offer with an unconditional component	Proportion of applicants with at least one offer with an unconditional component	Number of applicants with at least one conditional unconditional offer	Proportion of applicants with at least one conditional unconditional offer
2012	201,440	1,680	0.8%	0	0.0%
2013	205,330	1,905	0.9%	0	0.0%
2014	212,700	14,695	6.9%	7,290	3.4%
2015	222,445	28,975	13.0%	14,195	6.4%
2016	225,015	43,925	19.5%	20,940	9.3%
2017	228,575	62,555	27.4%	35,750	15.6%
2018	225,900	81,165	35.9%	49,050	21.7%

Applicants with at least one offer from main-scheme applications to OfS-registered providers, where the provider decision has been made at June 30

¹⁰ See page 5 UCAS July 2019 update: <https://www.ucas.com/file/250931/download?token=R8Nn7uol>

¹¹ See Figure 5 UCAS July 2019 update: <https://www.ucas.com/file/250931/download?token=R8Nn7uol>

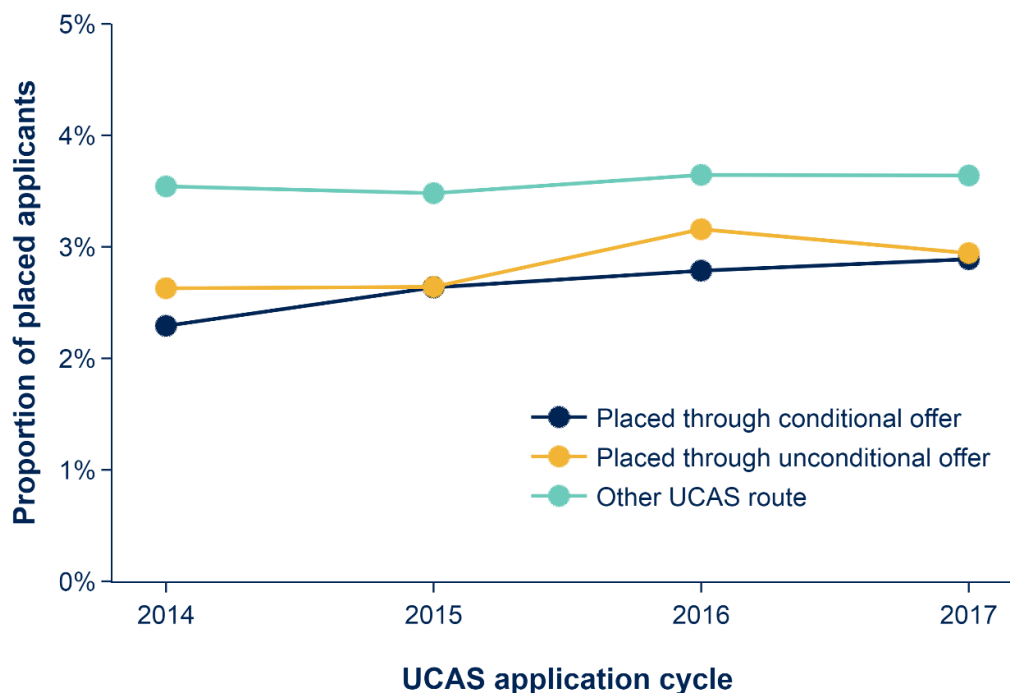
Students entering higher education with unconditional offers

Unconditional offers make no difference to the likelihood of a student enrolling in higher education

16. We can see whether the route by which an applicant is placed through UCAS has an impact on the chances of their entering higher education as planned by tracking individual applicants in the higher education administrative data. The HESA student record and ILR data for academic years up to 2017-18 were available at the time of analysis. We have used them to track UCAS applicants up to the 2017 application cycle to see whether they entered higher education.
17. Regardless of whether they had a conditional or unconditional offer a similar proportion of applicants enrol at the same provider that they were placed. Annex A¹² contains the numbers and proportions of students who entered higher education from different application routes between 2013 and 2018. Between 94 and 97 per cent of 18-year-old applicants placed through UCAS for immediate entry (not deferred) enter higher education that autumn, at the provider where they were placed. If placed through a different route, such as clearing, around one percentage point fewer students enter that autumn in the provider where they were placed.
18. Figure 1 shows that for application years since 2014, when a greater proportion of applicants have been placed through unconditional offers, there is very little difference in the proportion of applicants not identified as starting higher education between those placed through conditional and unconditional offers. However, for those applicants placed through other routes, such as clearing, around one percentage point more applicants do not appear to have entered higher education as planned. Most applicants not identified as entering higher education will indeed be doing something different. However, a small proportion will be in higher education but not identified, either because they are studying outside the UK or because the data that identifies them in the two data sources is not similar enough to be confident that they are the same person.

¹² Annexes to this document are available at: www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/

Figure 1: Proportion of UCAS-placed applicants not identified as starting higher education either at the same provider or in the same entry year



Note: English 18-year-old applicants to OfS registered higher education providers.

Continuation rates are lower for those entering with unconditional offers compared with other routes

19. One of the early signs of success in higher education is whether a student continues studying into a second year following their entry year. This is measured by continuation rates. To measure continuation rates we need data for both the year of entry and next year. This means that the most recent entrant cohort for whom we can measure continuation is the 2016-17 entrant cohort, continuing studies in 2017-18. Students are counted as continuing in higher education whether they remain at the same course at the same provider or transfer to a different course or provider.

20. Continuation rates are known to vary by level and type of entry qualification¹³. In particular, students who enter higher education with BTEC qualifications tend to have lower continuation rates than those who enter with A-level qualifications. The level of attainment is also important. If unconditional offers lead to lower attainment at A-level or BTEC this could potentially lower continuation rates.

21. UCAS reported the impact of unconditional offers on the difference between predicted and attained A-level results. This showed that, for every 100 applicants studying for three or more A-levels who were placed through an unconditional offer, an additional five missed their total predicted grades by two or more grades, relative to what might be expected if the same applicants had been placed through a conditional offer. The model used by UCAS controlled for other factors known to be associated with the difference between predicted and attained A-

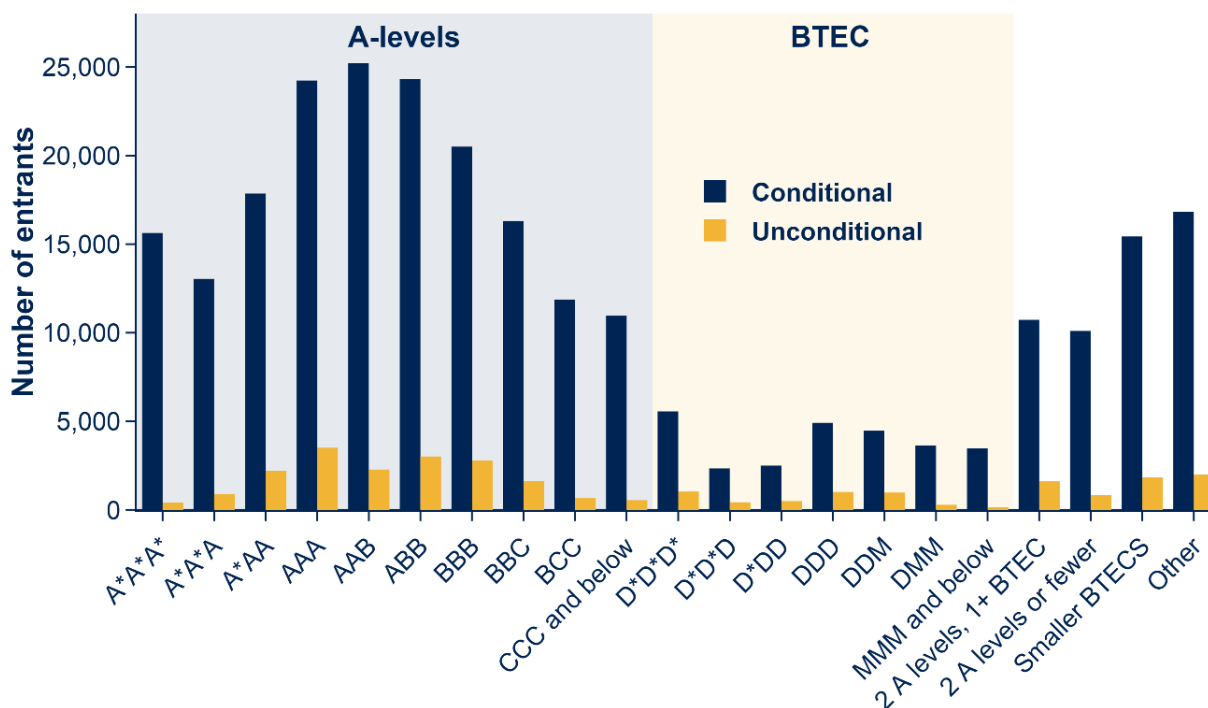
¹³ For more information see www.officeforstudents.org.uk/data-and-analysis/continuation-and-transfer-rates/

level grades, including: achieved prior GCSE attainment, applicant background (including the type of school or college they attended), the provider and subject where their firm offer was held, and the year the application was made. This implies that holding an unconditional offer is associated with attaining weaker A-level results than holding a conditional offer.

22. The size of this effect, a five percentage point difference, has remained reasonably stable throughout the recent annual increase in unconditional offer-making. Therefore, UCAS report¹⁴ that as the number of applicants holding unconditional firm offers before taking three or more A-levels increased year-on-year from around 600 in 2013 to around 20,000 in 2018, the number of young people attaining slightly weaker A-level results than would have been expected if they had held a conditional offer, increased each year from around 40 to over 1,000. These are UCAS estimates from a slightly different population, which overlaps with the population reported here.
23. This impact on Level 3 attainment may have an effect on the students' chances of success in higher education. The first indication of that would be if continuation rates into the second year of study were lower for those who entered with unconditional offers.
24. Figure 2 shows the number of students entering higher education by predicted entry qualification types and levels and each offer type. This shows that the majority of students entered through the conditional offer route in 2015-16 and 2016-17. This reflects the earlier finding that 13 per cent of applicants received at least one offer with an unconditional component in 2015-16 and 19.5 per cent in 2016-17. These rates increased to 27.9 per cent in 2017-18 and 35.9 per cent in 2018-19, so this distribution is likely to change in the future.
25. The 18-year-olds who entered higher education with a BTEC qualification were more likely to have done so through an unconditional offer than those who entered with A-levels. More than 15 per cent of those predicted to attain BTEC grades of two distinctions and a merit (DDM) or above enter higher education through an unconditional offer, compared with 8 per cent of those predicted to attain A-level grades between BBB and A*A*A*.

¹⁴ See Annex A End of cycle 2018 Unconditional offers chapter
<https://www.ucas.com/file/234561/download?token=O0tzob2H>

Figure 2: Number of entrants 2015-16 and 2016-17 for different qualification types and levels by type of offer



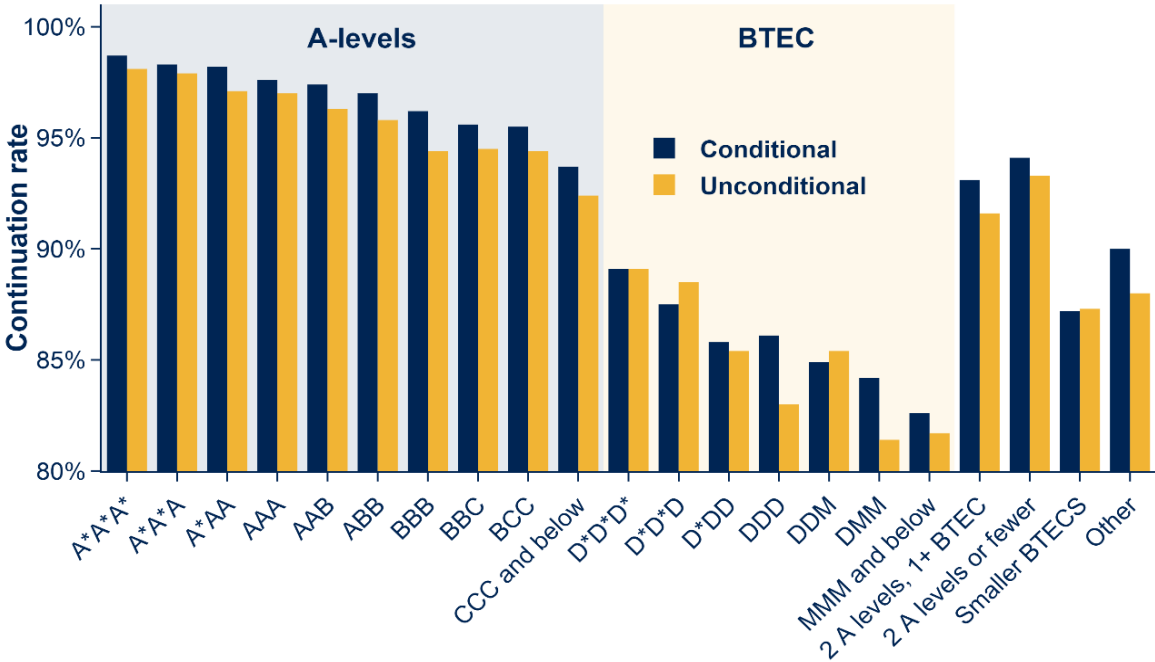
Note: English 18-year-old entrants to OfS-registered higher education providers, applicants identified as entering the same provider where they were placed through UCAS, 2015-16 and 2016-17 entrants.

26. The continuation rate for those who entered with a conditional offer is 94.5 per cent, 1.6 per cent higher than those who entered with an unconditional offer (92.9 per cent). Figure 3 shows that continuation rates are slightly lower for unconditional offer entrants at each predicted A-level attainment level, but generally much higher for entrants holding A-levels than those holding BTEC qualifications. Among BTEC entrants the continuation rates are not always lower for those who enter with unconditional offers than with conditional offers. Annex B¹⁵ shows the same chart with the continuation rate axis starting at zero to illustrate that these differences are very small relative to the high proportion of students that continue with their studies.

¹⁵ Annexes to this document are available at: www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/

Annex B shows the number of entrants and their continuation rates by entry route (conditional offer, unconditional offer, other UCAS route), by their predicted entry qualification type and level. This is for entrants in the 2015-16 and 2016-17 academic years combined, because these are the most recent two years with continuation data, and in earlier years the nature and scale of unconditional offer-making was different. We use predicted entry qualifications from the UCAS data supply rather than the qualifications on entry so that the impact on attainment is not corrected. Only those entrants who entered the same provider in the same entry year that they were placed through UCAS are reported. The two different types of unconditional offer are combined because there are too few students at some entry qualification combinations to reliably estimate continuation rates.

Figure 3: Continuation rates for different qualification types and levels by type of offer (entrants in 2015-16 and 2016-17)



Note: English 18-year-old entrants to OfS registered higher education providers, applicants identified as entering the same provider where they were placed through UCAS, 2015-16 and 2016-17 entrants.

- 27. Other factors influence the chance of continuing with study, such as the provider where the student is registered and the subject of study, and some student characteristics. To evaluate how important unconditional offers are among all these factors, we have modelled the chance of continuing in higher education.
- 28. The effect of the type of offer on the continuation rate of entrants was statistically significant. This means that, when we consider the effect of the other factors, the type of offer has a statistically significant effect on continuation rates. This is a change from the analysis we reported in January 2019 based on entry in 2014-15 and 2015-16. Then, it looked as though unconditional offers might be having an effect, but the difference was not statistically significant.

29. We estimate that the impact of unconditional offers, taking into account other factors, reduces the continuation rate by 0.65 percentage points. This roughly equates to a 10 per cent rise in the non-continuation rate¹⁶ and approximately 185 fewer students continuing with their studies who started in 2015-16 and 2016-17 combined.
30. The number of students entering higher education through unconditional offers (see Annex A) increased by 44 per cent in 2017-18. This suggests that if a similar pattern were repeated, another 155 students would not continue for that entry year. The increasing number of applicants receiving offers with an unconditional component suggests this figure is likely to increase for 2018-19 (current projected estimate between 190 and 225 students) and 2019-20 (current projected estimate between 200 and 240 students).

Table 4: Model estimated impact of unconditional offers on continuation rates

	Continuation rate	Model estimated rate	Difference between conditional and unconditional	Model estimated rate if same students had entered through conditional offers	Difference once all model factors considered
Conditional offer	94.53%	94.53%			
Unconditional offer	92.92%	92.92%	1.58 percentage points	93.56%	0.65 percentage points

Modelling notes

We used a multi-level logistic regression model based on the entrants who entered through a conditional or unconditional offer to assess whether the chance of continuing into the second year of study varies if the student enters through an unconditional offer.

The factors included in the model are those that are used in the benchmarking of continuation rates (see <https://www.officeforstudents.org.uk/data-and-analysis/continuation-and-transfer-rates/>) or in the associations between characteristics experimental statistics (see <https://www.officeforstudents.org.uk/data-and-analysis/associations-between-characteristics-of-students/>) where we have shown they have a relationship with continuation. We use predicted entry qualifications from the UCAS data supply rather than the qualifications on entry so that the impact on attainment is not corrected.

¹⁶ The model estimates a non-continuation rate of 6.44 per cent if unconditional offers were replaced with conditional offers. The recorded non-continuation rate is 7.08 per cent, therefore the increase due to unconditional offers is 0.65 percentage points (7.08 per cent – 6.44 per cent). This makes the percentage change 10 per cent (0.65 divided by 6.44).

In the 2015-16 and 2016-17 entry years there were fewer than 20 OfS-registered providers identified as making conditional unconditional offers. There may have been more, but these are the ones that UCAS have identified through free text fields that providers can use to communicate any additional information to applicants. This and the relatively small numbers of students makes a comparison of unconditional unconditional offers and conditional unconditional offers through a modelling approach unreliable for these years, so we treat all unconditional offers as one group.

The model included a random intercept for providers, meaning that the multi-level element of the model was entrants nested within providers. Other factors included as fixed effects in the model were type of offer, subject studied, year of entry, level of study, predicted entry qualifications, ethnicity, sex, disability, whether the student was a local or distance learner or not, POLAR4 and Index of Multiple Deprivation (IMD). The details of the factors used are shown in Annex C and the details of the model are shown in Annex D.¹⁷

¹⁷ Annexes to this document are available at: www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/



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